

CANADA
PROVINCE OF SASKATCHEWAN

IN THE QUEEN'S BENCH
JUDICIAL CENTRE OF SASKATOON

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

AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE
CREDITORS OF STOMP PORK FARM LTD.

NOTICE OF MOTION

TAKE NOTICE that an application will be made to the Honourable Madame Justice A.R. Rothery in Chambers at the Court House, 520 Spadina Crescent East, Saskatoon, Saskatchewan, on Wednesday, the 15th day of October, 2008, at 10:00 a.m. or so soon thereafter as counsel may be heard on behalf of Stomp Pork Farm Ltd., (hereinafter the "Applicant" or "Stomp" or so soon thereafter as counsel may be heard on behalf of Stomp Pork Farm Ltd., (hereinafter the "Applicant" or "Stomp")), for an Order granting certain relief, pursuant to the provisions of sections 6, 7, 9, 10 and 11 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "CCAA"), Rules 441(3) and 441A of *The Rules of Court*, the Ex Parte Initial Order and the Amended Ex Parte Initial Order of the Honourable Madame Justice A.R. Rothery made March 27, 2008 (the "Initial Order"), as amended, and more particularly, paragraph 65 of the Initial Order, the Order to Amend Initial Order (Payment of US Creditors and Correction of Stay Period) made April 3, 2008 (the "US Creditors Order"), the Order to Amend Initial Order (Service of Initial Order on Creditors in the United States) made April 4, 2008 (the "US Service Order"), the Order made April 7, 2008 providing for a report from the Monitor respecting the allocation of DIP Financing (the "DIP Financing Allocation Report Order"), the Order (Application for Extension Order and Leave to Secured Creditors to Serve Notices made April 22, 2008) (the "First Extension Order"), the Order made April 23, 2008 providing for the allocation of charges respecting the Interim DIP Facility and future DIP financing (the "DIP

Allocation Order”), the Order (Application for Second Extension Order and Increase in Administration Charge) (the “Second Extension Order”), the Order (Application for Third Extension Order and Increase in Administration Charge) (the “Third Extension Order”), the Order (Fourth Extension Order and Order Approving Restructuring Agreement and Sale) (the “Restructuring Approval Order”), the Order (Claims Procedure) (the “Claims Procedure Order”), the Order (the “Plan Order”) , and the “Sanction of Plan of Arrangement and Appointment of Administrator (the “Sanction Order”) and pursuant to the inherent jurisdiction of the Court, for:

1. An Order that all parties entitled to notice of this application have been given proper notice and have been properly served with notice of this application.
2. An Order providing that the Ex Parte Initial Order, as amended, and the stay of proceedings against the Applicant by its creditors contained in the Initial Order shall be extended to expire at 11:59 p.m. on Monday, November 10, 2008.
3. An Order providing that the proposed sale by Stomp to the University of Saskatchewan of the lands referenced in these proceedings as the “North Battleford Feed Mill”, together with associated fixtures, on those terms and conditions more particularly described in an Agreement of Purchase and Sale dated September 19, 2008 (the “Sale Agreement”), be authorized, approved, ratified and confirmed by this Honourable Court.
4. An Order directing that, upon payment being made by the University of Saskatchewan of the purchase price described above in the Sale Agreement (the “Net Proceeds”) to the law firm of Robertson Stromberg Pedersen LLP, solicitors for Stomp, the Net Proceeds shall be disbursed to Farm Credit Canada, and to National Bank of Canada, in the manner set forth in the Draft Order filed in support of this Application, such proceeds to be applied in partial satisfaction of the indebtedness of Stomp to those Unaffected Creditors.
5. An Order providing direction of the Court to Stomp to complete the sale in

accordance with the terms of the Sale Agreement, subject to such amendments as Stomp and the University of Saskatchewan may approve, whereby such amendments do not materially or adversely alter the purchase price payable, or the obligations of Stomp, under the terms of the Sale Agreement.

