

**ADMINISTRATION AGREEMENT
DRAFT [JULY 28, 2008]**

THIS AGREEMENT made effective the ____ day of _____, 2008 (the “Effective Date”).

BETWEEN:

STOMP PORK FARM LTD.
("Stomp")

OF THE FIRST PART

and
FARM CREDIT CANADA
("FCC")

OF THE SECOND PART

and
NATIONAL BANK OF CANADA
("NBC")

OF THE THIRD PART

and
[NAME OF ADMINISTRATOR]
("the Administrator")

OF THE FOURTH PART

WHEREAS:

- A. Pursuant to a Plan of Compromise and Arrangement dated July 4, 2008 (the “Plan”), Stomp intends to mortgage certain of its property in favour of an administrator on behalf of certain Affected Creditors who elect to participate in the Residual Asset Realization Pool (the “Pool”), pursuant to the terms and conditions of the Plan;
- B. Pursuant to the Plan, in the event that the Unaffected Claims shall be satisfied in their entirety before the Residual Receivables are fully collected, Stomp is to grant new security over the Residual Receivables in favour of an administrator who shall undertake to administer the security for the benefit of the Affected Creditors participating in the Pool (the “Pooled Creditors”);
- C. Stomp has prepared a mortgage and is prepared to execute that mortgage in favour of an administrator;
- D. [INSERT NAME] has consented to act as the administrator pursuant to the terms and conditions of the Plan, the Residual Asset Realization Mortgage, the Order of the Court of

Queen's Bench for Saskatchewan granted July 4, 2008 (the "Meeting Order"), and the terms and conditions of this agreement; and

- E. The terms and conditions of this Agreement have been approved by Order of the Court dated [insert] (the "Sanction Order").

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

ARTICLE 1- THE ADMINISTRATOR

Section 1.01 [INSERT NAME] Appointed Administrator

- (a) [INSERT NAME] hereby agrees to act as the Administrator for the purposes of administering the Residual Asset Realization Mortgage on behalf of the Pooled Creditors, as contemplated by subparagraph 50(c) of the Plan. [INSERT NAME] shall assume responsibility for carrying out all duties assigned to the Administrator, pursuant to the Plan.
- (b) This agreement (the "Agreement") is the Administration Agreement referenced in subparagraph 50(d) of the Plan.
- (c) This agreement does not constitute the Administrator as an agent or fiduciary in any way for any Person, (including but not being limited to any Pooled Creditor), save as may be expressly provided herein. Without limiting the generality of the foregoing, and notwithstanding any provision of this Agreement of the Plan, the Administrator:
- (i) is not precluded from, and is free to purchase any of the Residual Assets, provided that any such sale should take place in a manner consistent with the terms and conditions of this Agreement.
 - (ii) shall not, until such time as Residual Asset Proceeds or Residual Receivables Proceeds (as defined in the Plan) are paid to it, be responsible to account to any Pooled Creditor with respect to any realization upon the Residual Assets, or the Residual Receivables.

Section 1.02 Term of Appointment

- (a) The Administrator's duties shall commence on the Effective Date of this Agreement, and shall continue until the earlier of the following events:
- (i) the Administrator's duties hereunder shall be at an end, which shall occur as provided for in paragraph 68 of the Plan;
 - (ii) a Court order terminating the Administrator's appointment; or
 - (iii) the resignation of the Administrator,

- (b) The Administrator may resign by providing 30 days written notice to each of Stomp, the Senior Secured Lenders, the Pooled Creditors, and the Court.
- (c) In the event that the Administrator should tender its resignation hereunder:
 - (i) Stomp shall use its best efforts to secure the services of a replacement administrator prepared to act on the terms and conditions set forth herein;
 - (ii) Stomp shall seek a Court order providing for the appointment of the replacement administrator, or in the alternative, shall bring application for direction from the Court, such application to be returnable prior to the expiry of the thirty day notice period set forth above; and
 - (iii) The Administrator will assign the Residual Asset Realization Mortgage and any other security held by it as administrator to the replacement administrator.

Section 1.03 Reimbursement of Administrator

- (a) The Administrator shall be entitled to compensation for its efforts on behalf of the Pooled Creditors as follows:
 - (i) The Administrator shall be entitled to recover all reasonable costs (including the cost of instructing legal counsel) relating to:
 - (A) Its duties respecting the execution and registration of the Residual Asset Realization Mortgage;
 - (B) Its duties respecting any mortgage amending agreement required as a result of the resolution of Disputed Claims;
 - (C) Its duties respecting the receipt of notification of any offer received by Stomp for the purchase of any Residual Asset and the discharge or partial discharge of the Residual Asset Amendment Mortgage;
 - (D) Its duties respecting the grant of any security over the Residual Receivables by Stomp;
 - (E) Its duties respecting the discharge of any personal property security held to secure the Residual Receivables; and

the Administrator shall be entitled to require, as a precondition to executing and delivering any document provided for by this Agreement, that payment for all accrued costs and all costs anticipated to be required as up to and including the date of delivery be tendered by Stomp.

- (ii) Where the Administrator is in receipt of funds and is required to make a distribution to the Pooled Creditors:
 - (i) The Administrator shall be entitled to recover out of such funds in priority to any distribution to the Pooled Creditors, any unpaid reasonable expenses

(including the costs of its legal counsel) as they relate to the performance of the duties assigned by the Plan, including those arising from communicating with and making a distribution to the Pooled Creditors; and

- (ii) The Administrator shall be entitled to retain out of such funds as compensation for its efforts, in priority to any distribution to the Pooled Creditors, and in addition to its entitlement to a pro-rata portion of the distribution, an amount equal to 1% of the gross amount of such distribution.

