

In the Matter of the Receivership of

GRABHER'S LAST STAND BISON RANCH LTD.

**(hereinafter referred to as "the Company")
of the Province of British Columbia**

**Second Interim Report of the Receiver and Manager
(Subsection 246(2) of the *Bankruptcy and Insolvency Act*)**

INTRODUCTION

1. Pursuant to an Order (the "**Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") dated February 3, 2020 (the "**Date of Receivership**"), Deloitte Restructuring Inc. was appointed as receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and property of the Company, in addition to the property listed on Schedule "A" of the Receivership Order of Dwayne Grabher ("**Mr. Grabher**") and Chelsea Grabher, also known as Chelsea Fouillard, acquired for, or used in relation to a business carried on by the Company, including all proceeds thereof (the "**Property**"). The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
2. A copy of the Receivership Order and other documents relating to the Receivership Proceedings can be accessed on the Receiver's website at:

<http://www.insolvencies.deloitte.ca/en-ca/Pages/Grabhers-Last-Stand-Bison-Ranch-Ltd.aspx>
3. This is the second interim report pertaining to the Receivership Proceedings, issued pursuant to subsection 246(2) of the *Bankruptcy and Insolvency Act*.
4. On the Date of Receivership, the Receiver took possession of the Property as described below:

Description	Book Values
Land, Building, and Furniture and Fixtures ⁽¹⁾	\$4,300,000
Bison Livestock ⁽²⁾	675,000
Accounts Receivable ⁽³⁾	416,759
Equipment and Machinery ⁽⁴⁾	535,600
TD Canada Trust Account ⁽⁵⁾	11,914
North Peace Savings & Credit Union Account ⁽⁶⁾	nil
Total	\$5,939,273

- (1) As disclosed in the Agriculture and Agri-Food Canada Farm Financial Statement dated January 1, 2020.
- (2) As disclosed in the Agriculture and Agri-Food Canada Farm Financial Statement dated January 1, 2020.
- (3) Outstanding receivable owed from 1231863 B.C. Ltd. for the purchase of 430 bison as disclosed on an invoice dated December 1, 2019.
- (4) As disclosed in the Agriculture and Agri-Food Canada Farm Financial Statement dated January 1, 2020.
- (5) As disclosed on the deposit account history received from TD Canada Trust on February 4, 2020.
- (6) As disclosed on the statement of account received from North Peace Savings & Credit Union on February 5, 2020. Balance recorded was in an overdraft position.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

5. The Receiver's interim statement of receipts and disbursements for the period from the Date of Receivership to February 12, 2021 is attached hereto as Appendix 1. During this period the Receiver has realized a total of \$3,048,249 comprised of:
 - a. \$1,850,000 from the sale of the ranch land and buildings;
 - b. \$541,831 from the sale of bison;
 - c. \$418,760 from the collection of accounts receivable;
 - d. \$201,850 from the sale of machinery and equipment;
 - e. \$11,864 from the transfer of funds held at TD Canada Trust; and
 - f. \$23,944 from the sale of pipe inventory, GST refunds and interest on deposits.
6. During this same period, the Receiver has made an interim distribution to the secured creditor, Bank of Nova Scotia, in the amount of \$2,687,000, and has made payment to WorkSafeBC in respect of its lien claim in the amount of \$1,376. Further disbursements totaling \$258,369 have included, among other items, appraisal fees, sales commissions, insurance costs, legal fees and the Receiver's fees.
7. As at February 12, 2021, the Receiver had an excess of receipts over disbursements held in the Receiver's trust account amounting to \$101,504.

STATEMENT OF UNREALIZED PROPERTY

8. As at the date of this report, the following Property remains to be realized by the Receiver:
 - a. Proceeds of \$167,497 from two transactions involving the sale of bison owned by the Company by a related partnership, GWG Trucking, where no apparent consideration was paid to the Company; and
 - b. Missing bison and equipment, or the proceeds related to the sale of these assets. Based on a review of the Company's asset registers and the Receiver's inventory of assets taken upon its appointment, it appears that there are a large number of bison and several pieces of equipment that are unaccounted for. Mr. Grabher was the sole shareholder of the Company and operator of the ranch. Mr. Grabher has failed to provide the Receiver with any substantive information in relation to the sale/movement of the missing bison and assets.
9. The Receiver has filed a Notice of Civil Claim in respect of the above noted matters. The timing for completion of the Receivership Proceedings is unknown at this time and will depend on the Receiver's progress related to its investigations and recovery actions.
10. Further details regarding the Receiver's activities and administration of the Receivership Proceedings are detailed in the Receiver's Second Report to Court dated November 2, 2020, which is available for viewing on the Receiver's website noted in paragraph 2 above.
11. Any queries in relation to this report may be directed to Paul Chambers on 604-640-3368.

Dated at Vancouver, British Columbia this 22nd day of February, 2021.

DELOITTE RESTRUCTURING INC.

In its capacity as Court-appointed Receiver and Manager of
of Grabher's Last Stand Bison Ranch Ltd.,
and not in its personal capacity



Per: Melinda McKie, CPA, CMA, CIRP, LIT
Senior Vice-President



Paul Chambers, FCA(UK), CIRP, LIT
Senior Vice-President

APPENDIX 1

RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

In the Matter of the Receivership of
Grabbers Last Stand Bison Ranch Ltd.

Receiver's Interim Statement of Receipts and Disbursements
For the period from February 3, 2020 to February 12, 2021

Description	Notes	Total
Receipts		
Cash in bank		\$ 11,864
Livestock sale proceeds		541,831
Plant and equipment sale proceeds		201,850
Accounts receivable		418,760
Ranch land and buildings		1,850,000
GST collected/refunds		9,283
Bank interest		6,160
Misc. other realizations		8,501
Total receipts		\$ 3,048,249
Disbursements		
Payments to Secured Creditors		2,687,000
WorkSafeBC lien claim		1,376
Bank charges		384
Outside services/consulting:		
Appraisal fees		8,656
Accounting services		619
Transport services		3,000
HAAB Homes / other		33,401
Receiver's fees and disbursements	(1)	111,524
Legal fees and disbursements	(2)	10,467
GST/PST paid		9,764
Realtor and auction commissions		47,035
Insurance		19,064
Utilities		3,232
Settlement of bison claim		10,000
Misc. disbursements		1,223
Total disbursements		\$ 2,946,745
Excess of receipts over disbursements		\$ 101,504

Notes

(1) In addition to the Receiver's fees and disbursements shown above (paid for from estate proceeds), The Bank of Nova Scotia has paid Receiver's fees and disbursements directly totalling \$54,399 covering the period Apr 1 to Oct 23, 2020 (exclusive of GST).

(2) In addition to the legal fees and disbursements shown above (paid for from estate proceeds), The Bank of Nova Scotia has paid legal fees and disbursements directly totalling \$22,065 covering the period Apr 4 to Oct 29, 2020 (exclusive of GST/PST).