6. An Order providing direction of the Court to Stomp to execute such documents and perform such acts as may be required in order to close the proposed sale in accordance with the terms of the Sale Agreement.
7. An Order providing that, upon satisfaction of the conditions of closing, as contemplated by the Sale Agreement, save and except for:
 - (a) The condition requiring issuance of title in the name of the Purchaser; and
 - (b) Those conditions which are the subject of customary and reasonable trust conditions and undertakings related thereto (the "Conditions of Closing"),the solicitors for Stomp, Robertson Stromberg Pedersen LLP shall file with the office of the Local Registrar, Judicial Centre of Saskatoon, a letter (the "Confirmation Letter") confirming that the Conditions of Closing have been satisfied.
8. An Order authorizing the issuance of a Vesting Order in the form of the draft Vesting Order filed in support of this application, which Vesting Order shall issue upon the closing of the sale and the filing of the Local Registrar, the Judicial Centre of Saskatoon, of the affirmation letter by Robertson Stromberg Pedersen LLP, solicitors for Stomp. The Vesting Order shall, in relevant part, direct the Registrar of Titles of the Saskatchewan Land Registry to cancel the existing titles to the real property described in the Vesting Order, and to issue new titles to such property in the name of the applicable Purchaser, free and clear of all encumbrances, save and except for those encumbrances specified in the Vesting Order, and those

encumbrances by, against or in respect of the University of Saskatchewan, upon the closing of the Sale.

9. An Order granting leave to Stomp or any person or party affected by this Order to make application to this Honourable Court for advice and direction in respect of the interpretation of the Sale Agreement, and/or the enforcement or carrying out of any aspect of any Order granted by this Honourable Court.
10. An Order providing that a miscellaneous interest registered by Agracity Ltd. ("Agracity") as against the North Battleford Feed Mill shall be discharged pursuant to sections 68 and 107 of *The Land Titles Act, 2000*.

AND FURTHER TAKE NOTICE that the grounds to be argued in support of this application are as follows:


1. After careful consideration of the risks and the potential reward, Stomp has elected to accept (subject to Court approval) an offer made by the University of Saskatchewan with respect to the North Battleford Feed Mill;
2. The University of Saskatchewan and Stomp have negotiated and finalized an Agreement of Purchase and Sale dated September 19, 2008;
3. Stomp believes that the terms of sale are advantageous to the unaffected creditors, and to the affected creditors;
4. An issue has arisen with respect to offers made by another bidder, Agracity, with respect to the sale of the North Battleford Feed Mill;
5. Agracity has claimed that there is a binding agreement between Agracity and Stomp with respect to the sale of the North Battleford Feed Mill notwithstanding:

- (a) There has been no communication of acceptance by Stomp of an offer by Agracity;
 - (b) Any agreement between Agracity and Stomp, if such agreement existed, which is denied, would have to be ratified by the Court in any event;
 - (c) Agracity appears to be relying on oral statements made by Stomp's solicitors notwithstanding the requirement under the Statute of Frauds that all agreements related to real property be contained in writing;
 - (d) There is a stay of proceedings in place by virtue of the Initial Order dated March 27, 2008, which Agracity has breached by registering the miscellaneous interest.
6. The offer made by Agracity contains a provision, requiring Court approval, and absent Court approval, Agracity can obtain no interest in the subject property capable of supporting a registration;
7. The offer from the University of Saskatchewan is a reasonable offer, and is the best available offer, and has received approval from Farm Credit Canada and National Bank of Canada.

TAKE FURTHER NOTICE that materials to be filed in support of this application are this Notice of Motion with proof of service, Eleventh Affidavit of Ivan Stomp, draft Order Approving Sale and a form of draft Order (Vesting Order).

DATED at the City of Saskatoon, in the Province of Saskatchewan, this 8th day of October, 2008.