Section 1.04 Liability of the Administrator

- (a) As is provided for in the Plan and in the Sanction Order, the Administrator shall not be liable to any Person (including but not limited to any Pooled Creditor) for any error in judgment, any act done or any step taken or permitted to be taken on the advice of independent counsel of its choice, or otherwise done in good faith, nor for any mistake of law or fact or anything else which it may do or refrain from doing in connection with this Agreement, or in respect of the administration of the Residual Asset Realization Mortgage, the Residual Receivables, the Residual Asset Proceeds, or the Residual Receivable Proceeds except for breach of this agreement, or willful conduct.
- (b) As is further provided for in the Plan and in the Sanction Order, upon termination of the Administrator's duties, the Administrator shall be released and discharged from any and all demands, claims, actions, causes of actions, counter-claims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person shall be entitled to assert, including without limitation, any alleged fiduciary or other duty, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Administrator Release Date in any way relating to, arising out of, or any connection with Claims, the business and affairs of Stomp, this Plan, the Administration Agreement, the Residual Asset Realization Mortgage, the Residual Receivables, the Residual Asset Proceeds, in the CCAA Proceedings to the full extent permitted by law, and all claims arising out of such actions or omission shall forever be waived and released.

ARTICLE 2 - THE SECURITY

Section 2.01 Residual Asset Realization Mortgage

- (a) The Senior Secured Lenders hereby consent to the grant by Stomp of the Residual Asset Realization Mortgage appended hereto as Schedule "A", and the registration of the Residual Asset Realization Mortgage against title to the lands referenced therein.
- (b) The Parties hereto acknowledge and agree that the Residual Asset Realization Mortgage shall be subordinate to, and rank behind all mortgage security registered by the Senior Secured Lenders against the real property referenced in the Residual Asset Realization Mortgage. For the purposes of clarity, the mortgage shall be subordinate to the

registrations made by the Senior Secured Lenders, as referenced in Schedule "B" to this Agreement.

- (c) Where there is any conflict between the Residual Asset Realization Mortgage and those portions of this Agreement regarding the priority and enforcement of the Residual Asset Realization Mortgage, this Agreement shall prevail.
- (d) Upon the final disposition of all Disputed Claims, the Administrator shall enter into a mortgage amending agreement with Stomp, as contemplated by paragraph 70 of the Plan, which mortgage amending agreement will be registered against title to the land referenced in the Residual Asset Realization Mortgage.
- (e) Notwithstanding that Stomp may be in default of its obligations under the Residual Asset Realization Mortgage, the Administrator shall not assert any rights under the Residual Asset Realization Mortgage whatsoever, until such time as all Unaffected Claims have been paid in full.
- (f) Until such time as the Unaffected Claims shall have been paid in full, the Administrator shall provide such discharges and partial discharges of the Residual Asset Realization Mortgage as are necessary to facilitate any sale of the Residual Assets by Stomp, provided that such sale takes place in accordance with the terms of the Plan and of this Agreement.
- (g) As is set out in the Residual Asset Realization Mortgage, that mortgage (if and as amended) shall secure an amount equal to the aggregate sum owing to the Pooled Creditors, and any obligation to pay by Stomp shall be limited to the proceeds of the security, such that the obligations thereunder (save for the payment of proceeds) will cease upon the sale of or realization upon the last of the Residual Assets. There will be, accordingly, no claim for any deficiency or upon the covenant to pay under the Residual Asset Realization Mortgage.

Section 2.02 Security over Residual Receivables

- (a) In the event that at such time as the Unaffected Claims are paid in full, there are Residual Receivables which not been repaid in full to Stomp, Stomp shall forthwith notify the Administrator in writing. Thereafter, Stomp will forthwith grant to the Administrator new security over the Residual Receivables for the benefit of the Pooled Creditors, as contemplated by the Plan, and shall cause registrations to be made to perfect such security in favour of the Pooled Creditors in form acceptable to the Administrator.
- (b) Upon providing notification pursuant to Section 2.02(a) above, Stomp shall also notify the Senior Secured Lenders that they are to discharge their registrations. The Senior Secured Lenders shall comply so within ten Business Days after notification.
- (c) Any security over the Residual Receivables granted by Stomp to the Administrator for the benefit of the Pooled Creditors, will, from and after the date of assignment, secure an amount equal to the aggregate sum owing to the Pooled Creditors, and any obligation to pay by Stomp shall be limited to the proceeds of the security, such that the obligations thereunder (save for the payment of proceeds) will cease upon the collection by Stomp (or by the Administrator or by Order of the Court) of the last of the Residual Receivables. There will be, accordingly, no claim for any deficiency or upon the covenant to pay.

- (d) Upon extinction of the Affected Claims of the Pooled Creditors as provided for in paragraph 68 of the Plan, the Administrator shall discharge all security registrations relating to the security held by the Administrator over the Residual Receivables.

