Vancouver
23-Apr-26
REGISTRY

This is the 1st Affidavit of Danon Danesh
in this case and was made on April 22, 2026.

Court File No. VLC-S-H-260475

NO. _____

VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BANK OF MONTREAL

PETITIONER

AND:

STARLINE FOODS INC.
SURJIT SINGH GILL
SUKHMINDER SINGH GILL
GURINDER GREWAL
DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.
KHALSA CREDIT UNION
BRANDT TRACTOR LTD.

RESPONDENTS

AFFIDAVIT

I, Danon Danesh, Banker, of 23rd Floor, 595 Burrard Street in the City of Vancouver, in the Province of British Columbia, AFFIRM THAT:

1. I am an Account Manager for the Petitioner and as such have personal knowledge of the matters herein deposed to except where stated to be based on information and belief, in which case I verily believe them to be true. I am authorized to make this Affidavit on behalf of the Petitioner.

2. I have read the Petition filed herein and say that the matters and facts therein set out are true.

3. For the purpose of this Affidavit, I adopt the definitions as set out in the Petition, unless otherwise defined herein.

The Parties

4. The Bank is a chartered bank of Canada, having an office in the Province of British Columbia and an address for service for the purpose of these proceedings at 1600 – 925 West Georgia Street, Vancouver, British Columbia.

5. Starline is a corporation incorporated pursuant to the laws of British Columbia, with a registered and records office at 1-2838 Garden Street, Abbotsford, British Columbia. Attached and marked hereto as **Exhibit "A"** is a true copy of a corporate search of Starline.

6. Joe, Gurinder, and Surjit are shareholders of Starline, with Joe and Gurinder also acting as company directors. The daily operations of the company are managed by Gurinder's husband, Tony Kondolay.

Starline's Business

7. Starline is a fruit processing company and operates a 29,500 square foot frozen processing plant (the "**Processing Plant**"), situated on eight acres of a 22 acre farmland property in Abbotsford. The company generates its revenue through sales of processed and graded frozen and fresh blueberries to customers mainly in the USA. Starline purchases most berries from growers and processors in BC and the USA and sorts and processes them through the Processing Plant.

The Lands

8. Starline is the registered owner of the Lands, consisting primarily of farmland in Abbotsford. It operates the Processing Plant from the Clayburn Road Lands. The Bare Lands are a neighbouring parcel adjacent to the Clayburn Road Lands. Attached and marked hereto as **Exhibit "B"** are true copies of title searches for the Lands.

The Credit Agreement

9. The Security was granted to secure all present and future debts of Starline to the Bank, pursuant to the Credit Facilities granted by the Bank to Starline, the particulars of which are set out in the Credit Agreement. Attached and marked hereto as **Exhibit "C"** is a true copy of the Credit Agreement.

10. The Credit Facilities granted by the Bank to Starline, pursuant to the Credit Agreement include:

    (a) the Operating Loan payable on demand, in the authorized amount of $900,000, plus a $500,000 seasonal bulge from October 1 to April 30, bearing interest at the Bank's prime rate of interest plus 3.25% per annum, with an outstanding balance owing to the Bank of $814,622.28 as at April 16, 2026;

    (b) Demand Loan 771 payable on demand, bearing interest at the Bank's prime rate of interest plus 3.25% per annum, with an outstanding balance owing to the Bank of $1,401,131.66 as at April 16, 2026;

(c) Demand Loan 634 payable on demand, bearing interest at the Bank's prime rate of interest plus 3.25% per annum, with an outstanding balance owing to the Bank of $3,614,446.43 as at April 16, 2026;

(d) Demand Loan 419, payable on demand, bearing interest at the Bank's prime rate of interest plus 3.25% per annum, with an outstanding balance owing to the Bank of $2,894,982.73 as at April 16, 2026;

(e) the MasterCard, payable on demand, bearing interest at 18.4% per annum, with an outstanding balance owing to the Bank of $15,892.49 as at April 16, 2026; and

(f) the LCs, issued in favour of the City of Abbotsford, in the amounts of $90,000 and $10,000, respectively.

11. As at April 16, 2026, the Indebtedness owing by Starline to the Bank is $8,841,151.59.

The Security

12. As security for the Indebtedness, the Debtors granted, among other things, the following security to the Bank:

(a) the Mortgages;

(b) the GSA;

(c) the GABD;

(d) the APS Agreement; and

(e) the following Guarantees:

(i) Guarantee for the present and future debts and liabilities of Starline to the Bank, in the Bank's LF 44 form, dated February 14, 2020, limited to the amount of $6,000,000, plus interest and costs as set out therein, granted by Gurinder;

(ii) Guarantee for the present and future debts and liabilities of Starline to the Bank, in the Bank's LF 44 form, dated February 14, 2020, limited to the amount of $3,750,000, plus interest and costs as set out therein, granted by Joe; and

(iii) Guarantee for the present and future debts and liabilities of Starline to the Bank, in the Bank's LF 44 form, dated February 14, 2020, limited to the amount of $2,500,000, plus interest and costs as set out therein, granted by Surjit.

13. Attached and marked hereto as **Exhibit "D"** are true copies of the Mortgages.

14. Attached and marked collectively hereto as **Exhibit "E"** are true copies of the GSA, the GABD and the APS Agreement.

15. Attached and marked collectively hereto as **Exhibit "F"** are true copies of the Guarantees.

16. Attached and marked hereto as **Exhibit "G"** is a true copy of British Columbia Personal Property Registry search results for Starline.

Terms of the Credit Agreement and Security

17. Pursuant to the Credit Agreement and/or Security, Starline covenanted to:

    (a) make its payments on account of the Indebtedness when due;

    (b) make payment of all taxes owing when due, including, without limitation, all property taxes and penalties;

    (c) obtain written consent of the Bank prior to executing or delivering any additional mortgage, charge, lien or other encumbrances on the Lands intended to rank subordinate to any of the Security;

    (d) provide the Bank with, among other things, the following Margin Reporting within 25 days of each month-end:

        (i) aged accounts receivable listing in CAD; and

        (ii) aged accounts receivable listing in USD;

    (e) provide the Bank with the following financial reporting:

        (i) annual accountant-prepared financial statements within 120 days of fiscal year end;

        (ii) annual budget and cash flow forecasts for the next fiscal year; and

        (iii) monthly accounts receivable, accounts payable and inventory listings; and

    (f) permit the Bank, upon an event of default, to appoint a receiver over Starline's property, assets and undertakings charged by the Security, with power of sale in favour of such receiver.

18. Pursuant to the APS Agreement, the Guarantors agreed that any and future debts and liabilities owed to them by Starline are fully subordinated and postponed in favour of the Bank, including with respect to the Indebtedness.

Defaults and Bank Concerns

19. In or around October 2021, Starline's accounts were transferred to SAMU, which department manages elevated risk and non-performing loan accounts.

20. The transfer to SAMU was triggered by the Bank's concern with respect to Starline's business operations, including, among other things:

    (a) operating losses;

    (b) unreliable information management systems;

    (c) weak financial controls;

    (d) the Shareholder Dispute; and

    (e) certain related party transactions (the "**Related Party Transactions**");

21. In addition to the foregoing, Starline had also defaulted under the Credit Agreement and the Security, as a result of, among other things:

    (a) Starline's failure to:

        (i) make its payments on account of the Indebtedness when due, resulting in loan arrears;

        (ii) the Margin Reporting Defaults;

        (iii) the Financial Reporting Defaults;

        (iv) the Statutory Payable Defaults;

    (b) the following charges registered on title to the Lands, which have since been discharged :

        (i) Certificate of Pending Litigation registered on December 17, 2020 in favour of Kondolay, wherein Kondolay claimed a beneficial interest in the Clayburn Road Lands;

        (ii) Judgment registered on December 17, 2020 in favour of River Front; and

        (iii) Judgment registered on July 27, 2021 in favour of Kondolay;

Summary of Key Events

22. As further detailed below, at the Debtors' request, the Bank and the Debtors entered into an initial forbearance agreement in the spring of 2022, followed by a series of extensions over the ensuing years in response to Starline's ongoing defaults.

23. During this period, the Bank issued formal demands, participated in a statutory mediation process, and continued to grant further forbearance at the Debtors' request. The following table provides a high-level chronology of these events.

Date	Event
April 29, 2022	Initial Forbearance Agreement
July 31, 2022	Expiry of Forbearance Period
October 31, 2022	Expiry of First Extended Forbearance Period
January 31, 2023	Expiry of Second Extended Forbearance Period
February 8, 2023	Initial Demands issued by the Bank
March 2023	Starline applies for relief under the *Farm Debt Mediation Act*
June 30, 2023	Expiry of Third Extended Forbearance Period
August 31, 2023	Expiry of Fourth Extended Forbearance Period
January 26, 2024	Expiry of Fifth Extended Forbearance Period
June 2024	Debtors advise of their plans to refinance with BDC
July 31, 2024	Expiry of Sixth Extended Forbearance Period
March 1, 2025	Starline fails to make its annual payment on account of Demand Loan 771
November 24, 2025	Further Demands issued by the Bank
February 15, 2026	Expiry of Seventh Extended Forbearance Agreement

The Forbearance Agreement

24. At the Debtors' request, the Bank agreed to enter into the Forbearance Agreement dated for reference April 29, 2022, a true copy of which is attached and marked hereto as **Exhibit "H"**.

25. Pursuant to the Forbearance Agreement, the Bank agreed to forbear from taking steps to enforce the Security to provide the Debtors until the Forbearance Period expiring July 31, 2022 to address their financial difficulties and obtain refinancing to repay the Indebtedness then owing on, among others, the following terms and conditions:

    (a) the Debtors acknowledge and agree that the Indebtedness, secured by the Security, is due and owing to the Bank;

    (b) the Debtors acknowledge and agree that the Security and the Guarantees are valid and enforceable;

(c) the Debtors agree that all fees and disbursements paid by the Bank to its lawyers (on the basis of complete indemnification on a solicitor and its own client basis) in connection with the Credit Agreement, the Indebtedness, the Security, the Forbearance Agreement, and all matters incidental or relating thereto, shall be payable by Starline forthwith upon request, failing which the Bank may add such costs to the Indebtedness, and when so added, such costs will be secured by the Security;

(d) upon the happening of an Event of Default (as defined in the Forbearance Agreement) the Bank shall have the immediate right to terminate the remainder of the Forbearance Period, if any, and proceed with seeking repayment of the Indebtedness followed by enforcement of the Security;

(e) Deloitte, as the Bank's consultant, shall review the business and financial position of Starline, including its business prospects and financial projections, the Bank's security position and to attend to any other matters which the Bank may from time to time require; and

(f) if the Bank commences proceedings to enforce some or all of the Security, either at the expiry of the Forbearance Period or after the Forbearance Period has been terminated at the Bank's election, the Debtors, among other things, irrevocably consent to the appointment of a receiver or receiver/manager over any or all of Starline's assets and undertakings charged by the Security.

26. Pursuant to the Forbearance Agreement, Starline also agreed to, among other things:

(a) make certain payments to the Bank;

(b) cure all Defaults, including the Statutory Payable Defaults, the Margin Reporting Defaults and the Financial Reporting Defaults, as well as attend to the discharges of the Certificate of Pending Litigation and judgment registered on the Lands in favour of Kondolay, as well as the judgment registered in favour of River Front;

(c) record and correct all Related Party Transactions and other unrecorded transactions;

(d) cease making payments to its shareholders or other related parties, including without limitation, salaries, shareholder loan payments, dividends or otherwise;

(e) provide, among other things, the following reporting to the Bank and Deloitte:

(i) internally prepared monthly financial statements within 10 days of month end;

(ii) cash-flow variance analysis within 10 days of month end;

(iii) copies of all correspondence with Canada Revenue Agency with respect to a pending payroll audit and any agreed upon payment arrangement; and

(iv) copies of any creditor demands for enforcement or legal proceedings taken by a creditor against Starline.

The First Extended Forbearance Period

27. Upon expiry of the Forbearance Period, the Debtors requested additional forbearance from the Bank, notwithstanding the expiry of the Forbearance Period and Starline remaining in default of its obligations. The Bank agreed to the extension request and prepared the Supplemental Forbearance Agreement, pursuant to which the Bank agreed to the First Extended Forbearance Period expiring October 31, 2022. Attached and marked hereto as **Exhibit "I"** is a true copy of the Supplemental Forbearance Agreement.

The Second Forbearance Extension

28. Upon expiry of the First Forbearance Extension, the Debtors requested further forbearance from the Bank, notwithstanding Starline remained in default of its obligations, including the Statutory Payable Defaults. The Bank agreed to this further request and prepared the Second Supplemental Forbearance Agreement, pursuant to which the Bank agreed to the Second Extended Forbearance Period expiring January 31, 2023. Attached and marked hereto as **Exhibit "J"** is a true copy of the Second Supplemental Forbearance Agreement.

The Initial Demands

29. The Debtors defaulted under the Second Supplemental Forbearance Agreement by virtue of their failure to repay the Indebtedness in full by the end of the Second Extended Forbearance Period.

30. Accordingly, the Bank, through its solicitors, made demand for payment on the Debtors by letters dated February 8, 2023 (the "**Demand Letters**"). Enclosed with the Demand Letters was a notice pursuant to the *Farm Debt Mediation Act* and a Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act* ("**FDM/BIA Notice**").

31. Attached and marked collectively hereto as **Exhibit "K"** are true copies of the Demand Letters and FDM/BIA Notice.

Relief under the *Farm Debt Mediation Act* and Further Forbearance

32. In March 2023, Starline applied for relief under the *Farm Debt Mediation Act* (the **"Act"**) and, on April 6, 2023, participated in a mediation with the Bank pursuant to the Act. Attached and marked hereto as **Exhibit "L"** is a true copy of the creditor package in respect of Starline's application under the *Farm Debt Mediation Act*.

33. Following this meeting, the Bank agreed to further forbearance and prepared the Third Supplemental Forbearance Agreement, pursuant to which the Bank agreed to the Third Extended Forbearance Period expiring June 30, 2023. Attached and marked hereto as **Exhibit "M"** is a true copy of the Third Supplemental Forbearance Agreement.

Additional Forbearance

34. At the Debtors' request, the Bank granted two additional extensions to the Forbearance Period:

    (a) the Fourth Extended Forbearance Period, expiring August 31, 2023, pursuant to the Fourth Supplemental Forbearance Agreement, a true copy of which is attached and marked hereto as **Exhibit "N"**.

    (b) the Fifth Extended Forbearance Period, expiring January 26, 2024, pursuant to the Fifth Supplemental Forbearance Agreement, a true copy of which is attached and marked hereto as **Exhibit "O"**.

35. In June 2024, the Debtors advised the Bank that they had arranged for refinancing with BDC sufficient to repay the Indebtedness then owing. As a result, and at the request of the Debtors, the Bank granted the Sixth Extended Forbearance Period expiring July 31, 2024, pursuant to the Sixth Supplemental Forbearance Agreement, a true copy of which is attached and marked hereto as **Exhibit "P"**.

36. No such refinancing with BDC or another lender has materialized and the Debtors have failed to repay the Indebtedness.

The Additional Demands

37. The Debtors defaulted under the Sixth Supplemental Forbearance Agreement by virtue of their failure to repay the Indebtedness in full by the end of the Sixth Extended Forbearance Period.

38. Starline further defaulted on its obligations to the Bank by failing to make its annual payment on account of Demand Loan 771 when due on March 1, 2025.

39. Accordingly, the Bank, through its solicitors, issued the Further Demand Letters and FDM/BIA Notice by letters dated November 24, 2025, true copies of which are attached and marked collectively hereto as **Exhibit "Q"**.

The Seventh Extended Forbearance Period

40. Notwithstanding the Further Demand Letters and FDM/BIA Notice, the Debtors requested further forbearance from the Bank. The Bank agreed to this further request and prepared the Seventh Supplemental Forbearance Agreement and the Seventh Extended Forbearance Period expiring February 15, 2026. Attached and marked hereto as **Exhibit "R"** is a true copy of the Seventh Supplemental Forbearance Agreement.

41. The Debtors defaulted under the Seventh Supplemental Forbearance Agreement by failing to pay the Indebtedness in full by the end of the Seventh Extended Forbearance Period.

Loss of Confidence in the Debtors

42. The Bank has, at the Debtor's request, granted seven Extended Forbearance Periods:

Agreement	**Forbearance Period Expiry**
Supplemental Forbearance Agreement	First Extended Forbearance Agreement Expired October 31, 2022
Second Supplemental Forbearance Agreement	Second Extended Forbearance Agreement Expired January 31, 2023
Third Supplemental Forbearance Agreement	Third Extended Forbearance Agreement Expired June 30, 2023
Fourth Supplemental Forbearance Agreement	Fourth Extended Forbearance Agreement Expired August 31, 2023
Fifth Supplemental Forbearance Agreement	Fifth Extended Forbearance Agreement Expired January 26, 2024
Sixth Supplemental Forbearance Agreement	Sixth Extended Forbearance Agreement Expired July 31, 2024
Seventh Supplemental Forbearance Agreement	Seventh Extended Forbearance Agreement Expired February 15, 2026

43. Despite the Bank's accommodations to the Debtors over the past four years, including the Extended Forbearance Periods, the Debtors have failed to repay the Indebtedness to the Bank and Starline remains in default of its obligations, including by virtue of, among other things:

(a) failure to provide required reporting to the Bank, including:

(i) Margin Reporting for December 2025, January 2026 and February 2026; and

(ii) annual budget and cash flow forecasts.

(b) failing to make its annual payment on account of Demand Loan 771 when due on March 1, 2025; and

(c) failing to repay the Indebtedness through refinancing with BDC or otherwise;

44. In addition, the Bank's confidence in Starline has been undermined by, among other things:

    (a) the Shareholder Dispute; and

    (b) the Related Party Transactions disclosed in Starline's May 2025 year-end financial statements and its January 2026 year-to-date financial statements, which have prevented the Bank from making a reliable determination of Starline's financial position.

45. Attached and marked hereto as **Exhibit "S"** is a true copy of Starline's May 2025 year-end financial statements. Attached and marked hereto as **Exhibit "T"** is a true copy of Starline's January 2026 year-to-date financial statements.

46. In light of the above, the Bank does not have confidence in the Debtors' ability to repay the Indebtedness.

Consent to Act as Receiver

47. Deloitte, a trustee within the meaning of section 2 of the BIA is qualified to act as Receiver of the Debtors and has consented to act. Attached and marked hereto as **Exhibit "U"** is a true copy of Deloitte's consent to act.

AFFIRMED BEFORE ME at the City of Vancouver, in the Province of British Columbia, this 22nd day of April, 2026

A Commissioner for taking Affidavits for British Columbia.

DANON DANESH

BRYAN C. GIBBONS
Barrister & Solicitor
1600 - 925 WEST GEORGIA ST.
VANCOUVER, B.C. V6C 3L2
(604) 685-3456

This is Exhibit "A" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For

STARLINE FOODS INC.