ROBERTSON STROMBERG PEDERSEN LLP

Per: 
for: M. Kim Anderson
Solicitors for the Applicant

This document was delivered by:
Robertson Stromberg Pedersen LLP
Barristers and Solicitors
600, 105 - 21st Street East
Saskatoon, SK S7K 0B3

Address for Service: Same as above
Lawyer in Charge of File: M. Kim Anderson
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CANADA
PROVINCE OF SASKATCHEWAN

IN THE QUEEN'S BENCH
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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36 AS AMENDED (the "CCAA")

AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE
CREDITORS OF STOMP PORK FARM LTD.

(the "Applicant")

DRAFT ORDER
(Approving Sale of the North Battleford Feed Mill)

BEFORE THE HONOURABLE) WEDNESDAY, THE 15TH DAY
MADAM JUSTICE A.R. ROTHERY) OF OCTOBER, 2008.
IN CHAMBERS)

UPON THE APPLICATION of the Applicant, Stomp Pork Farm Ltd. ("Stomp"), and upon hearing M. Kim Anderson, counsel for the Applicant, Jeffrey M. Lee, counsel for National Bank of Canada, Joel A. Hesje, Q.C., counsel for Farm Credit Canada, Ian A. Sutherland, Counsel for Cargill Limited, Gary A. Meschishnick, counsel for the Monitor, and upon hearing read the Notice of Motion dated October 8, 2008, the Eleventh Affidavit of Ivan Stomp, the Draft Order (Approving Sale of the North Battleford Feed Mill) and the Draft Order (North Battleford Feed Mill Vesting Order) all filed.

IT IS HEREBY ORDERED AND ADJUDGED AS FOLLOWS:

Service and Notice of this Application

1. All parties entitled to notice of the application giving rise to this Order have been given proper notice of this application and have been properly served with notice of this application.

Extension of Stay of Proceedings

2. The Amended Ex Parte Initial Order, as amended, and the stay of proceedings against Stomp by its creditors contained in the Initial Order shall be extended so as to expire at 11:59 p.m. on Monday, November 10, 2008.

Definition of Terms

3. Words and phrases contained in this Order which begin with capital letters and which are not expressly defined herein shall have the meanings ascribed thereto in the Amended Ex Parte Initial Order Plan of Arrangement and Compromise dated July 4, 2008 (the "Plan") as referenced in the Order (Filing of Plan and Meeting of Creditors) (the "Meeting Order") made July 4, 2008.
4. For the purposes of this Order, the "North Battleford Feed Mill" shall refer to the real property legally described as:

Surface Parcel #131371185

Reference Land Description: Lot 8 Blk/Par 308 Plan No 68B01812 Extension 0
As described on Certificate of Title 97B17253

Surface Parcel #131371196

Reference Land Description: Lot 9 Blk/Par 308 Plan No 68B01812 Extension 0
As described on Certificate of Title 97B16705

Surface Parcel #131371208

Reference Land Description: Lot 10 Blk/Par 308 Plan No 68B01812 Extension 0
As described on Certificate of Title 97B16705

Surface Parcel #131371219

Reference Land Description: Lot 11 Blk/Par 308 Plan No 68B01812 Extension 0
As described on Certificate of Title 97B16705.

Sale of the North Battleford Feed Mill

5. The proposed sale by Stomp to the University of Saskatchewan of the North Battleford Feed Mill, together with associated fixtures, on those terms and conditions more particularly described in an Agreement of Purchase and Sale between Stomp (as Vendors) and the University of Saskatchewan (as Purchaser) and dated September 19, 2008 (the "Sale Agreement") is hereby authorized, approved, ratified and confirmed by this Honourable Court.
6. Stomp is hereby authorized and given directions from the Court of Queen's Bench to complete the sale in accordance with the terms of the Sale Agreement, subject to such amendments as Stomp and the University of Saskatchewan may approve, whereby such amendments do not materially or adversely alter the purchase price payable, or the obligations of Stomp, under the terms of the Sale Agreement.
7. Stomp shall be and is hereby authorized to execute such documents and perform such acts as may be required in order to close the proposed sale in accordance with the Sale Agreement.
8. Upon satisfaction of the conditions of closing, as contemplated by the Sale Agreement, save and except for:
 - (a) The condition requiring issuance of title in the name of the Purchaser; and
 - (b) Those conditions which are the subject of customary and reasonable trust conditions and undertakings related thereto (the "Conditions of Closing"),