ARTICLE 3 – SALE OF THE RESIDUAL ASSETS

Section 3.01 General Provisions Governing Sale

- (a) Stomp will work diligently to sell the Residual Assets in a timely fashion, and shall obtain a commercially reasonable price for the property, in accordance with the terms and conditions hereof.
- (b) Stomp shall conclude any sale arising from the exercise of the option (the “Option”) granted to Ivan Stomp (or his nominee) by the restructuring agreement referenced in the Restructuring Approval Order, and shall apply proceeds in accordance with the terms and conditions of that Order and the Plan.
- (c) Except as provided for by the Option, until such time as the Unaffected Claims are paid in full, Stomp may not sell any of the Residual Assets save and except with the consent of the Senior Secured Lenders.
- (d) Stomp agrees to sell the Residual Assets in a commercially reasonable manner.

Section 3.02 Public Sale of Land

- (a) In the event that Stomp should determine to sell the Residual Assets (or any part thereof) by way of a listing, Stomp shall, within 7 days of entering a listing agreement, provide written notice of the listing, the identity of the selling agent, and the listing price to the Senior Secured Lenders, and to the Administrator.
- (b) In the event that Stomp should determine to sell the Residual Assets (or any part thereof) by way of public tender:
 - (i) Stomp shall before, or within 7 days of commencing such public tender process, provide written notice to the Senior Secured Lenders and the Administrator of Stomp’s intention to sell by public tender, and the intended sale process;
 - (ii) Stomp shall not accept tenders until 30 days have passed following the date upon which advertising has commenced;
 - (iii) Stomp shall inform prospective purchasers that it reserves the right to reject any and all tenders; and
 - (iv) Stomp shall conduct the tender process in accordance with generally accepted practice, requiring tenders to be in writing and to be accompanied by a deposit of ten per cent of the offered purchase price.

- (c) In the event that the opportunity should arise for Stomp to pursue sale of the Residual Assets (or any part thereof) by exposure to the public market other than by way of a listing agreement or a public tender process (which exposure may include but is not necessarily limited to the receipt of expressions of interest arising from a listing agreement or a public tender process relating to another part of the Residual Assets, written and verbal contact by Stomp with prospective purchasers, or a request for proposals for the purchase of some or all of the Residual Assets) Stomp shall pursue such opportunities and shall take reasonable steps to notify the Senior Secured Lenders and the Administrator of its activities.
- (d) In the event that Stomp shall receive an offer as a result of exposure of the Residual Assets (or any part thereof) to the public market, otherwise than by a public tender process, and in the further event that Stomp is prepared to accept that offer (the "Proposed Offer"):
- (i) Stomp shall forthwith communicate the terms and conditions of that offer to the Senior Secured Lenders and to the Administrator;
 - (ii) Stomp shall not accept the Proposed Offer until the expiry of 3 Business Days from the time it has provided notice to the Senior Secured Lenders and the Administrator;
 - (iii) In the event that the Senior Secured Lenders or the Administrator should consider it advisable to do so, they (or any of them) may solicit or present any offer to Stomp for consideration which is as advantageous or more advantageous than the Proposed Offer, for consideration by Stomp;

and Stomp may thereafter may negotiate more advantageous terms with any offeror (including the party making the Proposed Offer and accept any offer containing such terms (or in the event that no more advantageous offer is presented, accept the Proposed Offer), and may thereafter proceed to sale.

Section 3.03 Unsolicited Offers

- (a) In the event that Stomp should receive an unsolicited offer for the Residual Assets (or any part thereof) which Stomp is prepared to accept (the "Unsolicited Offer"), Stomp shall:
- (i) Provide written notice of its intention to accept the Unsolicited Offer to the Senior Secured Lenders, to the Administrator and to each of the other Pooled Creditors in accordance with the procedures specified in this Agreement;
 - (ii) Provide, in the written notice, the essential terms of the Unsolicited Offer;
 - (iii) Advise, that the recipient is entitled to match the terms of the Unsolicited Offer, provided that the recipient delivers to Stomp within seven Business Days of service of the notice an unconditional written offer to purchase, containing the same essential terms and conditions, and delivers a deposit in the same amount as that to be deposited for the purposes of the Unsolicited Offer.
- (b) In the event that Stomp shall receive no offer to purchase from any other Pooled Creditor (including the Administrator), then, in such event, Stomp may, subject to the requirements

of Section 3.01(c), accept the Unsolicited Offer and proceed with the sale contemplated thereby.

- (c) In the event that Stomp should receive a single offer from the Administrator or any other Pooled Creditor (the "Creditor's Offer"), then, in such event, Stomp may, subject to the requirements of Section 3.01(c), accept the Creditor's Offer and proceed to the sale contemplated thereby.
- (d) In the event that Stomp should receive more than one offer from the Pooled Creditors then, in such event:
 - (i) Stomp may, in its sole discretion, negotiate with any such offeror(s), determine to proceed with the best offer resulting from such negotiations (the "Best Offer"), and so notify the Senior Secured Lenders and the Administrator; or
 - (ii) If Stomp should consider it inadvisable to conduct further negotiation, and it may determine to proceed with the offer received first in time (the "First Offer"), and so notify the Senior Secured Lenders and the Administrator;

provided that, in consideration of the Administrator's efforts on behalf of the Pooled Creditors, Stomp shall not accept an offer under Section 3.03(d) until two Business Days have passed after notice has been delivered to the Senior Secured Lenders and the Administrator, during which time the Administrator shall be entitled to match the Best Offer or the First Offer, as the case may be, in which case, Stomp shall accept the Administrator's offer and proceed with a sale on such terms to the Administrator. In any other case, Stomp may accept the Best Offer or the First Offer and proceed with the sale contemplated thereby.