Date and Time of Search: **April 15, 2026 08:37 AM Pacific Time**

Currency Date: February 09, 2026

ACTIVE

Incorporation Number: BC1055902

Name of Company: STARLINE FOODS INC.

Business Number: 796222321 BC0001

Recognition Date and Time: Incorporated on November 19, 2015 01:57 PM Pacific Time

In Liquidation: No

Last Annual Report Filed: November 19, 2025

Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:
1 - 2838 GARDEN STREET
ABBOTSFORD BC V2T 4W7
CANADA

Delivery Address:
1 - 2838 GARDEN STREET
ABBOTSFORD BC V2T 4W7
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
1 - 2838 GARDEN STREET
ABBOTSFORD BC V2T 4W7
CANADA

Delivery Address:
1 - 2838 GARDEN STREET
ABBOTSFORD BC V2T 4W7
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Gill, Sukhminder Singh

Mailing Address:
260 SHORT ROAD
ABBOTSFORD BC V2S 8A7
CANADA

Delivery Address:
260 SHORT ROAD
ABBOTSFORD BC V2S 8A7
CANADA

Last Name, First Name, Middle Name:
Grewal, Gurinder

Mailing Address:
4133 SELDON ROAD
ABBOTSFORD BC V2S 7T4
CANADA

Delivery Address:
4133 SELDON ROAD
ABBOTSFORD BC V2S 7T4
CANADA

OFFICER INFORMATION AS AT November 19, 2025

Last Name, First Name, Middle Name:
Gill, Sukhminder Singh

Office(s) Held: (President)

Mailing Address:
260 SHORT ROAD
ABBOTSFORD BC V2S 8A7
CANADA

Delivery Address:
260 SHORT ROAD
ABBOTSFORD BC V2S 8A7
CANADA

Last Name, First Name, Middle Name:
Grewal, Gurinder

Office(s) Held: (Secretary)

Mailing Address:
4133 SELDON ROAD
ABBOTSFORD BC V2S 7T4
CANADA

Delivery Address:
4133 SELDON ROAD
ABBOTSFORD BC V2S 7T4
CANADA

This is Exhibit "B" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

TITLE SEARCH PRINT 2026-04-16, 10:54:36
File Reference: 014134-159827 Requestor: Sally Headrick
Declared Value $1850000

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District	NEW WESTMINSTER
Land Title Office	NEW WESTMINSTER
Title Number	CA4985777
From Title Number	AD185041
Application Received	2016-02-15
Application Entered	2016-02-25

Registered Owner in Fee Simple
Registered Owner/Mailing Address: STARLINE FOODS INC., INC.NO. BC1055902
#1 - 2838 GARDEN STREET
ABBOTSFORD, BC
V2T 4W7

Taxation Authority Abbotsford, City of

Description of Land
Parcel Identifier: 004-178-050
Legal Description:
LOT 1 EXCEPT: FIRSTLY: PARCEL "B" (REFERENCE PLAN 8236) SECONDLY: PARCEL "C" (REFERENCE PLAN 8237) THIRDLY: PARCEL "A" (REFERENCE PLAN 8255) FOURTHLY: PART SUBDIVIDED BY PLAN 24013, DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT PLAN 4298

Legal Notations
THIS CERTIFICATE OF TITLE MAY BE AFFECTED BY THE AGRICULTURAL LAND COMMISSION ACT; SEE AGRICULTURAL LAND RESERVE PLAN NO. 32 DEPOSITED JULY 30TH, 1974.

EXPROPRIATION BYLAW D.F. S40446
5.5.80

Charges, Liens and Interests

Nature:	UNDERSURFACE RIGHTS
Registration Number:	Z87475
Remarks:	SEE 231734E

TITLE SEARCH PRINT

2026-04-16, 10:54:36

File Reference: 014134-159827

Requestor: Sally Headrick

Declared Value $1850000

Nature:	UNDERSURFACE RIGHTS
Registration Number:	A3241
Registration Date and Time:	1965-01-28 10:02
Registered Owner:	GRACE CONNER CRUICKSHANK AGNES LESLIE CRUICKSHANK AS JOINT TENANTS
Remarks:	INTER ALIA SEE CERTIFICATE OF FORFEIT Z36379

Nature:	STATUTORY RIGHT-OF-WAY
Registration Number:	T82000
Registration Date and Time:	1981-07-23 12:26
Registered Owner:	CENTRAL FRASER VALLEY REGIONAL DISTRICT
Remarks:	PLAN 58860

Nature:	MORTGAGE
Registration Number:	CA4986042
Registration Date and Time:	2016-02-15 11:37
Registered Owner:	BANK OF MONTREAL,
Remarks:	INTER ALIA

Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA4986043
Registration Date and Time:	2016-02-15 11:37
Registered Owner:	BANK OF MONTREAL,
Remarks:	INTER ALIA

Nature:	COVENANT
Registration Number:	CA5249194
Registration Date and Time:	2016-06-09 13:47
Registered Owner:	CITY OF ABBOTSFORD
Remarks:	INTER ALIA

Nature:	PRIORITY AGREEMENT
Registration Number:	CA5249195
Registration Date and Time:	2016-06-09 13:47
Remarks:	INTER ALIA GRANTING CA5249194 PRIORITY OVER CA4986042 AND CA4986043

Nature:	MORTGAGE
Registration Number:	CA9987670
Registration Date and Time:	2022-06-07 15:34
Registered Owner:	BANK OF MONTREAL

TITLE SEARCH PRINT
File Reference: 014134-159827
Declared Value $1850000

2026-04-16, 10:54:36
Requestor: Sally Headrick

Duplicate Indefeasible Title	NONE OUTSTANDING
Transfers	NONE
Pending Applications	NONE

TITLE SEARCH PRINT 2026-04-16, 10:54:37

File Reference: 014134-159827 Requestor: Sally Headrick

Declared Value $200000

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District	NEW WESTMINSTER
Land Title Office	NEW WESTMINSTER
Title Number	CA4985778
From Title Number	AD185040
Application Received	2016-02-15
Application Entered	2016-02-25

Registered Owner in Fee Simple

Registered Owner/Mailing Address: STARLINE FOODS INC., INC.NO. BC1055902
#1 - 2838 GARDEN STREET
ABBOTSFORD, BC
V2T 4W7

Taxation Authority Abbotsford, City of

Description of Land

Parcel Identifier: 004-178-432

Legal Description:

PARCEL "E" (EXPLANATORY PLAN 14251) OF PARCEL "D" (REFERENCE PLAN 287) DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT

Legal Notations

THIS CERTIFICATE OF TITLE MAY BE AFFECTED BY THE AGRICULTURAL LAND COMMISSION ACT; SEE AGRICULTURAL LAND RESERVE PLAN NO. 32 DEPOSITED JULY 30TH, 1974.

Charges, Liens and Interests

Nature:	MORTGAGE
Registration Number:	CA4986042
Registration Date and Time:	2016-02-15 11:37
Registered Owner:	BANK OF MONTREAL,
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA4986043
Registration Date and Time:	2016-02-15 11:37
Registered Owner:	BANK OF MONTREAL,
Remarks:	INTER ALIA

TITLE SEARCH PRINT
File Reference: 014134-159827
Declared Value $200000

2026-04-16, 10:54:37
Requestor: Sally Headrick

Nature:	COVENANT
Registration Number:	CA5249194
Registration Date and Time:	2016-06-09 13:47
Registered Owner:	CITY OF ABBOTSFORD
Remarks:	INTER ALIA

Nature:	PRIORITY AGREEMENT
Registration Number:	CA5249195
Registration Date and Time:	2016-06-09 13:47
Remarks:	INTER ALIA GRANTING CA5249194 PRIORITY OVER CA4986042 AND CA4986043

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

This is Exhibit "C" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

Letter of Agreement – Amendment & Restatement

BMO Bank of Montreal

5711 - 176A STREET,
SURREY, BC V3S 6S6

August 23, 2021

Starline Foods Inc.
33786 CLAYBURN RD,
ABBOTSFORD, BRITISH COLUMBIA V2S 7T7

Attention: Gurinder Grewal, Sukhminder (Joe) Gill and Surjit Gill

LETTER OF AGREEMENT – AMENDMENT & RESTATEMENT

Bank of Montreal ("**BMO**") is pleased to provide this amended and restated Letter of Agreement with respect to the credit Facilities (each a "**Facility**" and collectively, the "**Facilities**") described herein. The letter (the "**Letter of Agreement**") amends and restates the existing Letter of Agreement dated March 31st, 2017 as amended by prior amending letters dated April 25th, 2019, February 14th, 2020 and July 8th, 2021] (the "**Prior Letter**"). The Facilities are offered (or continue to be offered, as applicable) on the terms and conditions set out in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

The Schedules listed below and attached form part of this Letter of Agreement. Capitalised terms used but not defined have the meanings ascribed to them in Schedule D.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements, any Advance under any Facility hereunder will be made at BMO's sole discretion. Any unutilized portion of any Facility hereunder may be cancelled by BMO at any time without prior notice.

Borrower:	Starline Foods Inc. **(the "Borrower")**
Guarantor(s):	SURJIT SINGH. GILL SUKHMINDER S GILL GURINDER GREWAL **(the "Guarantor(s)")**
Total Facility Limit:	The total approved amount of all facilities shall not exceed $10,464,952.11 at any time.

Your Product Summary

Facility/ Facilities:

Facility No#	Product Type	Authorized Amount	Currency
1	Real Estate Facility - Shared limit/Multi-product/Multi-draw	$5,517,839.10	CAD
2	Revolving Facility - Shared limit/Multi-product/Multi-draw	$1,500,000.00	CAD
3	Real Estate Facility - Shared limit/Multi-product/Multi-draw	$2,897,113.01	CAD
4	Foreign Exchange Forward Contract	$1,000,000.00	CAD
5	BMO Corporate MasterCard	$50,000.00	CAD
6	Treasury Risk Facility	$500,000.00	CAD

Your Product Details

Real Estate Facility - Shared limit/Multi-product/Multi-draw

Facility # 1 - Existing	
Facility Authorization:	$5,517,839.10 CAD
Current Advanced Amount:	$0.00 CAD
Available Amount:	$0.00 CAD
Type of Loan:	Real Estate Financing
Purpose:	To convert Farm mortgages 0709200875 and 0706201184 to Demand Loan Non Revolving upon renewal.
Draw Conditions:	DLNR amortization to be restricted to amortization at renewal date: any request for extension of amortization will be subject to future submission from SAMU
Maximum Amortization:	To remain per existing terms – see note above.
Advance Options(each a "Loan" and collectively the "Loans")	**Additional Details:** Draws will be restricted to DLNR option. Any other product will be at the discretion on SAMU.

Your Product Summary

Demand Loan Non Revolving	**Interest Rate:** Prime Rate plus 3.25%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of August 23, 2021 is 2.45%. **Repayment Terms:** Repayable on demand, provided that until demand is made by BMO: Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion. OR Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable. Prepayments of principal in whole or in part are permitted, without penalty **Other:**
Farm Mortgage	*FCVRM(Farm Convertible Variable Rate Mortgage) OR FOVRM(Farm Open Variable Rate Mortgage) only* **Interest Rate:** Prime Rate plus 3.25%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of August 23, 2021 is 2.45%. *FFRM(Farm Fixed Rate Mortgage) only* A percentage rate per annum, calculated half yearly not in Advance, to be determined at time of Advance. **Repayment Terms:** Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the first day of the month. The amount of the payment will be determined based on the loan amount, amortization and the interest rate in effect at the time of the Advance. Any payments to be paid on a non-Business Day may, at BMO's discretion, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. The balance of the loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the loan. *FCVRM(Farm Convertible Variable Rate Mortgage) OR FOVRM(Farm Open Variable Rate Mortgage) Only* Although the interest rate applicable to this Facility will change from time to time, the regular monthly payments shall not change (except as provided for in this paragraph. If the amount of any scheduled

	instalment payment is insufficient to pay all interest accrued when such payment is made, the accrued interest remaining unpaid shall itself bear interest at the specified interest rate until paid. If, as a result of increases in Prime Rate, the loan will not be repaid over the remaining amortization period based on the current scheduled instalment payment amount, BMO reserves the right to adjust the scheduled instalment payment amount, for the remainder of the term, on providing at least 30 days written notice to the Borrower. **Maximum Term:** 60 months **Maturity Date:** The first day of the month determined based on the term selected and the date of Advance. *FOVRM(Farm Open Variable Rate Mortgage) Only* **Prepayment Terms:** Fully open for prepayment, without penalty. *FFRM(Farm Fixed Rate Mortgage) only* **Prepayment Terms:** The Borrower shall not be entitled voluntarily to prepay any amounts except as expressly set out below. When not in Default, the Borrower may: 1. Prepay an amount of principal up to 10% of the original loan amount once every calendar year without prior notice, provided that such prepayment privileges shall not be cumulative. 2. Increase the regular blended payments by up to 10% of the amount of the payments immediately prior to such increase, once every calendar year without prior notice, provided that such prepayment privileges shall not be cumulative. 3. Prepay the total outstanding principal amount of the loan (but not part), without prior notice, upon payment to BMO of an additional amount (the "Prepayment Amount") equivalent to the greater of: (i) An amount equivalent to three months interest at the actual mortgage rate on the principal amount of the indebtedness outstanding on the date of receipt by BMO of notice from the Borrower of prepayment (the "Acceleration Date"); or (ii) The Interest Rate Differential. For the purposes of this Letter of Agreement: (i)"Interest Rate Differential" means the present value of the amount by which the total amount of interest, calculated at the actual mortgage rate, on the principal amount of the indebtedness outstanding on the Acceleration Date for a period beginning on that date and ending on the balance due date specified in the Facility, exceeds the total amount of interest on the amount prepaid, calculated at a reinvestment rate determined by BMO based on the remaining term of

	the Loan; (ii) "Indebtedness" means all amounts owing by the Borrower to BMO in connection with the loan. *FCVRM(Farm Convertible Variable Rate Mortgage) Only* **Prepayment Terms:** The Borrower shall not be entitled voluntarily to prepay any amounts except as expressly set out below. When not in Default, the Borrower may: 1. Prepay an amount of principal up to 10% of the original loan amount once every calendar year without prior notice, provided that such prepayment privileges shall not be cumulative 2. Increase the regular blended payments by up to 10% of the amount of the payments immediately prior to such increase, once every calendar year without prior notice, provided that such prepayment privileges shall not be cumulative. 3. Prepay any outstanding principal amount of the loan, at any time without prior notice, upon payment to BMO of an additional amount equivalent to three months interest calculated at the then-current variable interest rate applicable to the loan on the amount of such principal prepayment and, if the full principal amount is repaid, an additional payment by the Borrower to BMO of any discharge or assignment fee required by BMO if BMO is by law entitled to claim such fee. If partial prepayment of principal is made, the amount and due date of regular instalment payments of principal and interest shall not change as a result of such prepayment. **Conversion Option:** The Borrower has the option to convert to a Farm Fixed Rate Mortgage with no prepayment charge: or to a Farm Open Variable Rate Mortgage subject to the payment of a prepayment charge of 3 months bonus interest.
Current Advances:	**FFRM 0706201184** To be renewed to DLNR: **Current Balance:** $4,180,101.22 **Interest rate:** P+3.25% (5.70%) per annum **Amortization:** 191 months **Payment Frequency:** Monthly **Payment Type:** Blended **Payment Amount:** $33,342.57 **First Payment Due:** September 30 , 2021 **Maturity Date; N/A**

Your Product Summary

	FFRM 0709200875 (Existing) **Account** #0709200875 **Current Balance:** $1,337,737.88 **Interest rate:** 4.07% **Amortization:** 233 Months **Payment Frequency:** Annually **Payment amount:** $33,235.64 **Maturity Date:** 01-MAr- 2022
The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility. Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower. The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.	

Revolving Facility - Shared limit/Multi-product/Multi-draw

Facility # 2 - Existing								
Facility Authorization:	$1,500,000.00 CAD							
Current Advanced Amount:	$1,468,403.95 CAD							
Available Amount:	$0.00 CAD							
Type of Loan:	Operating Facility							
Purpose:	For general operating requirements							
Current Advances:	Product type	Account #	Current Balance	Payment Amount	Payment Type	Payment Frequency	Interest Rate	Maturity Date
	Commercial Letter of Credit	0706-6995-954	$10,000.00	$0.00	N/A	N/A	0%	26-MAY-2021
	Commercial Letter of Credit	0706-6995-575	$90,000.00	$0.00	N/A	N/A	0%	N/A
	Overdraft Lending Product - Combined	0709-1996-019	$1,368,403.95	$0.00	N/A	Monthly	5.7%	N/A

	CDN and USD							
Advance Options(each a "Loan" and collectively the "Loans")	**Additional Details** -First $700,000 is to be unmargined. -Seasonal bulge from $1,000,000 up to $1,500,000 to take place October 1-April 30th. (Seasonal Bulge temporarily extended to September 15th, 2021)							
Letters of Credit/ Guarantee	**Cap (Amount):**$100,000.00 CAD **Interest Rate:** To be determined at the time of draw **Repayment Terms:** To be reduced and/or cancelled in normal course. **Maximum Term:** 12 months from date of issue. Renewals as required. **Drawdown Conditions:** The Borrower may request the issuance of Letters of Credit, in a form reasonably acceptable to BMO, at any time and from time to time. Each Letter of Credit shall expire at or prior to the close of business on the date that is one year after the date of the issuance of such a Letter of Credit. **Commissions and Fees:** Advised based on specifics of request and Trade Finance client fee schedule. **Terms & Conditions:** Per Indemnity Agreement. **Other:**							
Operating Demand Loan	**Cap (Amount):**$1,400,000.00 CAD **Interest Rate:** Prime Rate plus 3.25%. Interest is calculated monthly in arrears, and payable on the last day of each month. The Prime Rate in effect as of August 23, 2021 is 2.45%. **Facility Fee:** $50 per month. This is the fee for the loan and does not include other account fees. Refer to our Better Banking Guide for other applicable fees. **Repayment Terms:** Repayable upon demand. **Other Costs:** BMO is not obliged to permit the Loan to exceed the Cap amount. In the event the Loans exceed the Cap amount, the excess will bear interest at the Overdraft Rate, which is currently 21% per annum. BMO shall also be entitled to charge the Borrower a fee of 1% calculated on the amount of excess over the Cap amount or $100, whichever is greater and a $5 overdraft handling charge per item that creates or increases the excess.							
US Overdraft	**Cap (Amount):** subject to exchange rate							

Your Product Summary

Demand Loan	**Interest Rate:** To be determined at the time of draw **Repayment Terms:** Repayable on demand. **Facility Fee:** $50 per month. This is the fee for the loan and does not include other account fees. Refer to our Better Banking Guide for other applicable fees. **Other Costs:** BMO is not obliged to permit the Loan to exceed the Cap amount. In the event the Loans exceed the Cap amount, the excess will bear interest at the Overdraft Rate, which is currently 21% per annum. BMO shall also be entitled to charge the Borrower a fee of 1% calculated on the amount of excess over the Cap amount or $100, whichever is greater and a $5 overdraft handling charge per item that creates or increases the excess.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility or request to change the Cap amount of an Operating Demand Loan under this Facility.

