

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

B E T W E E N:

**BANK OF MONTREAL,**

Applicant,

- and -

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

Respondents.

---

**APPROVAL AND VESTING ORDER  
RIVERDALE PROPERTY**

---

**MLT AIKINS LLP**  
Barristers and Solicitors  
30<sup>th</sup> Floor – 360 Main Street  
Winnipeg, MB R3G 4G1

**J.J. BURNELL / ANJALI SANDHU**  
Phone: (204) 957-4663 / (204) 957-4760  
Fax: (204) 957-0840

File No. 0128056.00004

Box No. 3

THE KING'S BENCH  
WINNIPEG CENTRE

THE HONOURABLE

)

TUESDAY, THE 8<sup>TH</sup>

MR. JUSTICE CHARTIER

)

)

DAY OF OCTOBER, 2024

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

B E T W E E N:

**BANK OF MONTREAL**

Applicant,

- and -

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

Respondents.

**APPROVAL AND VESTING ORDER  
RIVERDALE PROPERTY**

THIS MOTION, made by BDO Canada Limited in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings, and properties of Genesus Inc. ("**Genesus**"), Can-Am Genetics Inc. ("**Can-Am**") and Genesus Genetics Inc. ("**GGI**"), and together with Genesus and Can-Am, the "**Debtors**") for an order, approving the sale transaction (the "**Riverdale Transaction**") contemplated by an agreement of purchase and sale (the "**Riverdale APA**") between the Receiver and Verbruggen Prairie Farms Ltd. ("**VPFL**"), dated September 25, 2024 and appended in a redacted form to the Third Report of the Receiver dated October 2, 2024 (the "**Third Report**") and in an unredacted form to the Confidential Supplement to the Third Report of the Receiver dated October 2, 2024, and vesting in VPFL the Debtors' right, title and interest in and to the assets described in the Riverdale APA (the "**Riverdale Purchased**

**Assets**"), was heard this day at the Law Courts Building, 408 York Avenue, Winnipeg, Manitoba.

ON READING the First Report of the Receiver dated July 2, 2024, the Second Report of the Receiver dated July 24, 2024, the Third Report, and each of the respective confidential supplements thereto and on hearing the submissions of counsel for the Receiver, counsel for the Bank of Montreal, counsel for Sea Air International Forwarders Limited, and appearing on a watching brief, counsel for Farm Credit Canada, no one appearing for any other person on the Service List, although properly served as appears from the affidavit of Brittany Chapdelaine sworn October 7, 2024, filed:

1. THIS COURT ORDERS AND DECLARES that the Riverdale Transaction is hereby approved, and the execution of the Riverdale APA by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Riverdale Transaction and for the conveyance of the Riverdale Purchased Assets to VPFL.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to VPFL substantially in the form attached as **Schedule "1"** hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Riverdale Purchased Assets described in the Riverdale APA shall vest absolutely in VPFL, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Mr. Justice Chartier pronounced June 11, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to *The Personal Property Security Act* (Manitoba) or any other personal property registry system; and (iii) those Claims listed on **Schedule "3"** hereto (all of which are collectively referred to as the

"**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "4"** and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Riverdale Purchased Assets are hereby expunged and discharged as against the Riverdale Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Winnipeg Land Titles Office ("**WLTO**") of a Transmission in the form prescribed by *The Real Property Act* (Manitoba) duly executed by VPFL, and accompanied by a certified true copy of this Order, title to the real property identified in **Schedule "2"** hereto (the "**Real Property**") shall vest in VPFL subject to all instruments registered on title at that time, other than those described in Schedule "3", and the District Registrar is hereby directed to issue title accordingly.

4. THIS COURT ORDERS that this Order shall be accepted by the District Registrar notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

5. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Riverdale Purchased Assets shall stand in the place and stead of the Riverdale Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Riverdale Purchased Assets with the same priority as they had with respect to the Riverdale Purchased Assets immediately prior to the sale, as if the Riverdale Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. THIS COURT ORDERS that, notwithstanding:

(a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

the vesting of the Riverdale Purchased Assets in VPFL pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct or action other than in good faith pursuant to any applicable federal or provincial legislation.

8. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

October \_\_\_\_, 2024

G.L. Chartier

Digitally signed by G.L.

Chartier

Date: 2024.10.10 08:08:24

-05'00'

Chartier, J.

I, ANJALI SANDHU, OF THE FIRM OF MLT AIKINS LLP HEREBY CERTIFY THAT I HAVE RECEIVED THE CONSENTS AS TO FORM OF THE FOLLOWING PARTIES:

Catherine Howden of Pitblado LLP, counsel for Bank of Montreal

Original Court Copy

Allan Herman of Waldin Barristers, counsel for Sea Air International Forwarders Limited

AS DIRECTED BY THE HONOURABLE MR. JUSTICE CHARTIER

**Schedule “1” – Form of Receiver’s Certificate**

Court 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

B E T W E E N:

**BANK OF MONTREAL**

Applicant

- and -

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

Respondents

**RECEIVER’S CERTIFICATE (RIVERDALE PROPERTY)**

**RECITALS**

A. Pursuant to an Order of the Honourable Mr. Justice Chartier of the Manitoba Court of King's Bench (the "**Court**") pronounced June 11, 2024, BDO Canada Limited was appointed as the receiver and manager (the "**Receiver**") of the assets, undertaking, and property 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 October 8, 2024, the Court approved the agreement of purchase and sale made as of September 25, 2024 (the "**Riverdale APA**") between the Receiver and Verbruggen Prairie Farms Ltd. ("**VPFL**") and provided for the vesting in VPFL of the Debtors' right, title and interest in and to the Riverdale Purchased Assets, which vesting is to be effective with respect to the Riverdale Purchased Assets upon the delivery by the Receiver to VPFL of a certificate confirming

(i) the payment by VPFL of the Purchase Price for the Riverdale Purchased Assets; (ii) that the conditions to Closing have been satisfied or waived by the Receiver and VPFL; and (iii) the Riverdale 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 Riverdale APA.

THE RECEIVER CERTIFIES the following:

1. VPFL has paid and the Receiver has received the Purchase Price for the Riverdale Purchased Assets payable on the Closing Date pursuant to the Riverdale APA;
2. The conditions to Closing the Riverdale APA have been satisfied or waived by the Receiver and VPFL; and
3. The Riverdale Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_, 2024.

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

Per: \_\_\_\_\_  
Name:  
Title:

## **Schedule “2” – The Real Property**

**Registered Owner:** CAN-AM GENETICS INC.

**Title Nos.** 1892437/2 and 1848166/2

**Legal Descriptions:**

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

and

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

### **Schedule “3” – Claims to be deleted and expunged from title to Real Property**

- Mortgage No. 1219289/2 from Genesus Inc. in the amount \$2,000,000.00
- Postponement of Rights No. 1228844/2 from Genesus Inc. in Mortgage No. 1219289 to Manitoba Agricultural Credit Corp to Mortgage No. 1227167
- Mortgage No. 1503944/2 to Bank of Montreal in the amount \$8,000,000.00
- Postponement of Rights No. 1505568/2 from Genesus Inc. to Mortgage No. 1503944/2
- Certificate of Judgment No. 1506698/2
- Notice of Appt. Of a Receiver/Mgr No. 1514009/2
- Notice of Appt. Of A Receiver/Mgr No. 1514010/2
- Caveat No. 1514011/2
- Caveat No. 1514012/2

**Schedule “4” – Permitted Encumbrances, Easements and  
Restrictive Covenants related to the Real Property**

- Caveat No. 1130601/2 from MTS Communications Inc.