Section 3.04 Administrator's Obligation to Discharge

- (a) Upon:
 - (i) Exercise of the Option as contemplated by Subsection 3.01(b);
 - (ii) Acceptance of an offer in accordance with Subsection 3.02 (b) or (d); or
 - (iii) Acceptance of an offer pursuant to Subsection 3.03 (b),(c) or (d),

Stomp shall prepare such discharge or partial discharge of the Residual Asset Realization Mortgage as may be required to close the sale, and shall provide it to the Administrator.

- (b) Upon being provided with a discharge pursuant to Subsection 3.04(a), the Administrator shall execute the discharge (or partial discharge) and return it to Stomp within seven Business Days.

ARTICLE 4 – OBLIGATIONS AFTER PAYMENT OF UNAFFECTED CLAIMS

Section 4.01 Obligations Redefined

- (a) In the event that the Unaffected Claims should be paid in full, from and after the date of such payment, no party to this Agreement shall be obliged to provide notice to the Senior Secured Lenders with respect to any proposed sale of the Residual assets, and :
 - (i) The restrictions placed on enforceability of the Residual Asset Realization Mortgage by Section 2.01(e) shall be of no further force and effect;
 - (ii) The requirement of consent of the Senior Secured Lenders set forth in Section 3.01(c) shall be of no further force and effect; and
 - (iii) Stomp may not thereafter sell any of the Residual Assets save and except with the consent of the Administrator.

ARTICLE 5 - COLLECTION OF RESIDUAL RECEIVABLES

Section 5.01 Collection Efforts by Stomp

- (a) In the event that the Administrator shall have acquired any security over the Residual Receivables, Stomp will work diligently to recover the Residual Receivables in a timely fashion.

ARTICLE 6 - APPLICATION OF PROCEEDS AND DELIVERY OF DISTRIBUTIONS

Section 6.01 Application of Proceeds

- (a) Stomp will apply Residual Asset Proceeds as provided for in paragraph 66 of the Plan. In the event that the Unaffected Claims are paid in full, payment will be made to the Administrator pursuant to the provisions of subparagraph 66(e) of the Plan.
- (b) Stomp will apply Residual Receivable Proceeds in the manner referenced in paragraph 67 of the Plan. In the event that the Unaffected claims are paid in full, payment will be made to the Administrator pursuant to the provisions of subparagraph 67(e) of the Plan.

Section 6.02 Delivery of Distributions

- (a) Where proceeds are paid to the Administrator for distribution pursuant to the Plan, such distributions shall, subject to the provisions of this Agreement relating to the remuneration and reimbursement of the Administrator, be made to the Pooled Creditors in accordance with the provisions of the Plan, which include but are not limited to subparagraphs 66(e) and 67(c).

ARTICLE 7 – DEFAULT BY STOMP

Section 7.01 Rights Upon Default

- (a) In the event that the Administrator shall no longer be subject to the prohibition on enforcement set out in Section 2.01(e), and in the further event that Stomp should be in default of its obligations under this Agreement, the Residual Asset Realization Mortgage,

or any security held over the Residual Receivables, then, in such event, the Administrator shall give Stomp written notice of such default.

- (b) In the event that written notice should have been delivered pursuant to Section 7.01(a) and Stomp should not have cured such default within 10 Business Days, then, in such event, the Administrator may proceed to enforce the Residual Asset Realization Mortgage and/or the security held over the Residual Receivables, in accordance with the terms and conditions of such security.

Section 7.02 Proceeds of Realization

- (a) In the event that the Administrator shall take realization proceedings as contemplated by Section 7.01, then in such event, the proceeds of realization shall first be applied in satisfaction of the Administrator's reasonable costs of enforcement and thereafter, shall be dealt with as if the proceeds had been paid to the Administrator for distribution in accordance with the provisions of Section 6.02.

ARTICLE 8 – ADMINISTRATIVE PROVISIONS

Section 8.01 Defined Terms

- (a) Any capitalized term contained in this Agreement shall have the definition given to it by this Agreement. In the event that a capitalized term is not defined by this Agreement, it shall have the definition given to it in the Plan.

Section 8.02 Notice

- (a) Any notice or communication required to be given in connection with this Agreement shall be delivered in accordance with the provisions of paragraph 87 of the Plan, and shall be effective as set forth therein.

Section 8.03 General

- (a) Each of the parties hereto shall do, perform, execute and deliver all acts, deeds, documents, instruments and certificates as may be necessary or desirable from time to time to give full force and effect to the provisions and intent of this Agreement.
- (b) This Agreement may be executed in several counterparts each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof.
- (c) This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Saskatchewan.
- (d) This Agreement is drawn in the singular person and shall be read and interpreted to include the plural and neuter where the context requires.

- (e) This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns.
- (f) As is provided for in the Sanction Order, any party to this Agreement may apply to the Court for direction with respect to the discharge of its rights and obligations hereunder.

IN WITNESS WHEREOF the parties hereto have executed this Agreement effective as of the day and year first above written.

STOMP PORK FARM LTD.