The Borrower is permitted four account limit changes per month and a charge of $150/ change will apply for additional limit changes.

Margin Limit:	Advances under this Facility are at all times to be contained within the Margin Limit as calculated below, so the aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization. The Margin Limit shall be calculated as the aggregate of the lesser of (i) the items in the described margin category, less the deductions shown, multiplied by the Advance Rate and (ii) the Cap for each of the margin categories shown.

Margin Reporting:

Information is required within 25 days after month-end, unless otherwise advised.

Documentation	Frequency
Aged Accounts Receivable Listing - CAD	Monthly
Aged Accounts Receivable Listing - USD	Monthly
Statement of Security under Section 427 of the Bank Act (LF 151)	Monthly
Borrowing Base Certificate	Monthly

Your Product Summary

Non-Std	Margin Category and Description	Deduction	Advance Rate %	Cap
No	Lender's estimated worth of good quality assigned (hypothecated) Canadian domiciled accounts receivable.	Total accounts receivables less these deductions: amounts past due 61 days or more, doubtful accounts, accounts in dispute, intercompany accounts, prior claims, contra accounts, holdbacks, progress billings, lienable accounts payable	75%	N/A
Yes	USD Accounts Receivable	Total USD A/R (CAD equivalent) less these deductions: amounts past due 61 days or more, doubtful accounts, accounts in dispute, intercompany accounts, prior claims, contra accounts, holdbacks, progress billings	60%	N/A
Yes	Inventory:Total frozen berry inventory less these deductions *: obsolete inventory,advance payments,prior claims (if not deducted from accounts receivable),work-in-progress,lienable accounts payable		50%	N/A

Real Estate Facility - Shared limit/Multi-product/Multi-draw

Facility # 3 - Existing	
Facility Authorization:	$2,897,113.01 CAD
Current Advanced Amount:	$2,897,113.01 CAD
Available Amount:	$0.00 CAD
Type of Loan:	Real Estate Financing
Purpose:	For general capital requirements
Draw Conditions:	1) RM to manage pay out of priority payables based on list provided by the borrower to ensure all paid out & cleared. 2) Borrower understands no intercompany funds movement between this borrower and other related entities owned by shareholders 3) Builders liens to be cleared from pledged property before draw.

Your Product Summary

<table>
<tr><td></td><td colspan="8">4) Disbursement via Invoice and / or SRM's discretion</td></tr>
<tr><td>Current Advances:</td><td colspan="8"><table>
<tr><th>Product type</th><th>Account #</th><th>Current Balance</th><th>Payment Amount</th><th>Payment Type</th><th>Payment Frequency</th><th>Interest Rate</th><th>Maturity Date</th></tr>
<tr><td>Demand Loan Non Revolving</td><td>0706-6991-419</td><td>$2,897,113.01</td><td>$18,548.60</td><td>Blended Payment</td><td>Monthly</td><td>5.7%</td><td>N/A</td></tr>
</table></td></tr>
<tr><td>Maximum Amortization:</td><td colspan="8">283 months</td></tr>
<tr><td>Advance Options(each a "Loan" and collectively the "Loans")</td><td colspan="8">Additional Details</td></tr>
<tr><td>Demand Loan Non Revolving</td><td colspan="8">Interest Rate: Prime Rate plus 3.25%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of August 23, 2021 is 2.45%.

Repayment Terms: Repayable on demand, provided that until demand is made by BMO:

Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion..

Prepayments of principal in whole or in part are permitted, without penalty

Other:</td></tr>
<tr><td colspan="9">The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.</td></tr>
</table>

Foreign Exchange Forward Contract

Facility # 4 - Existing	
Type of Loan:	Foreign Exchange Forward Contract

Purpose:	To facilitate the utilization of Foreign Exchange Forward Contract (FEFC) products.
Availability:	Through BMO's Capital Market Treasury Desk
Terms, Conditions and Fees:	Subject to specific agreements and availability.

BMO Corporate MasterCard

Facility # 5 - Existing	
Facility Authorization:	$50,000.00 CAD
Type of Loan:	Corporate MasterCard[A®*]
Purpose:	Operating Financing
Interest Rate:	As determined by Corporate MasterCard Agreement.
Repayments:	As determined by Corporate MasterCard Agreement.
Facility Fee:	As determined by Corporate MasterCard Agreement.
Â®* MasterCard is a registered trademark of MasterCard International Incorporated. Used under license.	

Treasury Risk Facility

Facility # 6 - Existing	
Type of Loan:	Treasury Risk Facility
Facility Authorization:	$500,000.00 CAD
Purpose:	To facilitate hedging of interest rate risk and/or foreign exchange risk
Availability by the way of:	Foreign Exchange Forward Contract for a maximum term of 365 Days.
Terms, Conditions and Fees:	Subject to specific agreements and availability.

Conditions Precedent to Advances:

BMO will not be required to make any Advance to the Borrower unless and until each of the following conditions and each of the additional conditions precedent set out in Schedule C have been met to the entire satisfaction of BMO (at its sole discretion):

Security:

Each of the following documents, instruments, agreements and other assurances (collectively, the "**Security**") shall be delivered to BMO prior to any Advance of funds, in form and substance acceptable to BMO and its solicitors, acting reasonably:

Security Held:

1. Insurance on a "Fire and Extended Coverage" or "All Risks" basis must be arranged (with satisfactory evidence thereof delivered to BMO) satisfactory to BMO for the full insurable or replacement value with loss payable to BMO. The policy is to contain the Standard Mortgage Clause. A copy of the policy is to be provided
2. Delivery of an existing survey/certificate of location of Mortgaged Property(ies) and all buildings located on the Mortgaged Property(ies), prepared by a surveyor licensed in the jurisdiction in which the property(ies) is/are located,which: - bears the name, address and signature of the surveyor, his official seal and licence number (any, or both), the date of a survey,and - includes a Surveyor's Certificate in the form and content required by the jurisdiction(s) in which the property is located OR - Title insurance in respect of PL NWP4298 LT 1 DL 202 LD 36 & PL NWP14251 naming BMO as beneficiary
3. Registered first-ranking All Indebtedness Mortgage, including assignment of rents in the amount of $10,000,000.00 registered over PL NWP4298 LT 1 DL 202 LD 36 & PL NWP14251 with the municipal address of 33786 Clayburn Road, Abbotsford, BC, V2S 7T7 (the "Mortgaged Property") with appropriate enabling resolutions and Documentation
4. $2,500,000.00 Personal guarantee from SURJIT SINGH. GILL,
5. $3,750,000.00 Personal guarantee from SUKHMINDER S GILL,
6. $6,000,000.00 Personal guarantee from GURINDER GREWAL,
7. Section 427 - Inventory Agriculture Other
8. Registered first-ranking security under the Bank Act.
9. Registered General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower with a First ranking for Machinery and Equipment,)
10. Registered General Assignment of Book Debts of the Borrower (CAD and USD Receivable) providing BMO with a First ranking
11. LF9B - Subordination of Shareholder Loans signed by all shareholders.

Any other documents, instruments or agreements as may be required by BMO, acting reasonably

Covenants

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as any commitment under this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

Financial Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following financial covenants,

based on financial statements of the Borrower or applicable Guarantor:

Financial Covenant	Description	Requirement	Frequency
Debt service coverage ratio	Net Income + Interest + Depreciation + Amortization/ CPLTD + Interest + Non Discretionary Dividends	Greater Than or Equal To 1.4x in 2021	Annually

Additional Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

1. The Borrower will not, without BMO's prior written consent, participate in any retrofit project or energy or water efficiency project affecting the Mortgaged Property which would have the effect of creating a lien, hypothec or other interest (including, but without limitation, a local improvement charge or similar interest) in the Mortgaged Property ranking, or potentially ranking, in priority to or *pari passu* with the interest of BMO in the Mortgaged Property, whether or not such project is sponsored or endorsed by a municipal or other government, governmental organization or utility.
2. Positive Covenants - 1. DSC > or = to 1.50x calculated as Net Income + Interest + Depreciation + Amortization/ CPLTD + Interest + Non Discretionary Dividends. Amended to Step Up DSC of 1.30x for FYE2020 and 1.40x for FYE2021
3. CAPEX: Max $500,000 annually, without written consent from the bank.

Reporting Requirements:

Annual	1. Annual Review Engagement accountant prepared financial statements of the Borrower within 120 days of fiscal year end. 2. UTD PFS of shareholders to be provided at Bank's request. 3. Annual budget and cash flow forecasts for the next year.
Monthly	Accounts Receivables, Accounts Payables and Inventory Listings
Other	Monthly report requirement - Collection of Monthly Late Reporting Fees to be increased from $1,000 to $1,500 Annual Reporting requirement - Late reporting fee (120 days after Fiscal $10,000, 150 days additional $20,000, every 30 days after $20,000 Extend deadline for accountant reviewed financial statements for fiscal year ending May 31, 2020 to July 25th. In the event that accountant reviewed financial statements are not available by July 25th a $10,000 fee will be collected and SAMU along with CLP will be advised of the delinquency. Current seasonal bulge be extended to September 15th provided that margining is adequate. Seasonal bulge to expire September 15th, 2021 .

Monthly fees as described above will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

Prompt notification of management letters, Default notices, Litigation, and any other material events

Satisfactory evidence that all Taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date

Representations and Warranties:

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

Noteless Advances:

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower maintained by BMO, shall constitute *prima facie* evidence of the Borrower's indebtedness and liability from time to time under the Facilities; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

Fees:

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal, consulting, and registration fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of $0 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be $2,500. All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

Banking Services:

The Borrower shall maintain its Bank Accounts, solely with the BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. In the event the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

Treasury & Payment Solutions:

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

Commercial Loan Insurance Plan:

You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for

any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.

Counterparts; Electronic Transmissions:

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

Governing Law:

British Columbia and the federal Laws of Canada applicable therein.

Schedules:

The following Schedules are attached to and form part of this letter of agreement:
Schedule A – Covenants
Schedule B – Representations and Warranties
Schedule C – Conditions Precedent to Advances

BMO's Legal Counsel: N/A

Agreement and Consent

This Letter of Agreement amends and restates, without novation, the Prior Letter, as of July 8, 2021], without prejudice to the effect of the terms of the Prior Letter or to any actions taken under or pursuant to the Prior Letter prior to such date. The entry into effect of this Letter of Agreement shall not be deemed to waive or limit any of BMO's rights in respect of any Event of Default then existing under the Prior Letter or any Event of Default under this Letter of Agreement which exists because of matters occurring prior to such effective date, whether or not known to BMO.

In accepting this agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its Obligations to BMO, any obligation to Advance some or all of the above Facilities may be withdrawn or cancelled.

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than September 10th, 2021. If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall have no obligation to proceed with any of the Facilities.

Yours truly,
BANK OF MONTREAL

By:_____
Name: BRIAN POVEY
Title: Senior Relationship Manager

By:_____
Name: DIANE MURPHY
Title: VP Business Banking, Agriculture National

Agreement and Consent

Accepted and agreed to this 14TH (Day) **day of** SEPTEMBER (Month), 2021 (Year)

BORROWER(S)

Starline Foods Inc.

Signature: _____

Name: SUKHMINDER SINGH GILL

Title: Director

Signature _____

Name: GURINDER GREWAL

Title: Director

Signature: _____

Name: MANOHAR PANDHER

Title: Director

GUARANTOR(S)

SURJIT GILL

Signature: _____

Name: SURJIT GILL

Witness Signature: _____

Witness Name: Brian Povey

SUKHMINDER GILL

Signature: _____

Name: SUKHMINDER GILL

Witness Signature: _____

Witness Name: Brian Povey

GURINDER GREWAL

Signature: _____

Name: GURINDER GREWAL

Witness Signature: _____

Witness Name: Brian Povey

SCHEDULE A

COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility.
2. Maintenance of corporate existence and status, if applicable.
3. Payment of all Taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholding).
4. Compliance with all material Laws, regulations and applicable permits or Approvals (including health, safety and employment standards, labour codes and environmental Laws).
5. Compliance with all material agreements.
6. Use of proceeds to be consistent with the approved purpose.
7. Notices of death of Borrower or Guarantor, Default, material Litigation, and regulatory proceedings to be provided to BMO on a timely basis.
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies.
9. No assumption of additional indebtedness or guarantee Obligations by Borrower without prior written consent of BMO.
10. No liens or encumbrances on any assets except with the prior written consent of BMO.
11. No change of control or ownership of the Borrower without the prior written consent of BMO.
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO.
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval.
14. [For multiple currencies]:

    If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.

SCHEDULE B

REPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its Obligations hereunder and thereunder.
2. It is in compliance with all applicable Laws (including environmental Laws) and its existing agreements.
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party.
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified.
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a Material Adverse Effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor.
6. There is no material Litigation pending against it or, to its knowledge, threatened against or affecting it.
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required Taxes.
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all Obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable Laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration Obligations.
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business.
11. It is not in Default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a Default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.

SCHEDULE C

ADDITIONAL CONDITIONS PRECEDENT TO ADVANCES

1. Delivery and review of the articles or other constating documents, by-laws, certified resolutions, shareholder agreements (if any) and good standing or equivalent certificates of each Credit Party demonstrating corporate or organisational status, due capacity and sufficient authority.
2. Delivery of a duly executed copy of the Documentation.
3. Review of all necessary Approvals.
4. Review of all Material Contracts.
5. Review of all information necessary for BMO to comply with all legal and internal requirements in respect of anti-money laundering and proceeds of crime legislation and "know your customer" requirements.
6. Review (as to covered risks, amounts, periods, renewals, issuer(s), named insured(s), beneficiaries, loss payees, caps, standard mortgage and similar clauses, conditions, exclusions and otherwise) by BMO (or its agents) of all insurance policies issued to the Credit Parties.
7. Completion of all due diligence required by BMO in respect of the Credit Parties and their respective business, operations, assets, property and undertaking (including lien, Litigation and solvency searches, as well as real property, insurance, tax, pension and environmental diligence, in each case where and as applicable).
8. Confirmation that all representations, warranties and other declarations made by the Credit Parties under each of the Documentation are true, complete and accurate at the time made or deemed made (including at the time of any Advance).
9. Confirmation that, since the most recent financial statements provided to BMO, no event or series of events has occurred or failed to occur which would reasonably be expected to have, either singly or in the aggregate, a Material Adverse Effect.
10. Confirmation that no Default shall have occurred or be continuing.
11. Payment of all fees, costs, charges, expenses and other amounts then owing under the Documentation.
12. Any other document or action that BMO may reasonably require.

SCHEDULE D

DEFINITIONS

"**Advance**" means an advance, continuation or conversion (where applicable) of any loan or credit extended under this Agreement.

"**Approvals**" means, collectively, all material governmental, regulatory, third party or other approvals, authorizations, consents, rights, titles, interests, franchises, licenses, permits, privileges, qualifications and the like, and orders, registrations, declarations, publications, recordings, filings, notices and such other actions which, in each case, are necessary or desirable (i) for the ownership, lease, operation and normal conduct of the business, property, undertaking and assets of any Credit Party, or (ii) under or in connection with the Facilities and the Documentation (including the execution, delivery, performance, validity, enforceability and perfection (opposability) thereof).

"**Credit Parties**" means, collectively, the Borrower(s) and the Guarantor(s).

"**Default**" means a breach or default or event which, with the giving of notice or the passage of time or both, would constitute a breach or a default (whether as to the performance or fulfilment of any representations, warranties, covenants, obligations or other provisions thereunder) under the applicable documentation (including the Documentation).

"**Documentation**" means, collectively, this Agreement, the Guarantee and Security (set forth below) and all other agreements and documents required to be delivered in connection with the Facilities or the transactions contemplated hereby.

"**including**" means including but without limitation.

"**Laws**" means all laws, statutes, regulations, rules, codes, orders, ordinances, treaties, conventions, judgements, awards, determinations, directives, orders and decrees applicable to a Credit Party, its business or its property, undertaking and assets, including, without limitation, environmental laws and pension plan and other employee plan matters.

"**Litigation**" means any judgment, writ of execution, order, notice of deficiency, injunction or directive rendered; and any notice of infraction, action, suit, proceeding or investigation pending or threatened, in each case against a Credit Party or any of its property or assets.

"**Material Contracts**" means any contract or agreement entered into by any Credit Party in respect of which any material breach or default or any termination or non-renewal would reasonably be expected to have a Material Adverse Effect under clause (i) or (ii) of the definition thereof, as such contracts or agreements may be amended, supplemented, restated, replaced or otherwise modified from time to time to the extent permitted under the Documentation.

"**Material Adverse Effect**" means a material adverse effect on (i) the business, assets, results of operations, prospects or condition (financial or otherwise) of any Credit Party, (ii) the ability of each Credit Party to perform its obligations under the Documentation, or (iii) the legality, validity, binding nature or enforceability of the rights, remedies or recourses of BMO under any of the Documentation.

"**Obligations**" means all debts, liabilities and obligations owed to BMO under or in connection with the Facilities, this Letter of Agreement or any other Documentation (in principal, interest, fees, premiums, penalties, costs, losses, expenses and other charges).

Schedules

"**Prime Rate**" means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on Canadian dollar loans made to its customers in Canada and designated as its prime rate.

"**Taxes**" means all taxes, duties, assessments, imposts, levies and similar charges and claims imposed upon a Credit Party, its income or profits, or upon any properties belonging to it (including, without limitation, corporate, GST, HST, sales tax, real property taxes and other withholdings, deductions and related liabilities).

"**US Base Rate**" means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on U.S. Dollar loans made to its customers in Canada and designated as its U.S. base rate.

This is Exhibit "D" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

LAND TITLE ACT
FORM B (Section 225)

MORTGAGE - PART 1 Province of British Columbia

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

Jennifer Daphne Syson Dezell 3RNYI9

Digitally signed by Jennifer Daphne Syson Dezell 3RNYI9
DN: c=CA, cn=Jennifer Daphne Syson Dezell 3RNYI9, o=Lawyer, ou=Verify ID at www.juricert.com/LKUP.cfm?id=3RNYI9
Date: 2016.02.15 11:09:23 -08'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

DENTONS CANADA LLP
BARRISTERS AND SOLICITORS
20TH FLOOR, 250 HOWE STREET
VANCOUVER BC V6C 3R8

Telephone No. (604) 687-4460
File No. 512989-202
Client No. 12382

Document Fees: $143.16

Deduct LTSA Fees? Yes ☑

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [legal description]

SEE SCHEDULE

STC? YES ☐

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))

STARLINE FOODS INC.

