

No. CI 12-01-79231

THE QUEEN'S BENCH
WINNIPEG CENTRE

IN THE MATTER OF THE: *Companies' Creditors Arrangement Act*, R.S.C.
1985, c. C-36, as Amended

AND IN THE MATTER OF: A Proposed Plan of Compromise or Arrangement of
The Puratone Corporation, Pembina Valley Pigs Ltd.
and Niverville Swine Breeders Ltd. (the
"Applicants")

Application under the: *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as
Amended

ORDER
(Transfer of Partially Owned Subsidiaries)

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THE QUEEN'S BENCH
WINNIPEG CENTRE

THE HONOURABLE MR.)
JUSTICE DEWAR) The 16th day of November, 2012
)

IN THE MATTER OF THE: *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as Amended

AND IN THE MATTER OF: A Proposed Plan of Compromise or Arrangement of The Puratone Corporation, Pembina Valley Pigs Ltd. and Niverville Swine Breeders Ltd. (the "Applicants")

Application under the: *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as Amended

ORDER

THIS MOTION made by the Applicants for an Order authorizing the transfer of the Applicants' shares and limited partnership units in the Partially Owned Subsidiaries as defined in the Approval and Vesting Order pronounced November 8, 2012, to the Purchaser and the assignment of the Applicants' interest in the Assumed Contracts between the Applicants, the Partially Owned Subsidiaries and their shareholders/unit holders to the Purchaser was heard this day at Winnipeg.

ON READING the pleadings and proceedings herein and in particular the Affidavit of Raymond Alan Hildebrand sworn November 1, 2012, the Supplementary Affidavit of Raymond Alan Hildebrand sworn November 6, 2012, the Affidavit of Larry Sveinbjorn Johnson sworn November 14, 2012, the Supplementary Affidavit of Larry

Sveinbjorn Johnson sworn November 16, 2012 attaching the acknowledgements of the shareholders/unit holders of Bond Hog Ventures Ltd, Horizon Livestock Poultry Supply Ltd., JVCO Transportation Ltd., Heritage Hogs Limited and Pura Organics Limited Partnership, the Third Report of the Monitor dated November 5, 2012 and the Fourth Report of the Monitor dated November 14, 2012 and on hearing the submissions of counsel for the Applicants, the Monitor, Bank of Montreal, Farm Credit Canada, and Maple Leaf Foods Inc. (the "Purchaser"), no one appearing on behalf of any other person including those persons on the Service List or the Supplementary Service List – Part II – (Shareholders/Units in the Partially Owned Subsidiaries of Puratone) as appears from the Affidavit of Laura Leigh Buley sworn November 15, 2012.

1. THIS COURT ORDERS AND DECLARES that this Order shall be a continuation of the Approval and Vesting Order pronounced November 8, 2012 and entered November 13, 2012 in these proceedings ("Approval & Vesting Order") such that the same provisions set out in the Approval & Vesting Order, including without limitation paragraphs 5 and 8, apply to the transfers and assignments set out below and all capitalized terms used herein and not otherwise defined shall have the same meaning ascribed thereto.

SERVICE VALIDATED

2. THIS COURT ORDERS that the time for service of the Notice of Motion and the supporting materials is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

SHARES TRANSFERRED

3. THIS COURT ORDERS AND DECLARES that, upon delivery of the Monitor's Certificate, all of the Applicants' right, title and interest in and to all of the shares and limited partnership units held by each of the Applicants in the Partially Owned Subsidiaries (collectively, the "Interests") shall vest absolutely in the Purchaser as part of the Transaction free and clear of and from any and all Encumbrances (except Permitted Encumbrances as defined in the Sale Agreement) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Interests are hereby expunged and discharged as against the Interests, and such vesting shall be effective and binding upon all of the other shareholders/unit holders of each of the Partially Owned Subsidiaries (the "Shareholders") without triggering any rights of first refusal, rights of first offer, shotgun rights or similar rights of the Shareholders in respect of the Interests (the "Shareholder Rights").