the solicitors for Stomp, Robertson Stromberg Pedersen LLP, shall file with the office of the Local Registrar, Judicial Centre of Saskatoon, a letter (the "Confirmation Letter") confirming that the Conditions of Closing have been satisfied.

9. Effective upon issuance of the Confirmation Letter, the right, title and interest of Stomp, if any, in and to the assets referenced in the Sale Agreement shall vest and are hereby vested in and to the University of Saskatchewan absolutely and forever, free and clear of and from any and all estate, right, title, interest, claims, hypothecs, mortgages, charges, liens (whether contractual, statutory or otherwise), security interests, assignments, actions, levies, taxes, writs of execution, trusts or deemed trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, encumbrances or other rights, limitations or restrictions of any nature whatsoever, including, without limitation, any rights or interests of any creditors of Stomp, whether or not they have attached or been perfected, registered or filed, whether secured or unsecured or otherwise, whether liquidated, unliquidated or contingent (collectively, the "Claims"), by or of all persons or entities of any kind whatsoever, including, without limitation, all individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, governmental and administrative bodies agencies, authorities or tribunals (including Her Majesty the Queen in right of Canada and in right of Saskatchewan) and all other natural persons or corporations, whether acting in their capacity as principals or as agents, trustees, executors, administrators or other legal representatives (collectively, the "Claimants").
10. Upon the filing with the Court by RSP of the Confirmation Letter, an Order (the "North Battleford Feed Mill Vesting Order") shall issue in the form appended as Schedule "A" to this Order, whereby title to the real property at the North Battleford Feed Mill shall vest in the University of Saskatchewan, free and clear of all encumbrances, save and except for those encumbrances identified in the North Battleford Feed Mill Vesting Order and any encumbrances by or against or in respect of the University of Saskatchewan.
11. Upon the University of Saskatchewan paying the entire purchase price for the North Battleford Feed Mill in accordance with the Sale Agreement to the law firm of Robertson Stromberg Pedersen LLP ("RSP"), solicitors for Stomp, and upon the proceeds from the

North Battleford Feed Mill becoming releasable by RSP in accordance with the terms and conditions of the Sale Agreement and upon RSP fulfilling all conditions of trust (if any) and fulfilling all undertakings (if any) necessitated by the sale of the North Battleford Feed Mill, RSP shall disburse the Net Proceeds of the sale of the North Battleford Feed Mill to Farm Credit Canada ("FCC") and to National Bank of Canada ("NBC"), to be applied against the indebtedness of Stomp to each, in such sums as may be required by the terms and conditions of the *Pari Passu* Agreement between Stomp, FCC and NBC dated November 17, 2007.

12. The Residual Asset Realization Mortgage (previously approved as Appendix "A" to Attachment "A" to the Sanction Order) shall be amended so as to delete reference to the lands set forth in paragraph 4 hereof.
13. The Registrar of Land Titles is directed to discharge the Miscellaneous Interest registered by Agracity Ltd. as against the North Battleford Feed Mill, bearing Interest Register number 114792206.
14. Leave is granted to Stomp or any person or party affected by this Order to make application to this Honourable Court for advice and direction in respect of the interpretation of the Sale Agreement, and/or the enforcement or carrying out of any aspect of any Order granted by this Honourable Court.
15. The Applicant shall have the costs as against Agracity Ltd. in the sum of \$ _____.