33786 CLAYBURN ROAD
ABBOTSFORD BRITISH COLUMBIA
V2S 7T7 CANADA

Incorporation No
BC1055902

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

BANK OF MONTREAL,
A CANADIAN CHARTERED BANK HAVING A POSTAL ADDRESS AT
SUITE 2200, 4720 KINGSWAY
BURNABY BRITISH COLUMBIA
CANADA V5H 4N2

5. PAYMENT PROVISIONS:

(a) Principal Amount:	(b) Interest Rate:	(c) Interest Adjustment Date:	Y	M	D
$10,000,000.00	MORTGAGEE'S PRIME RATE PLUS 5% PER ANNUM	N/A			
(d) Interest Calculation Period:	(e) Payment Dates:	(f) First Payment Date:			
MONTHLY, NOT IN ADVANCE	FIRST DAY OF EACH MONTH	N/A			
(g) Amount of each periodic payment:	(h) *Interest Act* (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is	(i) Last Payment Date:			
N/A	N/A % per annum.	N/A			
(j) Assignment of Rents which the applicant wants registered ? YES ☑ NO ☐ If YES, page and paragraph number:	(k) Place of payment:	(l) Balance Due Date:			
MT100118 PAGE 14, PARAGRAPH F.1	POSTAL ADDRESS IN ITEM 4	ON DEMAND			

MORTGAGE – PART 1

6. MORTGAGE contains floating charge on land ?
YES ☐ NO ☑

7. MORTGAGE secures a current or running account ?
YES ☑ NO ☐

8. INTEREST MORTGAGED:
Freehold ☑
Other (specify) ☐

9. MORTGAGE TERMS:
Part 2 of this mortgage consists of (select one only):
(a) Prescribed Standard Mortgage Terms ☐
(b) Filed Standard Mortgage Terms ☑ D F Number: MT100118
(c) Express Mortgage Terms ☐ (annexed to this mortgage as Part 2)
A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:

N/A

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:

N/A

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)

DOUGLAS S. PARTON

Notary Public

33456 South Fraser Way
Abbotsford, B.C. V2S 2B5
Ph: 859-4825 Fax: 859-0469

(as to all signatures)

Execution Date		
Y	M	D
16	02	11

Borrower(s) Signature(s)

STARLINE FOODS INC., by its authorized signatory(ies):

SUKHMINDER SINGH GILL, PRESIDENT

OFFICER CERTIFICATION:
Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

LAND TITLE ACT
FORM E

SCHEDULE

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

004-178-050 LOT 1 EXCEPT: FIRSTLY: PARCEL "B" (REFERENCE PLAN 8236) SECONDLY: PARCEL "C" (REFERENCE PLAN 8237) THIRDLY: PARCEL "A" (REFERENCE PLAN 8255) FOURTHLY: PART SUBDIVIDED BY PLAN 24013, DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT PLAN 4298

STC? YES ☐

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

004-178-432 PARCEL "E" (EXPLANATORY PLAN 14251) OF PARCEL "D" (REFERENCE PLAN 287) DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT

STC? YES ☐

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

STC? YES ☐

FORM_B_V22

LAND TITLE ACT
FORM B (Section 225)

MORTGAGE - PART 1 Province of British Columbia

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

DENTONS CANADA LLP
BARRISTERS AND SOLICITORS
20TH FLOOR, 250 HOWE STREET
VANCOUVER BC V6C 3R8

Telephone No. (604) 687-4460
File No. 512989-202
Client No. 12382

Deduct LTSA Fees? Yes ☑

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [legal description]

SEE SCHEDULE

STC? YES ☐

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))

STARLINE FOODS INC.

33786 CLAYBURN ROAD
ABBOTSFORD BRITISH COLUMBIA
V2S 7T7 CANADA

Incorporation No
BC1055902

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

BANK OF MONTREAL,
A CANADIAN CHARTERED BANK HAVING A POSTAL ADDRESS AT
SUITE 2200, 4720 KINGSWAY
BURNABY BRITISH COLUMBIA
CANADA V5H 4N2

5. PAYMENT PROVISIONS:

(a) Principal Amount:	(b) Interest Rate:	(c) Interest Adjustment Date:	Y	M	D
$10,000,000.00	MORTGAGEE'S PRIME RATE PLUS 5% PER ANNUM	N/A			
(d) Interest Calculation Period:	(e) Payment Dates:	(f) First Payment Date:			
MONTHLY, NOT IN ADVANCE	FIRST DAY OF EACH MONTH	N/A			
(g) Amount of each periodic payment:	(h) *Interest Act* (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is	(i) Last Payment Date:			
N/A	N/A % per annum.	N/A			
(j) Assignment of Rents which the applicant wants registered ? YES ☑ NO ☐ If YES, page and paragraph number:	(k) Place of payment:	(l) Balance Due Date:			
MT100118 PAGE 14, PARAGRAPH F.1	POSTAL ADDRESS IN ITEM 4	ON DEMAND			

MORTGAGE – PART 1 PAGE 2 OF 3 PAGES

6. MORTGAGE contains floating charge on land ?
YES ☐ NO ☑

7. MORTGAGE secures a current or running account ?
YES ☑ NO ☐

8. INTEREST MORTGAGED:
Freehold ☑
Other (specify) ☐

9. MORTGAGE TERMS:
Part 2 of this mortgage consists of (select one only):
(a) Prescribed Standard Mortgage Terms ☐
(b) Filed Standard Mortgage Terms ☑ D F Number: MT100118
(c) Express Mortgage Terms ☐ (annexed to this mortgage as Part 2)
A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:
N/A

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:
N/A

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)

DOUGLAS S. PARTON
Notary Public
33456 South Fraser Way
Abbotsford, B.C. V2S 2B5
Ph: 859-4825 Fax: 859-0469

Execution Date		
Y	M	D
16	02	11

Borrower(s) Signature(s)

STARLINE FOODS INC., by its authorized signatory(ies):

SUKHMINDER SINGH GILL, PRESIDENT

(as to all signatures)

OFFICER CERTIFICATION:
Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

DRM_E_V22

LAND TITLE ACT
FORM E

SCHEDULE

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

004-178-050 LOT 1 EXCEPT: FIRSTLY: PARCEL "B" (REFERENCE PLAN 8236) SECONDLY: PARCEL "C" (REFERENCE PLAN 8237) THIRDLY: PARCEL "A" (REFERENCE PLAN 8255) FOURTHLY: PART SUBDIVIDED BY PLAN 24013, DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT PLAN 4298

STC? YES ☐

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

004-178-432 PARCEL "E" (EXPLANATORY PLAN 14251) OF PARCEL "D" (REFERENCE PLAN 287) DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT

STC? YES ☐

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

STC? YES ☐

ACKNOWLEDGMENT OF MORTGAGE TERMS

The undersigned, as mortgagor, granted a mortgage and assignment of rents (together, the "**Mortgage**") in the amount of $10,000,000 to Bank of Montreal, as mortgagee, which the Mortgage consists of a Form B dated contemporaneously herewith (and all schedules and additional pages thereto) and filed standard mortgage terms registered under the *Land Title Act* under No. MT100118 (the "**Terms**") and the undersigned acknowledges receipt of a copy of the Terms and agrees to comply with and be bound by the Terms.

DATED this 11 day of February, 2016.

STARLINE FOODS INC.

Per: _____
Authorized Signatory

SUKHMINDER SINGH GILL

BMO Bank of Montreal

28 SEP 2010 13 39

OK Marie

BANK OF MONTREAL
BRITISH COLUMBIA
STANDARD MORTGAGE TERMS
ALL INDEBTEDNESS MORTGAGE
(COMMERCIAL/FARM)

MT100118

Filing Number _____

The following set of standard mortgage terms (together with the schedule attached hereto, the "**Standard Mortgage Terms**") shall be deemed to be included in each mortgage or charge in which it is referred to by its filing number except to the extent that the provisions of the Standard Mortgage Terms are excluded or varied by such mortgage or charge.

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B. DEFINITIONS

In this set of Standard Mortgage Terms and in each Mortgage, the following terms shall have the following meanings:

1. "**Applicable Rate**" means:

   (a) the applicable interest rate specified by the applicable note or agreement delivered by the Mortgagor to the Mortgagee or between the Mortgagor and the Mortgagee; or

   (b) if the interest rate referred to in subsection (a) is not so specified, the applicable interest rate specified by the Mortgage.

2. "**Controlling Entity**" means any corporation or other entity which on the date of the Mortgage beneficially owned, directly or indirectly, shares, other securities or other equity interests issued by the Mortgagor or a Guarantor which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Mortgagor or such Guarantor.

3. "**Default**" means a default referred to in section I.

4. "**Guarantor**" means a person who guaranteed payment of all or any Indebtedness.

5. "**Indebtedness**" means all present and future indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee whether direct or indirect, absolute or contingent, or revolving or non-revolving, whether incurred by the Mortgagor alone or together with any other debtor or debtors and whether incurred pursuant to the provisions of the Mortgage or otherwise including all principal, interest, guarantee liabilities, letter of credit indemnity liabilities, bankers' acceptance indemnity liabilities, fees and expenses now or hereafter owing by the Mortgagor to the Mortgagee.

6. "**Insolvency Proceeding**" means a proceeding commenced under the *Companies' Creditors Arrangement Act*, the *Bankruptcy and Insolvency Act* or any other similar statute.

7. "**Lease**" means a lease, offer to lease or other similar agreement of or with respect to the Mortgaged Land in favour of, or held by the Mortgagor as tenant and referred to in the Mortgage, as such lease, offer to lease or other similar agreement is amended or replaced from time to time.

8. "**Mortgage**" means the applicable registered mortgage or charge (as amended from time to time) in which this set of Standard Mortgage Terms is incorporated by reference to its filing number (including all Schedules thereto), includes any such mortgage or charge registered electronically or otherwise and includes such mortgage or charge whether or not any provision of the Standard Mortgage Terms is excluded or varied.

9. "**Mortgaged Land**" means the real property described in the Mortgage, all appurtenances thereto and all estates and interests therein, and includes all buildings, plant, machinery, crops, erections and improvements, fixed or otherwise, present or future, built, grown, placed or put thereon including all fences, heating equipment, plumbing equipment, antennae, radiators, mirrors, air-conditioning equipment, ventilating equipment, fire alarm and protective systems, lighting and lighting fixtures, hay racks, barn fixtures, milking machine equipment, water tanks, pumps and windmills, water bowls and pipes, feed boxes, litter carriers and tracks, mobile homes affixed to the real property, furnaces, boilers, oil burners, stokers, water heating equipment, cooking and refrigeration equipment, window blinds, floor coverings, storm windows, storm doors, window screens, door screens, shutters and awnings, all apparatus and equipment appurtenant thereto, and all other fixtures and accessions of any kind or nature.

10. "**Mortgagee**" means the mortgagee or chargee referred to in the Mortgage and its successors and assigns.

11. "**Mortgagee's Prime Rate**" means the fluctuating annual rate of interest determined by Bank of Montreal from time to time as the reference rate it will use to determine rates of interest payable by borrowers from Bank of Montreal of Canadian dollar loans made in Canada and designated by Bank of Montreal as its prime rate.

12. "**Mortgagor**" means the person or persons identified as the mortgagor or borrower in the Mortgage and his, her, its or their respective heirs, executors, administrators, personal representatives, successors and assigns.

13. "**Other Encumbrances**" means all statutory liens, construction liens, mechanics' liens, builders' liens, other liens, executions, mortgages, charges, and other encumbrances which charge or otherwise affect or could affect the Mortgaged Land but excludes the Mortgage.

14. "**Permitted Prior Mortgage**" means a mortgage or charge of the Mortgaged Land which ranks in priority to the Mortgage and which the Mortgagee has approved in writing.

15. "**Receiver**" means a receiver, receiver and manager or other similar person.

16. "**Schedule**" means a schedule to the Mortgage.

17. "**Taxes**" means all taxes, rates and assessments, municipal, provincial, federal or otherwise, with respect to the Mortgaged Land.

C. OPERATION OF THE MORTGAGE

1. *Charge of Mortgaged Land.* In consideration of other valuable consideration and a loan advance made or other credit extended by the Mortgagee to the Mortgagor (the receipt and sufficiency of which are acknowledged by the Mortgagor), the Mortgagor hereby mortgages and charges the Mortgaged Land to and in favour of the Mortgagee as security for payment to the Mortgagee of all Indebtedness and as security for the observance and performance by the Mortgagor of all other obligations of the Mortgagor pursuant to or in respect of the Mortgage or the Standard Mortgage Terms. Subject to the provisions of the Mortgage, the Mortgagor releases to the Mortgagee, all the Mortgagor's claims upon the Mortgaged Land.

2. *Repayment of Principal on Demand.* The Mortgagor shall pay all Indebtedness to the Mortgagee on demand by the Mortgagee for payment.

3. *Restriction on Voluntary Prepayments.* The Mortgagor shall not be entitled to prepay voluntarily any principal amount (including any principal amount owing with respect to a revolving line of credit or a demand loan) except to the extent agreed to by the Mortgagee in writing.

4. *Calculation and Payment of Interest.* The Mortgagor shall pay to the Mortgagee when due interest payable by the Mortgagor on each part of the Indebtedness (including interest on overdue interest) at the Applicable Rate which applies to such part of the Indebtedness. Interest shall accrue on each part of the Indebtedness from the date such part is incurred to the date such part is paid to the Mortgagee in full. Interest shall, both before and after Default, be calculated and payable monthly not in advance on the first day of each month unless otherwise agreed by the Mortgagor and the Mortgagee in writing. Whenever there is more than one Applicable Rate, the Applicable Rate referred to in sections D, E, G, J and K shall, unless otherwise agreed by the Mortgagee in writing, be the higher or highest of such Applicable Rates.

5. *Continuing Security.* The Mortgage shall be continuing security in favour of the Mortgagee for the payment of all Indebtedness, notwithstanding at any time and from time to time there is:

(a) any change in the nature, state or form of any account between the Mortgagor and the Mortgagee;

(b) any new advance by the Mortgagee to the Mortgagor, whether by way of loan, discount, the drawing of a cheque against an account of the Mortgagor or otherwise;

(c) any discount or acceptance by the Mortgagee from or for the Mortgagor of any note, bill of exchange or other negotiable instrument or commercial paper;

(d) any credit of any amount to any account of the Mortgagor by reason of deposit of moneys or otherwise; or

(e) any renewal, replacement, substitution or alteration of any note, bill of exchange or other negotiable instrument or other commercial paper from time to time held by the Mortgagee or any reduction, satisfaction, payment, release or discharge thereof or of any other security therefor.

Nothing herein shall prejudice any of the Mortgagee's rights pursuant to or in respect of any note, bill of exchange, other agreement or other security now or hereafter held by the Mortgagee.

6. *Divided Parts of Mortgaged Land.* Every part of the Mortgaged Land into which the Mortgaged Land may hereafter be divided by a plan of subdivision or otherwise shall continue to be charged with payment of all Indebtedness but the Mortgagee may discharge any part or parts of the Mortgaged Land with or without sufficient consideration and without releasing the Mortgagor from the Mortgage and no person shall have any right to require the Indebtedness to be apportioned between or among such parts.

7. *Application of Amounts Paid.* Any and all amounts received by the Mortgagee with respect to Indebtedness before a Default shall, unless otherwise specified by the Mortgagee in writing, be applied firstly to reduce compound interest, secondly to reduce interest (other than compound interest), thirdly to reduce principal and fourthly to reduce any other Indebtedness. Any and all amounts received by the Mortgagee after a Default (including any and all amounts received from any security held by the Mortgagee) shall be applied by the Mortgagee in the manner determined by the Mortgagee in its sole discretion.

8. *Discharge of Mortgage.* If the Mortgagor shall duly pay to the Mortgagee all Indebtedness and the Mortgagee is not then obligated to extend any credit to the Mortgagor, the Mortgagor may request from the Mortgagee a discharge of the Mortgage and, upon delivery by the Mortgagee to the Mortgagor of a discharge of the Mortgage, the Mortgage shall terminate and cease to operate; provided that the Mortgage shall not terminate or cease to operate while any Indebtedness remains unpaid or while the Mortgagee is obligated to extend any credit to the Mortgagor only because, at any prior time or times, all Indebtedness had been paid in full. The Mortgagee shall not be obligated to deliver any partial discharge of the Mortgage.

9. *Consolidation of Mortgages.* To the extent permitted by law, the doctrine of consolidation shall apply with respect to *inter alia* the Mortgage.

D. COVENANTS, REPRESENTATIONS AND WARRANTIES OF MORTGAGOR

1. *Payment of Principal and Interest.* The Mortgagor shall pay to the Mortgagee when due all Indebtedness without deduction or set-off of any kind. The Mortgagor expressly agrees not to fail to pay any Indebtedness when due and not to reduce the amount of any due payment of any Indebtedness as a result, or in respect of any existing or future claim by the Mortgagor against the Mortgagee or against any other person whether such claim relates to any or all Indebtedness, the Mortgage, any other agreement between the Mortgagor and the Mortgagee, any other transaction or any other agreement or matter whatsoever.

2. *Observance and Performance of Other Obligations.* The Mortgagor shall duly and punctually observe and perform all the Mortgagor's existing and future obligations pursuant to the Mortgage and all the Mortgagor's existing and future obligations pursuant to any and all other existing and future agreements delivered by the Mortgagor to the Mortgagee or between the Mortgagor and the Mortgagee.

3. *Payment of Taxes.* The Mortgagor shall promptly pay all Taxes as they become due and, within one month after the date fixed for the payment of the last installment of Taxes in each year, shall deliver to the Mortgagee a receipted tax bill showing payment in full of all such Taxes payable during such year. If the Mortgagor fails to pay any Taxes as they become due, the Mortgagee may, at its option, pay the whole or any part of such Taxes. The amounts so paid by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

4. *Good Title and Free From Encumbrances.* The Mortgagor represents and warrants to the Mortgagee that the Mortgagor is the legal and beneficial owner of, and has good, absolute and indefeasible title and estate in fee simple to the Mortgaged Land (or the leasehold interest therein if section E applies), free of any Other Encumbrances except any Permitted Prior Mortgage, statutory liens that secure payment of amounts not in arrears, public utilities easements or minor easements or restrictive covenants that do not impair the value, marketability or use of the Mortgaged Land or other encumbrances consented to by the Mortgagee in writing, and free of any reservations, limitations, provisos or conditions whatsoever except those contained in the original grant thereof, if any, from the Crown; the Mortgagor has good right, full power and lawful and absolute authority to mortgage and charge the Mortgaged Land (or, if section E applies, its leasehold interest therein) to the Mortgagee in accordance with the provisions of the Mortgage.