AGREEMENTS ASSIGNED

4. THIS COURT ORDERS that, upon delivery of the Monitor's Certificate, all of the rights and obligations of the Applicants in respect of the Assumed Contracts as listed in Schedule A hereto between the Applicants, the Partially Owned Subsidiaries and/or the Shareholders ("Assumed POS Agreements") shall be assigned by the Applicants to the Purchaser as part of the Transaction pursuant to Section 11.3 of the CCAA, and shall remain in full force and effect for the benefit of the Purchaser in accordance with their respective terms.

5. THIS COURT ORDERS that the assignment of the rights and obligations of the Applicants to the Purchaser under the Assumed POS Agreements is valid and binding upon all of the counter-parties to the Assumed POS Agreements, without the necessity of further documentation, as if the Purchaser was a party to the Assumed POS Agreements, notwithstanding any restriction, condition or prohibition contained in any such Assumed POS Agreements relating to the assignment thereof, including any provision requiring the consent of any party to the assignment.

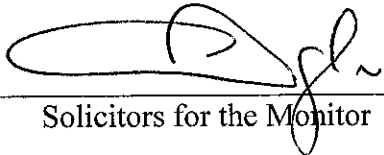
6. THIS COURT ORDERS that each counter-party to the Assumed POS Agreements is prohibited from exercising any right or remedy under the Assumed POS Agreements by reason of any defaults thereunder arising as a consequence of these CCAA proceedings or the insolvency of the Applicants, or any failure of the Applicants to perform any non-monetary obligation under the Assumed POS Agreements, or as a result of any actions taken pursuant to or as a result of the Sale Agreement. Any notices of default and demand given in connection with any such defaults under, or non-compliance with the Assumed POS Agreements, shall be deemed to have been rescinded and shall be of no further force or effect.

7. THIS COURT ORDERS that notwithstanding anything contained in this Order, nothing shall derogate from the obligations of the Purchaser to assume the Assumed Contract Liabilities as defined in the Sale Agreement and to perform its obligations under the Assumed POS Agreements as set out in the Sale Agreement.

J.

APPROVED AS TO FORM AND CONTENT

Thompson Dorfman Sweatman LLP

Per: 
Solicitors for the Monitor

SCHEDULE A

ASSUMED CONTRACTS RELATING TO THE PARTIALLY OWNED SUBSIDIARIES

Share/Unit Holder Agreements

1. Unanimous Shareholders Agreement between the shareholders of Bond Hog dated May 15, 1997.
2. Unanimous Shareholders Agreement between the shareholders of Heritage Hog dated October 5, 1999.
3. Unanimous Shareholders Agreement between the shareholders of Paradigm dated June 6, 1997, as amended on August 17, 2009.
4. Unanimous Shareholders Agreement between the shareholders of JVCO dated July 1, 2008.
5. Pura Organics Limited Partnership Agreement dated September 18, 1998.
6. Term Sheet for the Purpose of Describing the Plan of Merger and Reorganization of The Product Sales Segment of Sheridan, Heuser, Provis Inc. with The Agri--Mart Division of Puratone (now "Horizon Livestock Poultry Supply Ltd.") dated December 12, 2005.
7. Parks Livestock of Canada Limited Partnership Limited Partnership Agreement dated May 2004.

Other Agreements with Partially Owned Subsidiaries to be Assumed

8. Weanling Purchase and Hog Marketing Contract dated December 31, 2004 between Puratone and Bond Hog.
9. Weanling Purchase and Hog Marketing Contract dated August 30, 2004 between Puratone and Heritage Hog.
10. Hog Marketing Contract and Risk Management Agreement dated January 12, 2010 between Puratone and Paradigm.
11. CND Cull Sow Purchase and Sales Agreement dated December 1, 2011 between Parks Livestock of Canada, LP and Puratone.
12. Administration Agreement dated August 15, 2010 between Puratone and Bond Hog.
13. Administration Agreement dated March 12, 2010 between Puratone and Heritage Hog.

14. Subordinated Debenture dated June 22, 2012 issued by Paradigm to Puratone in the principal amount of \$147,500.00.