FARM CREDIT CANADA

Per: _____

Per: _____

NATIONAL BANK OF CANADA

[INSERT NAME]

Per: _____

Per: _____

SCHEDULE "A"

**MORTGAGE
PROVINCE OF SASKATCHEWAN**

THE LAND TITLES ACT, 2000

WHEREAS Stomp Pork Farm Ltd., a company duly incorporated under the laws of the Province of Saskatchewan, having its principal office at Leroy, Saskatchewan, (the "Mortgagor") is indebted to certain Affected Creditors more particularly set out in Schedule "A" hereto, pursuant to a Plan of Compromise and Arrangement (the "Plan") approved by order of ●, of the Court of Queen's Bench for the Province of Saskatchewan on ●, 2008 (the "Sanction Order");

AND WHEREAS the indebtedness owing to the various Affected Creditors is for the amounts attributed to each in Schedule "A", resulting in a total indebtedness in the amount of ● Dollars (\$●);

AND WHEREAS as provided for in the Plan, and in the Sanction Order, ● (the "Mortgagee"), with address at ● has been appointed as Administrator for the purposes of the Plan and this Mortgage;

AND WHEREAS by the terms of the Plan the Mortgagor, being registered as owner of an estate in fee simple in possession of the lands and premises legally described in Schedule "B" hereto (herein sometimes referred to as the "Land", "Lands" or "Mortgaged Premises"), has agreed to grant a mortgage to the Mortgagee;

NOW THEREFORE in consideration of the compromise of the claims of the Affected Creditors pursuant to the Plan the Mortgagor hereby covenants with the Mortgagee that it will pay to the Mortgagee the said sum of ● Dollars (\$●) (the "Principal Amount") of lawful money of Canada ON DEMAND in accordance with the terms and conditions of the Plan, without interest.

THE MORTGAGOR will forthwith insure and during the continuance of this security keep insured in favour of the Mortgagee, against loss or damage by fire and, as the Mortgagee may require, against loss or damage by tempest, tornado, cyclone, lightning and other risks or hazards, each and every building now on the Mortgaged Premises or which may hereafter be erected thereon, both during erection and thereafter, for the full insurable value thereof in lawful money of Canada, and will pay all premiums and sums of money necessary for such purpose as the same become due; and will forthwith assign, transfer and deliver over unto the Mortgagee the policy or policies of insurance and receipts thereto appertaining; and if the Mortgagor shall neglect to keep the said buildings or any of them insured as aforesaid, or to pay the said premiums or sums of money, or to deliver such policies and receipts or to produce to the Mortgagee at least three days before the termination of any insurance, evidence of renewal thereof, the Mortgagee shall be entitled, but shall not be obliged, to insure the said buildings or any of them; and the Mortgagor shall forthwith on the happening of any loss or damage furnish at its own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance moneys; and any insurance money received may, at the option of the Mortgagee, be applied in rebuilding, restoring, reinstating or repairing the Mortgaged Premises, or be paid to the Mortgagor or any other person appearing by the registered title to be or to have been the owner of the Mortgaged Premises, or be applied, in the sole discretion of the Mortgagee, in whole or in

part, on the mortgage debt. The policy or policies of insurance or certificate or certificates evidencing such insurance shall, to the extent applicable, show loss payable to the Mortgagee, as the Mortgagee's interest may appear, and shall have attached thereto and forming a part thereof a mortgage clause approved by the Mortgagee.

The Mortgagor shall pay as they become due all taxes, rates, assessments, levies, liens, local improvement charges and penalties (all of which are hereinafter included in the expression "annual taxes") which are now or may hereafter be imposed or charged or chargeable against or payable in respect of the Lands and also any levy or mortgage tax or principal or interest tax imposed or which may be imposed on this Mortgage or on the Mortgagee in respect of this mortgage or on the monies secured by this Mortgage or on the Lands, and all liens, charges, encumbrances and other claims which exist or arise in respect of the Lands and which have or may have or acquire priority over this Mortgage; provided that in respect of.

All buildings, erections, machinery, equipment, plant and improvements, presently or hereafter affixed to the Mortgaged Premises and all fixtures appurtenant thereto form part of the realty and of the security and shall be and are included in the expression "Mortgaged Premises".

THE MORTGAGOR ALSO COVENANTS AND AGREES WITH THE MORTGAGEE

THAT in the event of default being made in any of the covenants, agreements, provisos or stipulations expressed or implied herein:

1. The Mortgagee at its option may observe and perform or cause to be observed and performed such covenant, agreement, proviso or stipulation.
2. The Mortgagee may send or employ an inspector or agent to inspect and report upon the value, state and condition of the Mortgaged Premises and a solicitor to examine and report upon the title to the same.
3. The Mortgagee or agent of the Mortgagee may enter into possession of the Mortgaged Premises and whether in or out of possession collect the rents and profits thereof, and make any demise or lease of the said premises, or any part thereof, for such terms and period and at such rents as the Mortgagee shall think proper; and the power of sale hereunder may be exercised either before or after and subject to any such demise and lease.
4. The Mortgagee may sell and dispose of the Mortgaged Premises with or without entering into possession of the same and with or without notice to the Mortgagor or any party interested in the Mortgaged Premises; and all the rights, powers and privileges granted to or conferred upon the Mortgagee under and by virtue of any statute or by this mortgage may be exercised; and any notice may be effectually given by leaving the same with a grown-up person on the Mortgaged Premises if occupied, or by placing the same thereon, or on any part thereof, if unoccupied, or at the option of the Mortgagee by publishing the same in some newspaper published in the Province of Saskatchewan; and such notice shall be sufficient though not otherwise addressed than "To whom it may concern"; and no want of notice or publication or any other defect, impropriety or irregularity shall invalidate any sale made or purporting to be made of the Mortgaged Premises hereunder, and the Mortgagee may sell, transfer and convey any part of the Mortgaged Premises on such terms