5. *Insurance.* The Mortgagor shall maintain, in form, substance and amount and with insurers satisfactory to the Mortgagee, all insurance required by the Mortgagee from time to time with respect to the Mortgaged Land (including boiler, property, public liability, rental, environmental and business interruption insurance and insurance covering all crops grown on the Mortgaged Land insuring such crops against damage by hail and against perils covered by all-risk crop

insurance). The Mortgagor shall deliver to the Mortgagee, from time to time at the Mortgagee's request, certificates of insurance and certified copies of such insurance policies showing all loss payable to the Mortgagee as first mortgagee (subject to the interests of the holder of any Permitted Prior Mortgage) and loss payee and containing a mortgage clause satisfactory to the Mortgagee. As additional and separate security for payment of all Indebtedness, the Mortgagor hereby assigns to the Mortgagee all the Mortgagor's present and future interests in and to all such present and future insurance policies and all proceeds therefrom. The Mortgagor shall not repair any damage using proceeds of any insurance without the Mortgagee's prior written consent and the Mortgagee may, at its discretion, apply any and all insurance proceeds to reduce Indebtedness. If the Mortgagor fails to maintain insurance required by the Mortgagee, the Mortgagee may arrange insurance with respect to the Mortgaged Land, the Mortgagor shall pay to the Mortgagee, on demand by the Mortgagee, all amounts paid by the Mortgagee to effect such insurance and the Mortgagor shall pay interest thereon at the Applicable Rate; and all such amounts owing by the Mortgagor shall be part of the Indebtedness and secured by the Mortgage. The Mortgagor shall, forthwith on the occurrence of any loss or damage, furnish at the Mortgagor's own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies. Any insurance monies received may, at the option of the Mortgagee, to the extent permitted by law, be applied to rebuild or repair the premises on the Mortgaged Land 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 Land, or be applied to pay Indebtedness whether or not then due, despite any law, equity or statute to the contrary. The Mortgagor, to the extent permitted by law, hereby waives any statutory or other right it may have to require any insurance proceeds to be applied in any particular manner.

6. *Payment of Other Encumbrances.* The Mortgagor shall promptly pay when due all amounts now or hereafter owing pursuant to or with respect to any Other Encumbrances and shall deliver to the Mortgagee, at the Mortgagee's request, evidence showing payment in full of all such amounts. If the Mortgagor fails to pay any Other Encumbrances when due, the Mortgagee may, at its option, pay the whole or any part of any present or future Other Encumbrances. The amounts so paid shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage. In the event the Mortgagee pays any Other Encumbrance, it shall be entitled to all the equities, rights and securities of the person or persons so paid and to obtain an assignment of such Other Encumbrance so paid and of any right to payment and is hereby authorized to retain any discharge thereof without registration for so long as it may think fit to do so.

7. *Payment of Expenses.* The Mortgagor shall, on demand by the Mortgagee, pay all costs, charges, expenses (including legal fees as between a solicitor and his or her own client), commissions and fees which may be incurred by the Mortgagee in negotiating any credit or credits secured by the Mortgage, investigating the title to the Mortgaged Land, preparing and registering the Mortgage and other documents, administering any credit or credits extended by the Mortgagee to the Mortgagor, inspecting the Mortgaged Land, collecting any Indebtedness, taking any proceeding in connection with or to collect any Indebtedness, taking and maintaining possession of the Mortgaged Land, maintaining and repairing the Mortgaged Land, and taking any other enforcement proceedings. The Mortgagor shall deliver to the Mortgagee, at the Mortgagee's request, evidence showing payment in full of all such amounts. If the Mortgagor fails to pay any such amounts as they become due, the Mortgagee may, at its option, pay any

such amounts and the amounts so paid by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

8. *Compliance with Laws.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage, the Mortgagor has complied with, and the Mortgagor agrees that it shall comply with all laws, by-laws and regulations affecting the Mortgaged Land and all orders and decisions of any governmental authority, governmental agency or court having jurisdiction affecting the Mortgaged Land (including all such laws, by-laws, regulations, orders and decisions relating to the environment or to residential or other property, including those relating to the amount of rent charged by the Mortgagor with respect to any part of the Mortgaged Land). The Mortgagor shall, at the Mortgagor's expense, promptly and in good and workmanlike manner make all improvements, alterations, clean-ups and repairs and effect any change in use that may be required from time to time to so comply.

9. *Maintain in Good Repair and Avoid Waste.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage, all buildings, erections, equipment, machinery and improvements on the Mortgaged Land are in good condition and repair and that all noxious weeds have been eradicated from the Mortgaged Land. The Mortgagor shall maintain all buildings, erections, equipment, machinery and improvements on the Mortgaged Land in good condition and repair to the satisfaction of the Mortgagee, shall eradicate all noxious weeds from the Mortgaged Land and shall not permit waste to be committed or suffered on the Mortgaged Land or any part thereof. The Mortgagee or its agent shall be entitled, from time to time, to enter on the Mortgaged Land to inspect the Mortgaged Land and to undertake any tests (including intrusive environmental tests) required by the Mortgagee. If the Mortgagor neglects to keep the Mortgaged Land or any buildings, erections, equipment, machinery or improvements on the Mortgaged Land in good condition and repair, fails to eradicate noxious weeds from the Mortgaged Land or commits or permits any act of waste on the Mortgaged Land (as to which the Mortgagee shall be the sole judge), or fails to comply with section D.8., the Mortgagee or its agent may enter upon the Mortgaged Land and make such repairs and undertake such work and take such action as the Mortgagee deems necessary. All costs of such inspection, testing, repairs, work and action shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

10. *Environmental Representation and Indemnity.* The Mortgagor represents and warrants to the Mortgagee that there has not occurred, after the date the Mortgagor acquired an interest in the Mortgaged Land, any spill, leak, contamination or other material environmental problem affecting the Mortgaged Land or any part thereof (other than any such spill, leak, contamination or other environmental problem which has been remedied). The Mortgagor shall indemnify and save harmless the Mortgagee and any Receiver of the Mortgaged Land from any and all expenses and damages incurred or suffered by the Mortgagee or such Receiver as a result, or in respect of any spill, leak, contamination or other environmental problem affecting the Mortgaged Land or any part thereof. This indemnity shall survive the payment of all Indebtedness and the satisfaction, discharge or enforcement of the Mortgage or any other security.

11. *No Alterations or Change in Use.* The Mortgagor shall not, without the prior written consent of the Mortgagee, make, or permit to be made, any alterations or additions to the Mortgaged Land or any building thereon or change the Mortgagor's use of the Mortgaged Land or any building thereon and the Mortgagor shall not allow the Mortgaged Land to be unoccupied or unused.

12. *No Unapproved Charge or Encumbrance by Mortgagor.* The Mortgagor shall not, without the Mortgagee's prior written consent, mortgage, charge, lien or encumber the Mortgaged Land or any part thereof or any interest therein or permit any Other Encumbrance to remain thereon except for any Permitted Prior Mortgage, statutory liens that secure payment of amounts not in arrears and public utilities easements or minor easements or restrictive covenants that do not impair the value, marketability or use of the Mortgaged Land.

13. *Change in Ownership or Spousal Status.* Upon any change or event affecting any of the following, namely:

(a) the spousal status of the Mortgagor, if the Mortgagor is an individual;

(b) the qualification of the Mortgaged Land as a matrimonial home; or

(c) the ownership of the Mortgaged Land,

the Mortgagor shall forthwith advise the Mortgagee accordingly in writing and furnish the Mortgagee with full particulars thereof, the intention being that the Mortgagee shall be kept fully informed of the names and addresses of the owner or owners of the Mortgaged Land and of any spouse who is not an owner but who may have a legal right of possession of or interest in the Mortgaged Land. The Mortgagor shall furnish the Mortgagee with such evidence in connection with any of subsections (a), (b) and (c) of this provision as the Mortgagee may from time to time request.

14. *Expropriation.* If the Mortgaged Land or any part thereof is condemned or expropriated to an extent which, in the Mortgagee's sole discretion, materially affects the Mortgagee's security, all Indebtedness shall, at the option of the Mortgagee, be deemed to have become due and payable on the day before such condemnation or expropriation, and interest shall continue to accrue thereon, at the Applicable Rate, until the Mortgagee has been paid all Indebtedness. The Mortgagor shall pay to the Mortgagee from any condemnation or expropriation proceeds the full amount thereof, to be applied by the Mortgagee to reduce Indebtedness.

15. *Power of Attorney.* The Mortgagor hereby irrevocably appoints the Mortgagee or any Receiver appointed by the Mortgagee under or pursuant to the Mortgage or by any order of a court of competent jurisdiction, as the Mortgagor's attorney for all purposes to take any and all action deemed appropriate by the Mortgagee or such Receiver after the occurrence of a Default.

16. *Further Assurances.* The Mortgagor shall (and shall cause each person having or claiming to have an estate, right, title or interest in or to the Mortgaged Land to) at any time and from time to time, at the Mortgagee's request, do, execute and deliver or cause to be made, executed and delivered to the Mortgagee such further and other reasonable acts, deeds, conveyances, charges and assurances as may be required by the Mortgagee to fully and effectually carry out the

intention and meaning of the Mortgage and the provisions included in the Mortgage and the reasonable cost of such further assurances shall be part of the Indebtedness and secured by the Mortgage.

17. *Business Purposes Only.* The Mortgagor shall use only for business purposes any amounts loaned by the Mortgagee to the Mortgagor and secured by the Mortgage.

18. *No Registration of Condominiums or Strata Title Developments.* The Mortgagor shall not, without the Mortgagee's prior written consent, register any condominium or strata title development with respect to all or part of the Mortgaged Land or any declaration or description with respect thereto and the Mortgagee shall not have any obligation to provide such consent.

19. *Delivery of Information.* The Mortgagor shall deliver to the Mortgagee, promptly at the Mortgagee's request, all financial statements and other information as the Mortgagee may request from time to time with respect to the Mortgagor, a Guarantor or the Mortgaged Land.

20. *No Litigation or Other Proceedings.* The Mortgagor represents and warrants that, as at the date of the Mortgage, there is no application, litigation, proceeding or investigation outstanding or, to the Mortgagor's knowledge, pending or threatened, against the Mortgagor or any Guarantor or with respect to the Mortgaged Land or any part thereof including any application, litigation, proceeding or investigation in respect of residential or other property by-laws or regulations. The Mortgagor shall notify the Mortgagee in writing of any such application, litigation, proceeding or investigation commenced after the date of the Mortgage, promptly after such commencement.

21. *Mortgagor a Canadian Resident.* The Mortgagor represents and warrants that, as at the date of the Mortgage, it is not a non-resident of Canada for purposes of the Income Tax Act and agrees that the Mortgagor shall not, without the Mortgagee's prior written consent, become a non-resident of Canada.

22. *Good Management of Mortgaged Land.* The Mortgagor shall at all times cause the Mortgaged Land to be managed in a commercially reasonable manner by the Mortgagor or by a property manager satisfactory to the Mortgagee, acting reasonably.

23. *Abutting Real Property.* The Mortgagor shall not, without the Mortgagee's prior written consent, acquire any real property which abuts the Mortgaged Land. If the Mortgagee gives such consent, the Mortgagor shall, at the Mortgagee's request, deliver to the Mortgagee a mortgage or charge of such abutting real property and of the Mortgaged Land in form and substance satisfactory to the Mortgagee.

E. MORTGAGE OF LEASEHOLD INTEREST

If the Mortgagor is not the owner of the Mortgaged Land in fee simple but is the owner of a leasehold interest in the Mortgaged Land as tenant, or as an assignee or successor of a tenant, pursuant to a Lease, the following provisions shall apply:

1. *Representations and Warranties.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage:

(a) the Lease is a good, valid and subsisting lease and has not been surrendered, forfeited or terminated or, except as specified in the Mortgage, amended, and the rents, covenants and provisions therein reserved and contained have been duly paid, performed and observed by the Mortgagor up to the date of the Mortgage; and

(b) the Mortgagor has good right and full, lawful and absolute authority to charge, mortgage, demise and sublet the Mortgaged Land in accordance with the Mortgage and any consent thereto required of the applicable landlord has been obtained.

2. *Covenants Relating to Lease.* The Mortgagor agrees with the Mortgagee as follows:

(a) The Mortgagor shall at all times fully perform and comply with all the obligations of the Mortgagor under or with respect to the Lease, or imposed on, assumed by or agreed to by the Mortgagor pursuant to any Other Encumbrances and, if the Mortgagor fails to do so, the Mortgagee may (but shall not be obliged to) take any action the Mortgagee deems necessary or desirable to prevent or to cure any default by the Mortgagor in the performance of or compliance with any such obligations. The Mortgagor shall promptly provide to the Mortgagee a copy of any notice the Mortgagor receives from the landlord, any prior mortgagee or encumbrancer, any claimant of any of the Other Encumbrances or any other person under or relating to the Lease of the Mortgaged Land. Upon receipt by the Mortgagee from the Mortgagor, the landlord, any prior mortgagee or encumbrancer, any claimant of any of the Other Encumbrances or any other person of any notice, including a notice of default, the Mortgagee may rely thereon and take any action with respect to such notice as may be required in the Mortgagee's sole discretion, including to cure a default even though the existence of such default or the nature thereof may be questioned or denied by or on behalf of the Mortgagor and the Mortgagee shall have the absolute and immediate right to enter in and upon the Mortgaged Land or any part thereof to such extent and as often as the Mortgagee, in its sole discretion deems necessary or desirable, in order to prevent or to cure any such default. The Mortgagee may pay and expend such amounts as the Mortgagee in its sole discretion deems necessary for any such purpose, and the amounts so paid shall be payable by the Mortgagor to the Mortgagee on demand by the Mortgagee with interest thereon at the Applicable Rate, and shall be a part of the Indebtedness and be secured by the Mortgage.

(b) If the Mortgage is outstanding at the expiration of the term of the Lease and the Mortgagor refuses or neglects to exercise the Mortgagor's right, if any, to renew or extend the term of the Lease or refuses to pay any fees, costs, charges or expenses payable upon any such renewal or extension, the Mortgagee may effect such renewal or extension in the name of the Mortgagor or otherwise, and every

such renewed or extended Lease shall remain and be mortgaged and charged pursuant to the Mortgage in accordance with the Mortgage.

(c) From and after the execution and delivery of the Mortgage, the Mortgagor shall stand possessed of the Mortgaged Land for the remainder of the Lease in trust for the Mortgagee, and shall exercise any right to renew or extend the term of the Lease or to assign the Lease as the Mortgagee may direct, but subject to the Mortgagor's right of redemption under the Mortgage. The Mortgagor hereby irrevocably appoints the Mortgagee as the Mortgagor's attorney for and on behalf of the Mortgagor to exercise any such renewal or extension right and to assign the Lease and convey the leasehold interest in the Mortgaged Land and the reversion thereof as the Mortgagee shall at any time direct after the occurrence of a Default and, in particular, upon any sale made by the Mortgagee under any power of sale contained in the Mortgage or granted by statute to assign the Lease and convey the Mortgagor's leasehold interest in the Mortgaged Land and the reversion to a purchaser. The Mortgagee may at any time remove the Mortgagor or any other person from being a trustee of the Lease under the above declaration of trust and appoint a new trustee or trustees.

(d) The Mortgagor shall not surrender, terminate, amend or modify the Lease or agree to do so without the prior written consent of the Mortgagee, which the Mortgagee may withhold in its absolute discretion. No release or forbearance of any of the Mortgagor's obligations under the Lease or under any Other Encumbrance shall release the Mortgagor from any of the Mortgagor's obligations under the Mortgage.

(e) Unless the Mortgagee expressly consents in writing, the title in fee simple to the Mortgaged Land and the leasehold estate shall not merge but shall always remain separate and distinct, notwithstanding the union of said estates by purchase or otherwise.

3. *Last Day of Term Excepted.* Despite any other provision of the Mortgage, the last day of the term of the Lease and of any renewal or extension thereof and of any agreement therefor now held or hereafter acquired by the Mortgagor shall be excepted out of the mortgage, charge and demise contained in the Mortgage.

4. *Charge by way of Sublease.* Despite section C.1. and any other provision of the Mortgage (except section E.3), the Mortgagor mortgages and charges, by way of sublease, the Mortgagor's leasehold interest in the Mortgaged Land pursuant to the Lease, the mortgages and charges contained in the Mortgage shall be by way of sublease and the Mortgagee shall not have any obligation or liability to the landlord or any other person pursuant to or in respect of the Lease.

5. *Leasehold Interests.* Wherever any reference is made in the Mortgage to any right of the Mortgagee to sell, transfer, assign, lease, sublease, alienate or otherwise deal with the Mortgaged Land, such reference shall be deemed, subject to section E.3., to relate to the existing and future rights and interests of the Mortgagor in the Mortgaged Land pursuant to the Lease.

F. ASSIGNMENT OF LEASES AND RENTS

If the Mortgagor or any predecessor of the Mortgagor grants or has granted any lease, offer to lease, tenancy agreement or other similar agreement of all or any part of the Mortgaged Land as landlord, the following provisions shall apply:

1. *Assignment.* As additional and separate security for payment of all Indebtedness, the Mortgagor hereby assigns, transfers and sets over to the Mortgagee, all the Mortgagor's rights and interests as landlord in all existing and future leases, tenancy agreements, offers to lease and other similar agreements with respect to all or part of the Mortgaged Land, and all rents, incomes, profits and other amounts now or hereafter arising from or out of all or part of the Mortgaged Land or any building, improvement, fixture or part thereof forming part of the Mortgaged Land.

2. *Separate Assignments.* The assignment of each of the foregoing and of each of the rents, incomes, profits and other amounts by the Mortgagor to the Mortgagee pursuant to section F.1. shall be deemed to be a separate assignment so that the Mortgagee in its discretion may exercise its rights in respect of any or all of such leases, offers to lease, tenancy agreements or other similar agreements or the rents, incomes, profits or other amounts paid or payable thereunder.

3. *Collection by Mortgagor before Default.* Until there occurs a Default, the Mortgagor may collect, retain and apply all rents, incomes, profits and other amounts and deal with all leases, offers to lease, tenancy agreements and other similar agreements from time to time in accordance with sound business practice.

4. *No Liability of Mortgagee and Indemnity by Mortgagor.* Nothing herein shall obligate the Mortgagee to assume or perform (and nothing herein shall impose on the Mortgagee) any liability or obligation of the Mortgagor to any tenant or other person pursuant to or in respect of any lease, offer to lease, tenancy agreement, other similar agreement or otherwise and the Mortgagor hereby indemnifies and saves harmless the Mortgagee from any and all claims with respect thereto, provided that the Mortgagee may, at its sole option, assume or perform any such obligations as it considers necessary or desirable.

5. *Re-assignment.* The Mortgagee may, at any time without further request or agreement by the Mortgagor, reassign to the Mortgagor, or the Mortgagor's heirs, administrators, successors or assigns, any or all of the collateral referred to in section F.1.

6. *Application by Mortgagee.* The Mortgagee's obligations with respect to any amount collected by the Mortgagee shall be discharged by the application of such amount to reduce Indebtedness.

7. *Not Mortgagee in Possession.* Nothing contained herein shall have the effect of making the Mortgagee a mortgagee in possession of the Mortgaged Land.