ISSUED at Saskatoon, Saskatchewan this _____th day of October, 2008.

(Deputy) Local Registrar

TAKE NOTICE that every Order made without notice to the Respondent or a person affected by the Order except when such Order is consented to by the Respondent or a person affected by the Order, or is otherwise authorized by law, may be set aside or varied on application to the Court.

You should consult your solicitor as to your rights.

This order was delivered in draft form by:

Robertson Stromberg Pedersen LLP
Barristers and Solicitors
600 – 105 – 21st Street East
Saskatoon, SK S7K 0B3
Lawyer in Charge: M. Kim Anderson
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Schedule "A" to the
Order Approving Sale of the North Battleford Feed Mill

Q.B.G. No. 363 of 2008

CANADA
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AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE
CREDITORS OF STOMP PORK FARM LTD.

(the "Applicant")

DRAFT ORDER
(North Battleford Feed Mill Vesting Order)

BEFORE THE HONOURABLE) WEDNESDAY, THE _____TH DAY
MADAM JUSTICE A.R. ROTHERY) OF OCTOBER, 2008.
IN CHAMBERS)

UPON THE APPLICATION of the Applicant, Stomp Pork Farm Ltd. ("Stomp"), and upon hearing M. Kim Anderson, counsel for the Applicant, Jeffrey M. Lee, counsel for National Bank of Canada, Joel A. Hesje, Q.C., counsel for Farm Credit Canada, Ian A. Sutherland, Counsel for Cargill Limited, Gary A. Meschishnick, counsel for the Monitor, and upon hearing read the Notice of Motion dated October 8, 2008, the Eleventh Affidavit of Ivan Stomp, Draft Order (Approving Sale of the North Battleford Feed Mill) and the Draft Order (North Battleford Feed Mill Vesting Order) all filed.

IT IS HEREBY ORDERED AND ADJUDGED AS FOLLOWS:

The Registrar of Titles of the Saskatchewan Land Titles Registry is directed pursuant to Section 109 of *The Land Titles Act, 2000*, S.S. 2000, c. L-5.1, Regulation 6.5 of *The Land Titles Conversion Facilitation Regulations*, c. L-5.1, Regulations 2 and Section 12 of *The Queen's Bench Act*, S.S. 1998, c. Q-1.01, the Initial Order of the Honourable Madam Justice A.R. Rothery, dated March 27, 2008, the terms contained in the Order Approving Sale of the North Battleford Feed Mill and the inherent jurisdiction of this Honourable Court, to cancel the existing titles to the real property described as follows:

Surface Parcel #131371185

Reference Land Description: Lot 8 Blk/Par 308 Plan No 68B01812 Extension 0
As described on Certificate of Title 97B17253

Surface Parcel #131371196

Reference Land Description: Lot 9 Blk/Par 308 Plan No 68B01812 Extension 0
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Surface Parcel #131371219

Reference Land Description: Lot 11 Blk/Par 308 Plan No 68B01812 Extension 0
As described on Certificate of Title 97B16705

and to issue new titles in the name of the University of Saskatchewan free and clear of any and all encumbrances, claims, interests, security interests, charges, licenses, trusts, deemed trusts (whether contractual, statutory or otherwise), mortgages, instruments, leases, assignments, judgments, executions, options, claims, levies, or any other rights (whether contractual, statutory, arising by operation of law or created by or pursuant to orders made in these proceedings), of any persons or entities of any kind whatsoever, including, without limitation, all individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, governmental and administrative bodies, agencies, authorities or tribunals and all other natural persons or corporations, whether acting in their capacity as principals or as agents, trustees, executors, administrators or other legal representatives, and Her Majesty in Right of Canada and Her Majesty in Right of the Province of Saskatchewan.

ISSUED at Saskatoon, Saskatchewan this _____th day of October, 2008.

(Deputy) Local Registrar

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This order was delivered in draft form by:

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