of credit or part cash and part credit secured by contract or agreement for sale or mortgage, or otherwise, as shall appear to the Mortgagee most advantageous and for such prices as can reasonably be obtained therefore; and in the event of a sale on credit or for part cash or by conveyance or transfer and mortgage, the Mortgagee is not to be accountable for or charged with any moneys until the same shall be actually received in cash; and sales may be made from time to time of parts of the Mortgaged Premises to satisfy interest or parts of the principal overdue, leaving the principal or parts thereof to run with interest payable as aforesaid; and the Mortgagee may make any stipulations as to title or evidences or commencement of title or otherwise as the Mortgagee shall deem proper, and may buy in or rescind or vary and contract for sale; and on any sale or resale, the Mortgagee shall not be answerable for loss occasioned thereby; and for any of such purposes the Mortgagee may make and execute all agreements and assurances that the Mortgagee shall deem advisable or necessary.

5. The Mortgagee may appoint a receiver and/or a manager of the Lands and/or a receiver of the rents, profits and incomes of the Lands, or may apply to any Court of competent jurisdiction in any action, cause or proceedings brought or commenced under this Mortgage by reason of the default by the Mortgagor, for the appointment of said manager and/or receiver.
6. Nothing done in exercise of or as a result or consequence of the exercise of the power of sale granted herein shall render the Mortgagee a mortgagee in possession, nor shall the Mortgagee be charged with any monies receivable or collectible out of the Lands or any part thereof except those actually received, and except in the case of a sale of the Lands or part thereof, all monies received or collected by the Mortgagee, its agent, agents, manager or receiver, may, at the Mortgagee's option, be retained in its expense account, be used in maintaining, insuring or improving the Lands, be applied to the payment of taxes or other charges as against the Lands, or be applied on the mortgage account; it being understood that the Mortgagee shall not be liable to pay any interest on any sum or sums in its expense account.

THE MORTGAGOR ALSO COVENANTS AND AGREES WITH THE MORTGAGEE THAT:

1. The Mortgagee may at any time or times release any part or parts of the Mortgaged Premises or any other security or any surety for payment of all or any part of the moneys hereby secured, either with or without any consideration therefor, and without being accountable for the value thereof or for any moneys except those actually received by the Mortgagee, and without thereby releasing any other part of the Mortgaged Premises, any other security or surety, any other covenants or agreements herein contained, or any other liability, it being expressly agreed that notwithstanding any such release the premises, securities, sureties, covenants, agreements and liabilities remaining unreleased shall stand charged with the whole of the moneys hereby secured.
2. All proper solicitors', inspectors', valuers', and surveyors' fees, expenses and costs of and incidental to drawing and registering this Mortgage, and to valuing and examining the Lands and the title thereto, and making and maintaining this Mortgage a charge thereon,

together with all monies which the Mortgagee from time to time pays, expends or for which the Mortgagee becomes liable in performing or observing any covenant, agreement, provision or stipulation on the Mortgagor's part expressed or implied in this Mortgage, in pursuance or exercise of or in enforcing or attempting to enforce any right, power, remedy or purpose under this Mortgage or otherwise subsisting or in respect to any agreement, covenant or security collateral or in addition to this Mortgage (including, without limiting the generality of the foregoing, any proceedings in and about taking, recovering and keeping or attempting to procure possession of the Lands or any part thereof) whether the same prove abortive or not, and legal costs as between solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expense of the Mortgagee or any agent, solicitor or agent of the Mortgagee for any purpose in this Mortgage provided for, shall, except to the extent that recovery thereof is disallowed by the courts or prohibited by the laws governing the enforcement of this Mortgage and the Mortgagor's obligations hereunder, bear interest at the rate aforesaid computed from the date of payment or charging thereof (whether or not the Principal Amount or any part thereof is advanced), and with such interest shall be secured by this Mortgage and be a charge upon the Lands in favour of the Mortgagee in priority to the interest of the Mortgagor, and shall be payable on demand, or if not sooner demanded on the first ensuing date appointed for payment of interest or instalment, (and the Mortgagor covenants to pay to the Mortgagee as aforesaid) and in default of payment thereof as in this Mortgage provided the Mortgagee may in addition to all other rights and remedies exercise the power of sale expressed or implied in this Mortgage or subsisting.

3. In the event that the Mortgagor without the prior written consent of the Mortgagee, directly or indirectly sells, conveys, transfers, further encumbers or disposes of the Lands or any part thereof, or grants any option or right of first refusal to purchase the Lands or any part thereof, or any interest therein or agrees so to do, such shall constitute default under this Mortgage and the Mortgagee at its option and in its sole discretion may declare the Principal Amount and all other monies secured thereby due and payable, to the same extent as if the time for payment therefor had fully expired. No consent by the Mortgagee hereunder shall be deemed a waiver of the right to require consent to future or successive transactions.
4. No extension of time given by the Mortgagee to the Mortgagor, or to any other person, shall in any way affect or prejudice the rights of the Mortgagee against the Mortgagor or any other person liable for payment of the moneys hereby secured.
5. The Mortgagor shall not make, or permit to be made, any alterations or additions to the Mortgaged Premises or any part thereof without the consent of the Mortgagee.
6. The Mortgagee or agent of the Mortgagee may, at any time or times, and from time to time enter upon the Mortgaged Premises to inspect the Mortgaged Premises or the buildings, erections and improvements thereon.
7. The limitation period for commencing action against the Mortgagor for any breach or default under this Mortgage shall be extended to the day which is 15 years from the date upon which such breach or default occurred.