G. CONDOMINIUM OR STRATA TITLE DEVELOPMENT PROVISIONS

If the Mortgaged Land is or includes one or more condominium units or strata title units, the following provisions shall apply:

1. *Compliance with Requirements.* The Mortgagor shall observe and perform each of the covenants and provisions required to be observed and performed pursuant to the Mortgage, all applicable statutes governing or affecting condominiums or strata title developments, and the declaration, description, by-laws and rules, as amended from time to time, of the applicable condominium corporation or strata corporation.

2. *Common Expense Payments.* The Mortgagor shall pay promptly when due any and all unpaid condominium or strata development fees, common expenses, common element expenses, assessments, levies, instalments, payments or any other amounts due to the applicable condominium corporation or strata corporation or any agent thereof by the Mortgagor and, at the Mortgagee's request, deliver to the Mortgagee evidence of the payment thereof.

3. *Right of Mortgagee to Pay.* If the Mortgagor does not pay when due any condominium or strata development fees, common expenses or other amounts referred to in section G.2., the Mortgagee may (but shall not be obliged to) pay such amounts, the Mortgagor shall forthwith pay such amounts to the Mortgagee with interest thereon at the Applicable Rate, and all such amounts owing by the Mortgagor to the Mortgagee shall be a part of the Indebtedness and secured by the Mortgage.

4. *Voting by Mortgagee.* The Mortgagor hereby irrevocably authorizes the Mortgagee to exercise the rights of the Mortgagor as an owner of the Mortgaged Land to vote or to consent in all matters relating to the affairs of the condominium corporation or strata corporation or arising under applicable law or the declaration or by-laws of the condominium or strata corporation, provided that:

(a) in any case where the Mortgagee is entitled to receive and does receive notice of a meeting of owners, the Mortgagee may notify the condominium or strata corporation and the Mortgagor of its intention to exercise the right of the owner to vote or to consent at such meeting at least two days before the date specified in the notice for the meeting, failing which the Mortgagor may exercise such right to vote or consent at such meeting;

(b) the Mortgagee shall not, by virtue of the giving to the Mortgagee of the right to vote or consent, be under any obligation to vote or consent or to protect the interests of the Mortgagor, and the Mortgagee shall not be responsible for any exercise or failure to exercise the right to vote or consent; and

(c) nothing herein contained, including the exercise by the Mortgagee of the right to vote or consent, shall constitute the Mortgagee a mortgagee in possession.

H. MORTGAGE AS SECURITY FOR A GUARANTEE

If the Mortgagor has delivered to the Mortgagee or now or hereafter delivers to the Mortgagee a guarantee or guarantees of payment to the Mortgagee of indebtedness or liability of another or others, the Indebtedness shall include all indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee pursuant to such guarantee or guarantees, whether direct or indirect, absolute or contingent, and the Mortgage shall secure payment of all such indebtedness and liability of the Mortgagor pursuant to such guarantee or guarantees in addition to all other Indebtedness. If any such guarantee is increased or otherwise amended, the Mortgage shall also secure payment of all indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee pursuant to such guarantee as increased or otherwise amended.

I. DEFAULT

The Mortgagor shall be in default of the Mortgage and a Default shall occur pursuant to the Mortgage if:

1. the Mortgagor fails to pay any Indebtedness when due;

2. the Mortgagor or a Guarantor fails to comply with any obligation of the Mortgagor or the Guarantor pursuant to or in respect of the Mortgage or any existing or future note, instrument or agreement delivered by the Mortgagor and the Guarantors (or any of them) to the Mortgagee or between the Mortgagor and the Guarantors (or any of them) and the Mortgagee;

3. the Mortgagor fails to comply with any obligation of the Mortgagor pursuant to or in respect of any Permitted Prior Mortgage or any Other Encumbrance;

4. any representation or warranty made by the Mortgagor or a Guarantor in the Mortgage, any agreement between the Mortgagor and the Guarantors (or any of them) and the Mortgagee, or any loan or credit application made in connection with any Indebtedness was untrue when made;

5. a Receiver is appointed of any asset of the Mortgagor or of a Guarantor;

6. any construction lien, mechanics' lien or builders' lien is registered against all or any part of the Mortgaged Land and is not discharged within seven days after a request by the Mortgagee that such lien be discharged;

7. all or any part of the Mortgaged Land is condemned or expropriated;

8. the Mortgagor or a Guarantor becomes bankrupt or insolvent;

9. a petition in bankruptcy is filed against the Mortgagor or a Guarantor;

10. the Mortgagor or a Guarantor makes a proposal in bankruptcy or files a notice of intention to make a proposal in bankruptcy;

11. the Mortgagor or a Guarantor makes an application as a debtor in any Insolvency Proceeding or any other person makes an application against the Mortgagor or a Guarantor in any Insolvency Proceeding;

12. the Mortgagor sells, transfers or disposes of in any other manner the Mortgaged Land, any part thereof or any interest therein (unless the Mortgagee has approved in writing such sale, transfer or other disposition);

13. an execution, judgment or order of execution is filed or made against the Mortgaged Land or any part thereof and remains unsatisfied for a period of ten days;

14. the Mortgagor fails to pay when due any amount owing by the Mortgagor to the applicable condominium corporation or strata corporation or any agent thereof referred to in section G.2.; or

15. the Mortgagor or a Guarantor is not an individual and a change in control of the Mortgagor or such Guarantor occurs without the prior written consent of the Mortgagee; for the purposes hereof, a change in control of the Mortgagor or a Guarantor shall be deemed to occur if there occurs one or more sales, transfers or other dispositions of the beneficial ownership existing on the date of the Mortgage in the aggregate of:

    (a) shares, other securities or other equity interests issued by the Mortgagor or such Guarantor which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Mortgagor or such Guarantor; or

    (b) shares, other securities or equity interests issued by any Controlling Entity which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by such Controlling Entity.

J. REMEDIES OF MORTGAGEE

1. *Acceleration and Termination of Obligation to Extend Credit.* Without prejudice to any right of the Mortgagee to demand at any time payment by the Mortgagor of any and all Indebtedness, upon the occurrence of a Default all Indebtedness (or any part thereof determined by the Mortgagee) shall, at the Mortgagee's option, forthwith become due and payable, the Mortgage shall become enforceable and the Mortgagee shall not be obligated to extend any further credit to the Mortgagor.

2. *Right of Entry.* Upon the occurrence of a Default, the Mortgagee may, at any time or times without the concurrence of any person, enter upon, take and maintain possession of the Mortgaged Land, inspect, complete the construction of, repair or maintain any buildings or other improvements thereon, lease, collect the rents, profits and other amounts derived from the Mortgaged Land and manage the Mortgaged Land as the Mortgagee may deem fit without hindrance or interruption by the Mortgagor or any other person, and all reasonable costs, charges and expenses, including legal fees on a solicitor and his or her own client basis, and disbursements, commissions and allowances for the time and services of any employees of the

Mortgagee or any agent of the Mortgagee or other persons appointed for any such purpose shall be forthwith payable by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage. Upon the occurrence of a Default, the Mortgagee may also enforce its security against all crops growing on the Mortgaged Land, the Mortgagee may, at any time or times without the concurrence of any person, enter upon the Mortgaged Land for the purpose of cutting, harvesting and removing such crops and for otherwise farming and working the Mortgaged Land, the Mortgagee may bring on the Mortgaged Land all machines, equipment and instruments necessary for such purposes, and the Mortgagee may use all yards, barns, granaries, grain bins or all other improvements and equipment located on the Mortgaged Land to carry out any of such activities.

3. *Sale, Lease or Foreclosure.* Upon the occurrence of a Default, the Mortgagee may do any one or more of the following:

(a) apply to a court for an order that the interest of the Mortgagor in and to the Mortgaged Land be sold or leased on terms approved by the court;

(b) apply to a court to foreclose the interest of the Mortgagor in and to the Mortgaged Land;

(c) without notice, sell the interest of the Mortgagor in and to the Mortgaged Land or any part thereof by public auction or private sale for such price as can reasonably be obtained therefor, and on such terms as to credit and otherwise, and with such conditions of sale and stipulations as to title or evidence of title or otherwise as the Mortgagee shall in its discretion deem proper; and in the event of any sale on credit or for part cash and part credit, the Mortgagee shall not be accountable for or charged with any moneys until actually received; and the Mortgagee may rescind or vary any contract of sale and may buy in and resell the interest of the Mortgagor in and to the Mortgaged Land or any part thereof without being answerable for loss occasioned thereby; and no purchaser shall be bound to inquire into the legality, regularity or propriety of any sale or be affected by notice of any irregularity or impropriety; and no lack of default, lack of notice or other requirement, and no irregularity or impropriety of any kind shall invalidate any sale; and the Mortgagee may take sale proceedings hereunder, notwithstanding that other mortgage proceedings have been taken or are then pending; and for the purposes of this paragraph the Mortgagor hereby appoints the Mortgagee as its irrevocable attorney to exercise the aforesaid powers and to execute and do all deeds, documents and things as may be necessary in the circumstances; and

(d) in respect of any property to which the *Personal Property Security Act* applies, exercise the remedies of a secured party under the *Personal Property Security Act.*

4. *Sale or Lease.* The following shall apply with respect to any sale or lease by the Mortgagee, its agent or any Receiver of all or part of the Mortgaged Land after the occurrence of a Default:

(a) no purchaser or lessee shall be bound to enquire into the legality, regularity or propriety of any sale or lease or be affected by notice of any irregularity or impropriety and no lack of default or lack of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale or lease;

(b) the Mortgagee may sell or lease all or part of the Mortgaged Land without entering into actual possession of the Mortgaged Land and, when it desires to take possession, it may break locks and bolts and while in possession shall only be accountable for moneys actually received by it;

(c) the Mortgagor hereby appoints the Mortgagee as the Mortgagor's true and lawful attorney and agent to make application under any statute for consent to sever, sell or lease part or parts of the Mortgaged Land and to do all things and execute all documents to effectually complete any such severance, sale or lease;

(d) the Mortgagee may lease or take sale proceedings notwithstanding that other mortgage proceedings have been taken or are then pending;

(e) the Mortgagee shall not be responsible for any loss which may arise by reason of any such leasing or sale of the Mortgaged Land unless such loss is caused by the Mortgagee's willful misconduct; and

(f) no sale, leasing or other dealing by the Mortgagee with the Mortgaged Land or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of any Indebtedness.

5. *Attornment.* To the extent the Mortgaged Land or any part thereof is not a residential premises so as to be subject to the provisions of the applicable statute governing residential tenancies, the Mortgagor hereby attorns to and becomes a tenant of such Mortgaged Land to the Mortgagee from year to year from the date of the execution of the Mortgage until the Mortgage is discharged at a rental equivalent to and applicable in satisfaction of the interest payments forming part of the Indebtedness, the legal relation of landlord and tenant being hereby constituted between the Mortgagee and the Mortgagor in regard to the Mortgaged Land. The Mortgagor agrees that neither the existence of this provision nor anything done by virtue hereof shall impose any obligation on the Mortgagee or render the Mortgagee a mortgagee in possession or accountable for any moneys except moneys actually received by the Mortgagee and the Mortgagee may, upon the occurrence of any Default, enter on the Mortgaged Land and terminate the tenancy hereby created without notice.

6. *Right to Distrain.* Upon the occurrence of a Default, to the extent permitted by law, the Mortgagee may distrain for payment of any and all Indebtedness upon the Mortgaged Land or any part thereof and all chattels situated thereon and by distress warrant recover, by way of rent reserved from the Mortgaged Land, such moneys as shall from time to time be or remain in arrears and all costs, charges and expenses incurred by or on behalf of the Mortgagee with respect to or in connection therewith as in like cases of distress for rent. The Mortgagor waives

the right to claim exceptions and agrees that the Mortgagee shall not be limited in the amount for which it may distrain.

7. *Judgments and Non-Merger.* The taking of a judgment or judgments with respect to any of the covenants contained herein, in the Mortgage or otherwise shall not operate as a merger of any such covenants or affect the Mortgagee's right to receive interest under the Mortgage and each such judgment may provide, at the option of the Mortgagee, that interest thereon shall be computed and payable until such judgment has been fully paid and satisfied.

8. *Separate Remedies.* All remedies of the Mortgagee may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights of the Mortgagee however created.

9. *Application of Proceeds and Mortgagor's Liability for Deficiency.* All amounts received by the Mortgagee or any Receiver pursuant to any enforcement of the Mortgage may be held by the Mortgagee as security for the Indebtedness or applied to reduce Indebtedness in such manner as may be determined by the Mortgagee and the Mortgagee may at any time apply or change any such appropriation of such payments to such part or parts of the Indebtedness as the Mortgagee may determine in its sole discretion. The Mortgagor shall be and remain liable to the Mortgagee for any deficiency. Any surplus amounts realized after payment of all Indebtedness shall be paid in accordance with applicable law.

10. *Mortgagor's Insolvency* Proceedings. The Mortgagor acknowledges that the Mortgaged Land is of such a unique nature that, if the Mortgagor seeks to reorganize or restructure its affairs pursuant to any Insolvency Proceeding, the Mortgagee would not have a sufficient commonality of interest with any other creditor or creditors of the Mortgagor such that the Mortgagee would be required to vote on any plan, reorganization, arrangement, compromise or other transaction in a class with any other creditor or creditors of the Mortgagor and, in that regard, the Mortgagor agrees that the Mortgagee shall be placed in its own exclusive class of creditors for voting purposes. The Mortgagor further agrees that:

(a) it will give the Mortgagee not less than 10 days written notice prior to the commencement of any Insolvency Proceeding with respect to the Mortgagor;

(b) in no circumstance will the Mortgagor seek an order which stays any right of the Mortgagee or, to the extent permitted by law, permit any right of the Mortgagee to be stayed, in any Insolvency Proceeding and, if any court-ordered or automatic stay is imposed on the Mortgagee, the Mortgagor hereby consents to an order lifting such stay as against the Mortgagee;

(c) if an Insolvency Proceeding is commenced with respect to the Mortgagor, the Mortgagor will consent to an order directing that all rents or other revenues generated or received from or in respect of the Mortgaged Land be deposited to a segregated trust account under the sole control of the Mortgagee and that same shall not result in the Mortgagee's being a mortgagee in possession of, or in control or management of the Mortgaged Land or result in the acceleration of

payment of any Indebtedness unless such acceleration is required by the Mortgagee in writing; and

(d) it shall not, without the Mortgagee's prior written consent, propose or permit the sale or transfer of the Mortgaged Land or any part thereof, in or as part of any Insolvency Proceeding, for a net sale price less than the amount required to pay in full all Indebtedness outstanding as at the date of payment of such net sale proceeds to the Mortgagee.

K. APPOINTMENT OF A RECEIVER

1. *Appointment.* Upon the occurrence of a Default, in addition to any other remedies available to the Mortgagee, the Mortgagee may by instrument in writing appoint a Receiver of all or any part of the Mortgaged Land and all rents, incomes, profits and other amounts now or hereafter arising therefrom. The Mortgagee may also apply to any court of competent jurisdiction for the appointment of a Receiver.

2. *Powers of Receiver.* Any Receiver appointed by the Mortgagee shall, to the extent permitted by law, have the following powers:

(a) to enter upon, take possession of, use, and occupy the Mortgaged Land or any part thereof;

(b) to collect all rents, incomes, profits and other amounts in respect of the Mortgaged Land and to carry on the business of the Mortgagor on the Mortgaged Land;

(c) to borrow money required for the maintenance, preservation or protection of the Mortgaged Land or for carrying on the business of the Mortgagor and, in the discretion of the Receiver, to charge the Mortgaged Land in priority to the Mortgage as security for the principal amounts so borrowed, interest thereon and costs related thereto;

(d) to sell, lease, or otherwise dispose of the Mortgaged Land or any part thereof on such terms and conditions and in such manner as the Receiver shall determine in its sole discretion, and to effect such sale by conveying in the name and on behalf of the Mortgagor or otherwise;

(e) to demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession of the Mortgaged Land, and to give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the rents, accounts receivable or any other obligation of any person to the Mortgagor;

(f) to exercise any rights or remedies which could have been exercised by the Mortgagee against the Mortgagor or the Mortgaged Land or with respect thereto; and

(g) to execute all documents required to effect any of the foregoing.

3. *Identity of Receiver and Removal.* Any Receiver so appointed by the Mortgagee may be any person or persons satisfactory to the Mortgagee, and the Mortgagee may remove any Receiver so appointed and appoint another or others instead.

4. *Receiver as Agent of Mortgagor.* Any Receiver appointed by the Mortgagee shall be deemed to be agent of the Mortgagor unless the Mortgagee expressly specifies in writing that the Receiver shall be agent of the Mortgagee. The Mortgagor agrees to ratify and confirm all actions of the Receiver acting as agent for the Mortgagor and to release and indemnify the Receiver in respect of all such actions.

5. *Receivership Expenses.* The Mortgagor shall pay to the Receiver, forthwith on demand by the Mortgagee or the Receiver, the amount of all reasonable fees, disbursements and other expenses incurred by the Receiver in the exercise of its powers hereunder, with interest thereon at the Applicable Rate from the date on which such sums are incurred. All such sums, together with interest thereon at the Applicable Rate, shall be part of the Indebtedness and secured by the Mortgage.

6. *No Enquiries Required.* No persons dealing with the Receiver or its agents, upon any sale or other dealing with the Mortgaged Land, shall be concerned to inquire as to their powers or as to the application of any money paid to them, such sale or dealing shall be deemed as regards such person to be within the powers hereby conferred and to be valid and effectual.

L. MISCELLANEOUS

1. *Records of Mortgagee.* The records of the Mortgagee disclosing the amount of an extension of credit by the Mortgagee to the Mortgagor, the repayment of any principal amount of Indebtedness, the amount of accrued and unpaid interest owing by the Mortgagor and the amount of other Indebtedness (or any part thereof) at any time outstanding, shall constitute conclusive evidence thereof in the absence of mathematical error.

2. *Revolving Line of Credit.* The Mortgagee may wish to make loan advances and re-advances or otherwise extend credit to the Mortgagor from time to time up to a total outstanding principal amount not exceeding the principal amount referred to in the Mortgage. The Mortgage is and shall be continuing security to the Mortgagee for the payment of all Indebtedness. Any portion of the Indebtedness may be advanced or re-advanced by the Mortgagee or other credit may be extended by the Mortgagee in one or more sums at any future time or times and the amount of all such advances, re-advances or other credits when so made or extended shall be secured by the Mortgage and be payable by the Mortgagor with interest thereon at the Applicable Rate and the Mortgage shall be deemed to be taken as security for the ultimate balance of the monies hereby secured, provided that none of the execution or registration of the Mortgage or the advance in part of any monies or extension of any other credit by the Mortgagee shall obligate the

Mortgagee to advance any unadvanced portion thereof or to extend any other credit. The Mortgage shall not be void or cease to operate because the Indebtedness secured hereby has at any time or times been paid in full.

3. *Assignment and Syndication.* The Mortgagee shall be entitled from time to time, both before and after a Default, without notice to, or the consent of the Mortgagor or any Guarantor:

(a) to sell or assign all or part of the Indebtedness and the Mortgagee's interests in the Mortgage and any other security and agreements held by the Mortgagee; and

(b) to syndicate all or part of the Indebtedness, the Mortgage and any other security and agreements held by the Mortgagee and to grant participations therein.

To facilitate the foregoing, the Mortgagee may provide each prospective purchaser, assignee, syndicated lender or participant and their respective advisers with financial and other information concerning the Indebtedness, the Mortgagor, the Mortgaged Land, any Guarantor, any other collateral or any other matter.

4. *General Indemnity by Mortgagor.* The Mortgagor hereby agrees, on demand by the Mortgagee, to indemnify and hold harmless the Mortgagee and its officers, directors, employees and agents from and against any and all claims, expenses, liabilities, losses and damages that may be asserted against or incurred by any of such indemnified persons arising out of, or in connection with the Mortgage, any Indebtedness or any claim, investigation, proceeding or litigation relating to any of the foregoing, regardless of whether any such indemnified person is a party thereto (including any and all breakage costs reasonably incurred by the Mortgagee in respect of any breach by the Mortgagor of any of its obligations under the Mortgage) and to reimburse each such indemnified person, on demand by the Mortgagee, for any and all reasonable legal and other expenses incurred in investigating, pursuing or defending any of the foregoing or otherwise in connection with any of the foregoing; provided that the foregoing indemnity shall not, as to any indemnified person, apply to any claim, expense, liability, loss or damage or related expense to the extent they are found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the wilful misconduct or gross negligence of such indemnified person.

5. *Effect of Sale.* No sale, conveyance, transfer or other dealing by the Mortgagor with the Mortgaged Land or any part thereof or any approval of the Mortgagee relating thereto shall in any way change or affect the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person or persons liable for payment of the Indebtedness or any part thereof.

6. *Dealings with the Mortgagor and Others.* The Mortgagee may grant time, renewals, extensions, indulgences, releases and discharges to, may take security from and give the same and any and all existing security up to, may abstain from taking security from or from perfecting security of, may accept compositions from, may amend the Mortgage, and may otherwise deal with the Mortgagor and all other persons (including any principal debtor, any Guarantor or any owner of the Mortgaged Land) and security as the Mortgagee may see fit without prejudicing any rights of the Mortgagee under the Mortgage.

7. *Amendments to Mortgage.* The Mortgagor and the Mortgagee may from time to time amend the Mortgage (including to increase the interest rate specified by the Mortgage) by an amendment agreement between the Mortgagor and the Mortgagee, whether or not such amendment agreement (or notice thereof) is registered. This provision shall constitute notice of such amendments and the Mortgage shall secure payment of all Indebtedness (including all interest and other Indebtedness arising or resulting from such amendments) and retain its priority with respect thereto over any mortgage, charge or other instrument registered subsequent to the Mortgage.

8. *Waiver.* No waiver, condonation or excusing by the Mortgagee of any default, breach or other non-performance by the Mortgagor at any time or times in respect of any provision of the Mortgage (including any Default) shall operate as a waiver by the Mortgagee of any subsequent or other default, breach or non-performance or prejudice or affect in any way the rights of the Mortgagee in respect of any such subsequent or other default, breach or non-performance.

9. *Discharge or Assignment.* The Mortgagee shall be entitled to prepare or have its counsel prepare a discharge or assignment of the Mortgage and any other documents necessary to discharge or assign any other security held by the Mortgagee and shall have a reasonable time after payment of the Indebtedness in full within which to prepare, execute and deliver such instruments. All reasonable costs, fees and disbursements of the Mortgagee and the Mortgagee's counsel in connection with the preparation, review, execution and delivery of the discharge, assignment or any other documents necessary to discharge or assign the Mortgage or any other security shall, to the extent permitted by law, be paid by the Mortgagor to the Mortgagee and be secured by the Mortgage.

10. *No Obligation to Advance.* Nothing herein and nothing contained in the Mortgage shall obligate the Mortgagee to loan any amount to the Mortgagor or to extend any other credit to the Mortgagor.

11. *Appointment of Attorney Irrevocable.* Each appointment by the Mortgagor of an attorney in the Mortgage or the Standard Mortgage Terms is coupled with an interest and may not be revoked.

12. *Other Security.* The Mortgage is in addition to and not in substitution for any other security at any time held by the Mortgagee as security for payment of all or any part of the Indebtedness, and the Mortgagee may, at its option, pursue its remedies thereunder or under the Mortgage concurrently or successively. Any judgment or recovery under the Mortgage or under any other security held by the Mortgagee as security for payment of Indebtedness shall not affect the right of the Mortgagee to enforce or realize on the Mortgage or any other such security.

13. *Financing Statement.* To the extent permitted by law, the Mortgagor hereby waives its right to receive from the Mortgagee a copy of any financing statement, financing change statement, verification statement or other similar statement filed by or received by the Mortgagee or any agent of the Mortgagee.

14. *Notice.* Except as otherwise herein provided, any notice, demand or other communication to the Mortgagor referred to herein or in the Mortgage may be forwarded to the Mortgagor by

personal delivery or mailed by prepaid ordinary or registered mail to the Mortgagor at the Mortgagor's last known address as shown on the Mortgagee's records. The Mortgagor shall be deemed to have received the same on the date of delivery, if personally delivered, or on the fourth day after the same is mailed by prepaid ordinary mail or registered mail, if mailed, even if the Mortgagor does not actually receive it.

15. *Different Currencies.* The payment of any part of the Indebtedness shall be made by the Mortgagor in the same currency as the currency in which such part of the Indebtedness is then denominated and all interest and fees shall be paid by the Mortgagor in the same currency as the currency in which that part of the Indebtedness to which they relate is denominated.

16. *Judgment Currency.* If in the recovery by the Mortgagee of any Indebtedness in any currency, judgment can only be obtained in another currency and, because of changes in the exchange rate of such currencies between the date of judgment and payment in full of the amount of such judgment, the recovery under the judgment differs from the receipt by the Mortgagee of the full amount of such Indebtedness, the Mortgagor shall pay any such deficiency to the Mortgagee, such deficiency may be claimed by the Mortgagee against the Mortgagor as an alternative or additional cause of action and any surplus received by the Mortgagee shall be repaid to the Mortgagor.

17. *Foreign Exchange Rate Determinations.* Whenever any provision of the Mortgage requires or permits the determination of the rate of exchange between any currencies, such rate of exchange shall be determined by the Mortgagee based on its normal practice as at the date of such determination.

18. *Governing Law.* The Standard Mortgage Terms and the Mortgage shall be governed by the law of the jurisdiction in which the Mortgaged Land is located.

19. *Time of Essence.* Time shall be of the essence of the Mortgage.

20. *Severability.* If any provision of the Mortgage is found by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall not apply and the Mortgage shall remain in full force and effect without such provision.

21. *Interpretation.* Whenever the context so requires, words in the singular shall include the plural, words in the plural shall include the singular and words importing any gender shall include the other genders. Whenever used in the Standard Mortgage Terms, the Mortgage or any Schedule, the words "including" and "includes" shall mean "including, without limitation" and "includes, without limitation", respectively, and the word "person" shall include an individual, corporation, partnership, government, government agency and any other entity.

22. *Titles.* Titles used in the Standard Mortgage Terms, the Mortgage or any Schedule are inserted for convenience of reference only and shall not affect or modify the interpretation or construction of any provision of the Standard Mortgage Terms, the Mortgage or any Schedule.

23. *Joint and Several Obligations.* If there is more than one Mortgagor, all Mortgagors shall be jointly and severally liable for all obligations of the Mortgagors pursuant to the Mortgage.

24. *Schedule.* Schedule "A" shall form part of the Standard Mortgage Terms.

25. *Equivalent Rate Information.* Schedule "A" is a summary of various annual rates of interest calculated half-yearly not in advance equivalent to the corresponding annual rates calculated monthly not in advance or calculated quarter-annually not in advance. The rate of interest chargeable, calculated half-yearly not in advance, equivalent to each Applicable Rate, is shown by Schedule "A".

26. *Successors and Assigns.* All rights and powers of the Mortgagee shall enure to the benefit of and be exercisable by the Mortgagee and the Mortgagee's successors and assigns. All covenants, obligations and liabilities entered into or imposed on the Mortgagor shall be binding on the Mortgagor and the Mortgagor's heirs, executors, administrators, personal representatives, successors and assigns.

SCHEDULE "A"

The interest rates set out in Column C are the annual interest rates calculated half-yearly not in advance which are equivalent to the corresponding annual interest rates calculated monthly not in advance set out in Column A and quarter-annually not in advance set out in Column B.

COLUMN A Interest rate calculated monthly not in advance	COLUMN B Interest rate calculated quarter-annually not in advance	COLUMN C Interest rate calculated half-yearly not in advance	COLUMN A Interest rate calculated monthly not in advance	COLUMN B Interest rate calculated quarter-annually not in advance	COLUMN C Interest rate calculated half-yearly not in advance
3.0000%	3.0075%	3.0188%	11.6250%	11.7380%	11.9102%
3.1250%	3.1331%	3.1454%	11.7500%	11.8654%	12.0414%
3.2500%	3.2588%	3.2721%	11.8750%	11.9929%	12.1727%
3.3750%	3.3845%	3.3988%	12.0000%	12.1204%	12.3040%
3.5000%	3.5102%	3.5256%	12.1250%	12.2479%	12.4354%
3.6250%	3.6360%	3.6525%	12.2500%	12.3755%	12.5669%
3.7500%	3.7617%	3.7794%	12.3750%	12.5031%	12.6985%
3.8750%	3.8875%	3.9064%	12.5000%	12.6307%	12.8301%
4.0000%	4.0133%	4.0335%	12.6250%	12.7583%	12.9618%
4.1250%	4.1392%	4.1606%	12.7500%	12.8859%	13.0935%
4.2500%	4.2651%	4.2878%	12.8750%	13.0136%	13.2253%
4.3750%	4.3910%	4.4151%	13.0000%	13.1413%	13.3572%
4.5000%	4.5169%	4.5424%	13.1250%	13.2691%	13.4892%
4.6250%	4.6428%	4.6698%	13.2500%	13.3968%	13.6212%
4.7500%	4.7688%	4.7973%	13.3750%	13.5246%	13.7533%
4.8750%	4.8948%	4.9248%	13.5000%	13.6524%	13.8854%
5.0000%	5.0209%	5.0524%	13.6250%	13.7803%	14.0177%
5.1250%	5.1469%	5.1800%	13.7500%	13.9082%	14.1499%
5.2500%	5.2730%	5.3078%	13.8750%	14.0360%	14.2823%
5.3750%	5.3991%	5.4355%	14.0000%	14.1640%	14.4147%
5.5000%	5.5252%	5.5634%	14.1250%	14.2919%	14.5472%
5.6250%	5.6514%	5.6913%	14.2500%	14.4199%	14.6798%
5.7500%	5.7776%	5.8193%	14.3750%	14.5479%	14.8124%
5.8750%	5.9038%	5.9474%	14.5000%	14.6759%	14.9451%
6.0000%	6.0300%	6.0755%	14.6250%	14.8040%	15.0779%
6.1250%	6.1563%	6.2037%	14.7500%	14.9320%	15.2108%
6.2500%	6.2826%	6.3319%	14.8750%	15.0601%	15.3437%
6.3750%	6.4089%	6.4603%	15.0000%	15.1883%	15.4766%
6.5000%	6.5353%	6.5887%	15.1250%	15.3164%	15.6097%
6.6250%	6.6616%	6.7171%	15.2500%	15.4446%	15.7428%
6.7500%	6.7880%	6.8456%	15.3750%	15.5728%	15.8760%
6.8750%	6.9145%	6.9742%	15.5000%	15.7011%	16.0092%
7.0000%	7.0409%	7.1029%	15.6250%	15.8293%	16.1425%
7.1250%	7.1674%	7.2316%	15.7500%	15.9576%	16.2759%
7.2500%	7.2939%	7.3604%	15.8750%	16.0859%	16.4094%
7.3750%	7.4204%	7.4892%	16.0000%	16.2143%	16.5429%
7.5000%	7.5470%	7.6182%	16.1250%	16.3427%	16.6765%
7.6250%	7.6736%	7.7472%	16.2500%	16.4710%	16.8102%
7.7500%	7.8002%	7.8762%	16.3750%	16.5995%	16.9439%
7.8750%	7.9268%	8.0053%	16.5000%	16.7279%	17.0777%
8.0000%	8.0535%	8.1345%	16.6250%	16.8564%	17.2116%
8.1250%	8.1801%	8.2638%	16.7500%	16.9849%	17.3455%
8.2500%	8.3068%	8.3931%	16.8750%	17.1134%	17.4795%
8.3750%	8.4336%	8.5225%	17.0000%	17.2420%	17.6136%
8.5000%	8.5604%	8.6519%	17.1250%	17.3706%	17.7477%
8.6250%	8.6871%	8.7815%	17.2500%	17.4992%	17.8819%
8.7500%	8.8140%	8.9111%	17.3750%	17.6278%	18.0162%
8.8750%	8.9408%	9.0407%	17.5000%	17.7564%	18.1506%

COLUMN A	COLUMN B	COLUMN C	COLUMN A	COLUMN B	COLUMN C
Interest rate calculated monthly not in advance	**Interest rate calculated quarter-annually not in advance**	**Interest rate calculated half-yearly not in advance**	**Interest rate calculated monthly not in advance**	**Interest rate calculated quarter-annually not in advance**	**Interest rate calculated half-yearly not in advance**
9.0000%	9.0677%	9.1704%	17.6250%	17.8851%	18.2850%
9.1250%	9.1946%	9.3002%	17.7500%	18.0138%	18.4195%
9.2500%	9.3215%	9.4301%	17.8750%	18.1426%	18.5540%
9.3750%	9.4484%	9.5600%	18.0000%	18.2713%	18.6887%
9.5000%	9.5754%	9.6900%	18.1250%	18.4001%	18.8233%
9.6250%	9.7024%	9.8201%	18.2500%	18.5290%	18.9581%
9.7500%	9.8294%	9.9502%	18.3750%	18.6578%	19.0929%
9.8750%	9.9565%	10.0804%	18.5000%	18.7867%	19.2278%
10.0000%	10.0836%	10.2107%	18.6250%	18.9156%	19.3628%
10.1250%	10.2107%	10.3410%	18.7500%	19.0445%	19.4979%
10.2500%	10.3378%	10.4714%	18.8750%	19.1734%	19.6330%
10.3750%	10.4650%	10.6019%	19.0000%	19.3024%	19.7682%
10.5000%	10.5921%	10.7324%	19.1250%	19.4314%	19.9034%
10.6250%	10.7194%	10.8630%	19.2500%	19.5605%	20.0387%
10.7500%	10.8466%	10.9937%	19.3750%	19.6895%	20.1741%
10.8750%	10.9739%	11.1244%	19.5000%	19.8186%	20.3096%
11.0000%	11.1011%	11.2552%	19.6250%	19.9477%	20.4451%
11.1250%	11.2285%	11.3861%	19.7500%	20.0768%	20.5807%
11.2500%	11.3558%	11.5170%	19.8750%	20.2060%	20.7163%
11.3750%	11.4832%	11.6480%	20.0000%	20.3352%	20.8521%
11.5000%	11.6106%	11.7791%			

END OF SET

Starline Foods Inc.
33786 Clayburn Road
Abbotsford BC V2S7T7
Feb. 11, 2016

Bank of Montreal
101-32988 South Fraser Way
Abbotsford, BC V2S2A8
Dear Sirs/Mesdames:

Re: Section 427 *Bank Act* Security Documents

This is your irrevocable authority to do the following acts in connection with our Section 427 *Bank Act* security documents on our behalf and as our duly authorized agents:

1. date them a date that is subsequent to the date of filing of the Notice of Intention to Give Security under Section 427 of the *Bank Act*; and

2. insert all other appropriate reference dates as you see fit.

It is understood and agreed that the Section 427 *Bank Act* security documents described herein shall not become operative and take effect until they have been dated by the Bank as provided above and they shall be deemed to have been delivered and given to the Bank pursuant to Section 427 of the *Bank Act* as of the date designated by the Bank pursuant to paragraph one of this letter.

Starline Foods Inc.

By: _____
Name: _____
Title: Authorized Signatory

By: _____
Name: _____
Title: Authorized Signatory

bc Land Title & Survey

Land Title Act

Mortgage

Part 1 Province of British Columbia

1. Application

Bryan Gibbons (Giovanna Russo)
LAWSON LUNDELL LLP, Barristers and Solicitors
925 WEST GEORGIA STREET, 16TH FLOOR
VANCOUVER BC V6C 3L2
6046853456

14134-159827

2. Description of Land

PID/Plan Number	Legal Description
004-178-050	LOT 1 EXCEPT: FIRSTLY: PARCEL "B" (REFERENCE PLAN 8236) SECONDLY: PARCEL "C" (REFERENCE PLAN 8237) THIRDLY: PARCEL "A" (REFERENCE PLAN 8255) FOURTHLY: PART SUBDIVIDED BY PLAN 24013, DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT PLAN 4298

3. Borrower(s) (Mortgagor(s))

STARLINE FOODS INC. BC1055902
#1 - 2838 GARDEN STREET
ABBOTSFORD BC V2T 4W7

4. Lender(s) (Mortgagee(s))

BANK OF MONTREAL
A Canadian Chartered Bank Having a Branch Office and
Postal Address at
595 BURRARD STREET, MEZZANINE LEVEL
VANCOUVER BC V7X 1L7

5. Payment Provisions

Principal Amount	Interest Rate	Interest Adjustment Date
$2,000,000.00	Prime Rate plus 5.0% per annum	N/A
Interest Calculation Period	**Payment Dates**	**First Payment Date**
Monthly	Last day of each month	N/A
Amount of each periodic payment	Interest Act (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is	Last Payment Date
See Schedule	N/A % per annum	N/A
Assignment of Rents which the applicant wants registered?	Place of payment	Balance Due Date
No	POSTAL ADDRESS IN ITEM 4	ON DEMAND

6. Mortgage contains floating charge on land?

No

7. Mortgage secures a current or running account?

Yes

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bc Land Title & Survey

Land Title Act

Mortgage

Part 1 Province of British Columbia

8. Interest Mortgaged

Fee Simple

9. Mortgage Terms

Part 2 of this mortgage consists of:

(b) Filed Standard Mortgage Terms D F Number: **MT190023**

A selection of (a) or (b) includes any additional or modified terms.