8. Wherever the singular number or the masculine gender is used in this instrument the same shall be construed as including the plural and feminine and neuter respectively where the fact or context so requires; and in any case where this mortgage is executed by more than one party all covenants and agreements herein contained shall be construed and taken as against such executing parties as joint and several, and the heirs, executors, administrators, successors and assigns of any party executing this mortgage are jointly and severally bound by the covenants, agreements, stipulations and provisos herein contained.
9. The covenants, agreements, stipulations, and provisos herein stated shall be in addition to those granted or implied by statute.
10. The Mortgagor has a good title to the Mortgaged Premises;
11. The Mortgagor has a right to mortgage the Mortgaged Premises;
12. All moneys, whether principal, interest or other moneys, payable to the Mortgagee under the terms of this mortgage shall be payable in lawful money of Canada to the Mortgagee, at the address for service of the mortgagee as designated on the first page of this mortgage or at such other place as may, for the time being, be designated by the Mortgagee.
13. As further security for the payment of all monies owing hereunder the Mortgagor assigns and agrees to assign to the Mortgagee all rents which shall now, or hereafter may become payable by reason of any tenancy or tenancies covering the Mortgaged Premises or any part thereof; and if the Mortgagor be in default in the observance or performance of any of the terms, covenants and conditions of this mortgage, then the Mortgagee shall have the right, by its agents or otherwise, to take and receive the rents thereof, and, for such purposes, the Mortgagor's name, to execute such agreements, transfers or conveyances as may be required for the purposes aforesaid, the Mortgagor hereby confirming and ratifying all things which the Mortgagee may do in connection therewith.
14. The following paragraph applies if the Mortgagor is a corporate body in which case the Mortgagor also covenants and agrees with the Mortgagee:
 - (a) That *The Land Contracts (Action) Act* of the Province of Saskatchewan shall have no application to any action as defined in *The Land Contracts (Actions) Act*, aforesaid with respect to this mortgage or any renewal, amendment or extension thereof;
 - (b) That *The Limitation of Civil Rights Act*, of the Province of Saskatchewan, shall have no application to this mortgage, any charge or other security for payment of money made, given, or created by this mortgage, or any agreement renewing, amending or extending this mortgage and shall in no way limit the rights, powers or remedies of the mortgage granted hereunder.
15. All grants, covenants, provisos and agreements, rights, powers, privileges and liabilities contained in this Mortgage shall be read and held as made by and with, granted to and imposed upon, the respective parties hereto, and their respective successors and permitted

assigns, the same as if the words heirs, executors, administrators, successors and assigns had been inscribed in all proper and necessary places.

16. All notices, requests, demands, pleadings, judicial documentation and any other communications required to be served or given by the terms of this Mortgage or by any rules of court or any statutes, by-laws or regulations of the Province of Saskatchewan and any amendments thereto, as a result of a default by the Mortgagor, including any Statement of Claim issued by the Mortgagee or a Mortgagee's Notice of Motion requesting enforcement of its rights hereunder sufficiently served or given to the party or parties to whom it is addressed if delivered or forwarded by prepaid registered mail or facsimile transmission to:

the Mortgagee:



and to

the Mortgagor:



or to such other address as either party or parties may furnish to the other, in writing, from time to time. Every such notice shall be deemed to have been received and given at the time when, in the ordinary course of transmission, it would have been delivered at the address to which it was sent. No want of notice or publication when required by this Mortgage or by any statute nor any impropriety nor irregularity shall invalidate any sale made or purported to be made under this Mortgage.

Notwithstanding anything to the contrary contained herein, the Mortgagee's recourse for repayment of the Principal Amount or any costs or other amounts incurred by the Mortgagee in respect of this Mortgage, including, without limitation, any legal fees or disbursements (collectively, with the Principal Amount, all such amounts are referred to as the "Entire Amount") incurred by the Mortgagee to enforce its rights and remedies hereunder, shall be restricted solely to the Mortgaged Premises and no recourse whatsoever shall be had or taken by the Mortgagee against the Mortgagor in respect of any deficiency in realizing the Entire Amount after sale or other disposition of the Mortgaged Premises or any covenant to pay the Principal Amount, or the Entire Amount, by the Mortgagor.

For the better securing to the Mortgagee the repayment in the matter aforesaid of the Principal Amount and other charges and moneys hereby secured, the Mortgagor does hereby mortgage to the Mortgagee all the estate and interest of the Mortgagor in the Mortgaged Premises.

This Mortgage is made under and in pursuance of *The Land Titles Act, 2000* of Saskatchewan.

IN WITNESS WHEREOF he Mortgagor has hereunto affixed its corporate seal attested to by the hand of its proper officer in that behalf this _____ day of _____, 2008.

STOMP PORK FARM LTD.

(c/s)

Per: _____

SCHEDULE "A"

**[Affected Creditors Electing into Residual Asset Realization Pool
And Their Respective _____]**

<u>Creditor</u>	<u>Amount Secured</u>	<u>Percentage of Amount Secured</u>
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SCHEDULE "B"

1. SW Sec 24 Twp 33 Rge 21 W2, Ext. 0
Surface Parcel #114003526
As described on Certificate of Title 99H08926
2. SE Sec 23 Twp 33 Rge 21 W2, Ext. 0
Surface Parcel #114003492
As described on Certificate of Title 99H08924
3. SW Sec 36 Twp 35 Rge 21 W2, Ext. 0
Surface Parcel #114029276
As described on Certificate of Title 94H10544
4. SE Sec 31 Twp 35 Rge 20 W2, Ext. 0
Surface Parcel #113997189
As described on Certificate of Title 97H00111
5. SW Sec 31 Twp 35 Rge 20 W2, Ext. 0
Surface Parcel #113989955
As described on Certificate of Title 02H01835B
6. NE Sec 30 Twp 35 Rge 20 W2, Ext. 0
Surface Parcel #113997178
As described on Certificate of Title 02H01837
7. NW Sec 30 Twp 35 Rge 20 W2, Ext. 0
Surface Parcel #113997167
As described on Certificate of Title 02H01835A
8. SE Sec 30 Twp 35 Rge 20 W2, Ext. 0
Surface Parcel #113997156
As described on Certificate of Title 02H01835A
9. SW Sec 30 Twp 35 Rge 20 W2, Ext. 11
Surface Parcel #152328832
As described on Certificate of Title 02H01835, description 11
10. Blk/Par APlan No. 101601458, Ext. 1
Surface Parcel #151696929
As described on Certificate of Title 00SC10470, description 1

11. Blk/Par APlan No. 101635668, Ext. 21
Surface Parcel #151879203
As described on Certificate of Title 00SC10472, description 21
12. Blk/Par APlan No. 101601425, Ext. 10
Surface Parcel #161593173
As shown on Plan 101860860
13. Blk/Par APlan No. 101663344, Ext. 4
Surface Parcel #151480065
As described on Certificate of Title 00SC10474, description 4
14. Blk/Par APlan No. 101762287, Ext. 6
Surface Parcel #150394440
As described on Certificate of Title 01SC02019, description 6
15. Blk/Par APlan No. 101578068, Ext. 9
Surface Parcel #149368663
As described on Certificate of Title 98MW15800, description 9
16. Blk/Par APlan No. 101578079, Ext. 12
Surface Parcel #149368719
As described on Certificate of Title 98MW11969, description 12
17. NW Sec 07 Twp 28 Rge 02 W3, Ext. 12
Mineral Parcel #151097823
As described on Certificate of Title 99MW01802, description 12
18. NW Sec 07 Twp 28 Rge 02 W3, Ext. 12
Mineral Parcel #151097823 except:
- Coal as referenced on Certificate of Title 99MW01802
19. Blk/Par APlan No. 101563657, Ext. 13
Surface Parcel #151097812
As described on Certificate of Title 99MW01802, description 13
20. Blk/Par APlan No. 101081179, Ext. 14
Surface Parcel #105296902

As described on Certificate of Title 99MJ01928, description 14

21. Blk/Par APlan No. 101435734, Ext. 46
Surface Parcel #146673579
As described on Certificate of Title 99MW07372, description 46
22. SE Sec 05 Twp 43 Rge 11 W3, Ext. 0
Surface Parcel #130815716
As described on Certificate of Title 99B18478
23. Blk/Par APlan No. 101562948, Ext. 11
Surface Parcel #145891907
As described on Certificate of Title 97B17719, description 11
24. Blk/Par APlan No. 101553151, Ext. 5
Surface Parcel #149141404
As described on Certificate of Title 97B17721, description 5
25. Blk/Par APlan No. 101584571, Ext. 2
Surface Parcel #149141358
As described on Certificate of Title 97B17723, description 2
26. NE Sec 12 Twp 05 Rge 03 W3, Ext. 1
Surface Parcel #102585146
As described on Certificate of Title 98MJ04779
27. NE Sec 12 Twp 05 Rge 03 W3, Ext. 2
Surface Parcel #102684179
As described on Certificate of Title 98MJ04779
28. Blk/Par APlan No. 99B20311, Ext. 1
Surface Parcel #152564744
As described on Certificate of Title 99B20311
29. Lot 8 Blk/Par 308 Plan No. 68B01812, Ext. 0
Surface Parcel #131371185
As described on Certificate of Title 97B17253
30. Lot 9 Blk/Par 308 Plan No. 68B01812, Ext. 0

Surface Parcel #131371196
As described on Certificate of Title 97B16705

31. Lot 10 Blk/Par 308 Plan No. 68B01812, Ext. 0
Surface Parcel #131371208
As described on Certificate of Title 97B16705
32. Lot 11 Blk/Par 308 Plan No. 68B01812, Ext. 0
Surface Parcel #131371219
As described on Certificate of Title 97B16705
33. SW Sec 25 Twp 35 Rge 21 W2, Ext. 0
Surface Parcel #120617399
As described on Certificate of Title 02H01888
34. SE Sec 25 Twp 35 Rge 21 W2, Ext. 0
Surface Parcel #114029704
As described on Certificate of Title 95H07961
35. NE Sec 36 Twp 35 Rge 21 W2, Ext. 0
Surface Parcel #114035813
As described on Certificate of Title 01H08071
36. NW Sec 36 Twp 35 Rge 21 W2, Ext. 0
Surface Parcel #114029287
As described on Certificate of Title 01H08072
37. NW Sec 25 Twp 35 Rge 21 W2, Ext. 0
Surface Parcel #114028949
As described on Certificate of Title 02H01542D
38. NE Sec 25 Twp 35 Rge 21 W2, Ext. 0
Surface Parcel #114028950
As described on Certificate of Title 61H06869