10. Additional or Modified Terms

11. Prior Encumbrances Permitted by Lender

12. Execution(s)

This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Witnessing Officer Signature	Execution Date	Borrower / Party Signature(s)
PARMINDER SINGH Barrister & Solicitor Kahlon Law Office #202-2589 Cedar Park Place, Abbotsford, B.C., V2T 3S4	YYYY-MM-DD 2022-06-04	**STARLINE FOODS INC.** By their Authorized Signatory **Name:** SUKHMINDER GILL

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

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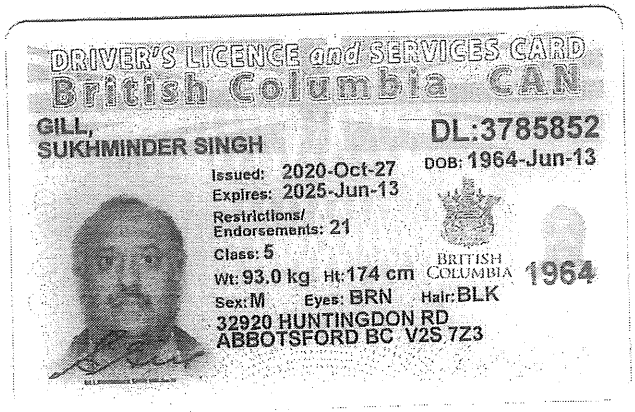
DRIVER'S LICENCE and SERVICES CARD
British Columbia CAN

GILL,
SUKHMINDER SINGH

DL:3785852

DOB: 1964-Jun-13

Issued: 2020-Oct-27
Expires: 2025-Jun-13

Restrictions/
Endorsements: 21

Class: 5

Wt: 93.0 kg Ht: 174 cm

Sex: M Eyes: BRN Hair: BLK

32920 HUNTINGDON RD
ABBOTSFORD BC V2S 7Z3

BRITISH COLUMBIA 1964

Parminder Singh
Barrister & Solicitor
202-2589 Cedar Park Place, Abbotsford
BC, V2T 3S4 604-746-0786

JUN 0 4 2022

This document certified a true copy of the original, which does not appear to have been altered in anyway.

NEW WESTMINSTER LAND TITLE OFFICE

LAND TITLE ACT BRITISH COLUMBIA
FORM 17 CHARGE, NOTATION OR FILING Oct-09-2019 11:35:08.001
LAND TITLE AND SURVEY AUTHORITY

MT190023

- Your electronic signature is a representation by you that:
  - you are a subscriber; and
  - you have incorporated your electronic signature into
    - this electronic application, and
    - the imaged copy of each supporting document attached to this electronic application,

  and have done so in accordance with Sections 168.3 and 168.41(4) of the *Land Title Act*, RSBC 1996, C.250.
- Your electronic signature is a declaration by you under Section 168.41 of the *Land Title Act* in respect of each supporting document required in conjunction with this electronic application that:
  - the supporting document is identified in the imaged copy of it attached to this electronic application;
  - the original of the supporting document is in your possession; and
  - the material facts of the supporting document are set out in the imaged copy of it attached to this electronic application.

Each term used in the representation and declaration set out above is to be given the meaning ascribed to it in Part 10.1 of the *Land Title Act*.

Jennifer Daphne Syson Dezell 3RNYI9 — Digitally signed by Jennifer Daphne Syson Dezell 3RNYI9 Date: 2019.10.09 11:26:40 -07'00'

1. APPLICANT: (Name, address, phone number of applicant, applicant's solicitor or agent)

DENTONS CANADA LLP
BARRISTERS AND SOLICITORS
20TH FLOOR, 250 HOWE STREET
VANCOUVER BC V6C 3R8
Telephone No. (604) 687-4460

Document Fees: $29.66 Deduct LTSA Fees? Yes ☑

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [legal description]

NO PID NMBR NOT APPLICABLE

STC? YES

3. NATURE OF CHARGE, NOTATION, OR FILING: AFFECTED CHARGE OR NOTATION NO:

STANDARD MORTGAGE TERMS
ADDITIONAL INFORMATION:

NATURE OF CHARGE, NOTATION, OR FILING: AFFECTED CHARGE OR NOTATION NO:

ADDITIONAL INFORMATION:

4. PERSON TO BE REGISTERED AS CHARGE OWNER: (including occupation(s), postal address(es) and postal code(s))

NOT APPLICABLE

BMO Bank of Montreal

BANK OF MONTREAL

BRITISH COLUMBIA
STANDARD MORTGAGE TERMS
ALL INDEBTEDNESS MORTGAGE
(COMMERCIAL/FARM)

The following set of standard mortgage terms (together with the schedule attached hereto, the "**Standard Mortgage Terms**") shall be deemed to be included in each mortgage or charge in which it is referred to by its filing number except to the extent that the provisions of the Standard Mortgage Terms are excluded or varied by such mortgage or charge.

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B. DEFINITIONS

In this set of Standard Mortgage Terms and in each Mortgage, the following terms shall have the following meanings:

1. "**Applicable Rate**" means:

   (a) the applicable interest rate specified by the applicable note or agreement delivered by the Mortgagor to the Mortgagee or between the Mortgagor and the Mortgagee; or

   (b) if the interest rate referred to in subsection (a) is not so specified, the applicable interest rate specified by the Mortgage.

2. "**Controlling Entity**" means any corporation or other entity which on the date of the Mortgage beneficially owned, directly or indirectly, shares, other securities or other equity interests issued by the Mortgagor or a Guarantor which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Mortgagor or such Guarantor.

3. "**Default**" means a default referred to in section I.

4. "**Guarantor**" means a person who guaranteed payment of all or any Indebtedness.

5. "**Indebtedness**" means all present and future indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee whether direct or indirect, absolute or contingent, or revolving or non-revolving, whether incurred by the Mortgagor alone or together with any other debtor or debtors and whether incurred pursuant to the provisions of the Mortgage or otherwise including all principal, interest, guarantee liabilities, letter of credit indemnity liabilities, bankers' acceptance indemnity liabilities, fees and expenses now or hereafter owing by the Mortgagor to the Mortgagee.

6. **"Insolvency Proceeding"** means a proceeding commenced under the *Companies' Creditors Arrangement Act*, the *Bankruptcy and Insolvency Act* or any other similar statute.

7. "**Lease**" means a lease, offer to lease or other similar agreement of or with respect to the Mortgaged Land in favour of, or held by the Mortgagor as tenant and referred to in the Mortgage, as such lease, offer to lease or other similar agreement is amended or replaced from time to time.

8. "**Mortgage**" means the applicable registered mortgage or charge (as amended from time to time) in which this set of Standard Mortgage Terms is incorporated by reference to its filing number (including all Schedules thereto), includes any such mortgage or charge registered electronically or otherwise and includes such mortgage or charge whether or not any provision of the Standard Mortgage Terms is excluded or varied.

9. "**Mortgaged Land**" means the real property described in the Mortgage, all appurtenances thereto and all estates and interests therein, and includes all buildings, plant, machinery, crops, erections and improvements, fixed or otherwise, present or future, built, grown, placed or put thereon including all fences, heating equipment, plumbing equipment, antennae, radiators, mirrors, air-conditioning equipment, ventilating equipment, fire alarm and protective systems, lighting and lighting fixtures, hay racks, barn fixtures, milking machine equipment, water tanks, pumps and windmills, water bowls and pipes, feed boxes, litter carriers and tracks, mobile homes affixed to the real property, furnaces, boilers, oil burners, stokers, water heating equipment, cooking and refrigeration equipment, window blinds, floor coverings, storm windows, storm doors, window screens, door screens, shutters and awnings, all apparatus and equipment appurtenant thereto, and all other fixtures and accessions of any kind or nature.

10. "**Mortgagee**" means the mortgagee or chargee referred to in the Mortgage and its successors and assigns.

11. "**Mortgagee's Prime Rate**" means the fluctuating annual rate of interest determined by Bank of Montreal from time to time as the reference rate it will use to determine rates of interest payable by borrowers from Bank of Montreal of Canadian dollar loans made in Canada and designated by Bank of Montreal as its prime rate.

12. "**Mortgagor**" means the person or persons identified as the mortgagor or borrower in the Mortgage and his, her, its or their respective heirs, executors, administrators, personal representatives, successors and assigns.

13. "**Other Encumbrances**" means all statutory liens, construction liens, mechanics' liens, builders' liens, other liens, executions, mortgages, charges, and other encumbrances which charge or otherwise affect or could affect the Mortgaged Land but excludes the Mortgage.

14. "**Permitted Prior Mortgage**" means a mortgage or charge of the Mortgaged Land which ranks in priority to the Mortgage and which the Mortgagee has approved in writing.

15. "**Receiver**" means a receiver, receiver and manager or other similar person.

16. "**Schedule**" means a schedule to the Mortgage.

17. "**Taxes**" means all taxes, rates and assessments, municipal, provincial, federal or otherwise, with respect to the Mortgaged Land.

C. OPERATION OF THE MORTGAGE

1. *Charge of Mortgaged Land.* In consideration of other valuable consideration and a loan advance made or other credit extended by the Mortgagee to the Mortgagor (the receipt and sufficiency of which are acknowledged by the Mortgagor), the Mortgagor hereby mortgages and charges the Mortgaged Land to and in favour of the Mortgagee as security for payment to the Mortgagee of all Indebtedness and as security for the observance and performance by the Mortgagor of all other obligations of the Mortgagor pursuant to or in respect of the Mortgage or the Standard Mortgage Terms. Subject to the provisions of the Mortgage, the Mortgagor releases to the Mortgagee, all the Mortgagor's claims upon the Mortgaged Land.

2. *Repayment of Principal on Demand.* The Mortgagor shall pay all Indebtedness to the Mortgagee on demand by the Mortgagee for payment.

3. *Restriction on Voluntary Prepayments.* The Mortgagor shall not be entitled to prepay voluntarily any principal amount (including any principal amount owing with respect to a revolving line of credit or a demand loan) except to the extent agreed to by the Mortgagee in writing.

4. *Calculation and Payment of Interest.* The Mortgagor shall pay to the Mortgagee when due interest payable by the Mortgagor on each part of the Indebtedness (including

interest on overdue interest) at the Applicable Rate which applies to such part of the Indebtedness. Interest shall accrue on each part of the Indebtedness from the date such part is incurred to the date such part is paid to the Mortgagee in full. Interest shall, both before and after Default, be calculated and payable monthly not in advance on the first day of each month unless otherwise agreed by the Mortgagor and the Mortgagee in writing. Whenever there is more than one Applicable Rate, the Applicable Rate referred to in sections D, E, G, J and K shall, unless otherwise agreed by the Mortgagee in writing, be the higher or highest of such Applicable Rates.

5. *Continuing Security.* The Mortgage shall be continuing security in favour of the Mortgagee for the payment of all Indebtedness, notwithstanding at any time and from time to time there is:

(a) any change in the nature, state or form of any account between the Mortgagor and the Mortgagee;

(b) any new advance by the Mortgagee to the Mortgagor, whether by way of loan, discount, the drawing of a cheque against an account of the Mortgagor or otherwise;

(c) any discount or acceptance by the Mortgagee from or for the Mortgagor of any note, bill of exchange or other negotiable instrument or commercial paper;

(d) any credit of any amount to any account of the Mortgagor by reason of deposit of moneys or otherwise; or

(e) any renewal, replacement, substitution or alteration of any note, bill of exchange or other negotiable instrument or other commercial paper from time to time held by the Mortgagee or any reduction, satisfaction, payment, release or discharge thereof or of any other security therefor.

Nothing herein shall prejudice any of the Mortgagee's rights pursuant to or in respect of any note, bill of exchange, other agreement or other security now or hereafter held by the Mortgagee.

6. *Divided Parts of Mortgaged Land.* Every part of the Mortgaged Land into which the Mortgaged Land may hereafter be divided by a plan of subdivision or otherwise shall continue to be charged with payment of all Indebtedness but the Mortgagee may discharge any part or parts of the Mortgaged Land with or without sufficient consideration and without releasing the Mortgagor from the Mortgage and no person shall have any right to require the Indebtedness to be apportioned between or among such parts.

7. *Application of Amounts Paid.* Any and all amounts received by the Mortgagee with respect to Indebtedness before a Default shall, unless otherwise specified by the Mortgagee in writing, be applied firstly to reduce compound interest, secondly to reduce interest (other than compound interest), thirdly to reduce principal and fourthly to reduce

any other Indebtedness. Any and all amounts received by the Mortgagee after a Default (including any and all amounts received from any security held by the Mortgagee) shall be applied by the Mortgagee in the manner determined by the Mortgagee in its sole discretion.

8. *Discharge of Mortgage.* If the Mortgagor shall duly pay to the Mortgagee all Indebtedness and the Mortgagee is not then obligated to extend any credit to the Mortgagor, the Mortgagor may request from the Mortgagee a discharge of the Mortgage and, upon delivery by the Mortgagee to the Mortgagor of a discharge of the Mortgage, the Mortgage shall terminate and cease to operate; provided that the Mortgage shall not terminate or cease to operate while any Indebtedness remains unpaid or while the Mortgagee is obligated to extend any credit to the Mortgagor only because, at any prior time or times, all Indebtedness had been paid in full. The Mortgagee shall not be obligated to deliver any partial discharge of the Mortgage.

9. *Consolidation of Mortgages.* To the extent permitted by law, the doctrine of consolidation shall apply with respect to *inter alia* the Mortgage.

D. COVENANTS, REPRESENTATIONS AND WARRANTIES OF MORTGAGOR

1. *Payment of Principal and Interest.* The Mortgagor shall pay to the Mortgagee when due all Indebtedness without deduction or set-off of any kind. The Mortgagor expressly agrees not to fail to pay any Indebtedness when due and not to reduce the amount of any due payment of any Indebtedness as a result, or in respect of any existing or future claim by the Mortgagor against the Mortgagee or against any other person whether such claim relates to any or all Indebtedness, the Mortgage, any other agreement between the Mortgagor and the Mortgagee, any other transaction or any other agreement or matter whatsoever.

2. *Observance and Performance of Other Obligations.* The Mortgagor shall duly and punctually observe and perform all the Mortgagor's existing and future obligations pursuant to the Mortgage and all the Mortgagor's existing and future obligations pursuant to any and all other existing and future agreements delivered by the Mortgagor to the Mortgagee or between the Mortgagor and the Mortgagee.

3. *Payment of Taxes.* The Mortgagor shall promptly pay all Taxes as they become due and, within one month after the date fixed for the payment of the last installment of Taxes in each year, shall deliver to the Mortgagee a receipted tax bill showing payment in full of all such Taxes payable during such year. If the Mortgagor fails to pay any Taxes as they become due, the Mortgagee may, at its option, pay the whole or any part of such Taxes. The amounts so paid by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

4. *Good Title and Free From Encumbrances.* The Mortgagor represents and warrants to the Mortgagee that the Mortgagor is the legal and beneficial owner of, and has good,

absolute and indefeasible title and estate in fee simple to the Mortgaged Land (or the leasehold interest therein if section E applies), free of any Other Encumbrances except any Permitted Prior Mortgage, statutory liens that secure payment of amounts not in arrears, public utilities easements or minor easements or restrictive covenants that do not impair the value, marketability or use of the Mortgaged Land or other encumbrances consented to by the Mortgagee in writing, and free of any reservations, limitations, provisos or conditions whatsoever except those contained in the original grant thereof, if any, from the Crown; the Mortgagor has good right, full power and lawful and absolute authority to mortgage and charge the Mortgaged Land (or, if section E applies, its leasehold interest therein) to the Mortgagee in accordance with the provisions of the Mortgage.

5. *Insurance.* The Mortgagor shall maintain, in form, substance and amount and with insurers satisfactory to the Mortgagee, all insurance required by the Mortgagee from time to time with respect to the Mortgaged Land (including boiler, property, public liability, rental, environmental and business interruption insurance and insurance covering all crops grown on the Mortgaged Land insuring such crops against damage by hail and against perils covered by all-risk crop insurance). The Mortgagor shall deliver to the Mortgagee, from time to time at the Mortgagee's request, certificates of insurance and certified copies of such insurance policies showing all loss payable to the Mortgagee as first mortgagee (subject to the interests of the holder of any Permitted Prior Mortgage) and loss payee and containing a mortgage clause satisfactory to the Mortgagee. As additional and separate security for payment of all Indebtedness, the Mortgagor hereby assigns to the Mortgagee all the Mortgagor's present and future interests in and to all such present and future insurance policies and all proceeds therefrom. The Mortgagor shall not repair any damage using proceeds of any insurance without the Mortgagee's prior written consent and the Mortgagee may, at its discretion, apply any and all insurance proceeds to reduce Indebtedness. If the Mortgagor fails to maintain insurance required by the Mortgagee, the Mortgagee may arrange insurance with respect to the Mortgaged Land, the Mortgagor shall pay to the Mortgagee, on demand by the Mortgagee, all amounts paid by the Mortgagee to effect such insurance and the Mortgagor shall pay interest thereon at the Applicable Rate; and all such amounts owing by the Mortgagor shall be part of the Indebtedness and secured by the Mortgage. The Mortgagor shall, forthwith on the occurrence of any loss or damage, furnish at the Mortgagor's own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies. Any insurance monies received may, at the option of the Mortgagee, to the extent permitted by law, be applied to rebuild or repair the premises on the Mortgaged Land 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 Land, or be applied to pay Indebtedness whether or not then due, despite any law, equity or statute to the contrary. The Mortgagor, to the extent permitted by law, hereby waives any statutory or other right it may have to require any insurance proceeds to be applied in any particular manner.

6. *Payment of Other Encumbrances.* The Mortgagor shall promptly pay when due all amounts now or hereafter owing pursuant to or with respect to any Other Encumbrances and shall deliver to the Mortgagee, at the Mortgagee's request,

evidence showing payment in full of all such amounts. If the Mortgagor fails to pay any Other Encumbrances when due, the Mortgagee may, at its option, pay the whole or any part of any present or future Other Encumbrances. The amounts so paid shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage. In the event the Mortgagee pays any Other Encumbrance, it shall be entitled to all the equities, rights and securities of the person or persons so paid and to obtain an assignment of such Other Encumbrance so paid and of any right to payment and is hereby authorized to retain any discharge thereof without registration for so long as it may think fit to do so.

7. *Payment of Expenses.* The Mortgagor shall, on demand by the Mortgagee, pay all costs, charges, expenses (including legal fees as between a solicitor and his or her own client), commissions and fees which may be incurred by the Mortgagee in negotiating any credit or credits secured by the Mortgage, investigating the title to the Mortgaged Land, preparing and registering the Mortgage and other documents, administering any credit or credits extended by the Mortgagee to the Mortgagor, inspecting the Mortgaged Land, collecting any Indebtedness, taking any proceeding in connection with or to collect any Indebtedness, taking and maintaining possession of the Mortgaged Land, maintaining and repairing the Mortgaged Land, and taking any other enforcement proceedings. The Mortgagor shall deliver to the Mortgagee, at the Mortgagee's request, evidence showing payment in full of all such amounts. If the Mortgagor fails to pay any such amounts as they become due, the Mortgagee may, at its option, pay any such amounts and the amounts so paid by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

8. *Compliance with Laws.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage, the Mortgagor has complied with, and the Mortgagor agrees that it shall comply with all laws, by-laws and regulations affecting the Mortgaged Land and all orders and decisions of any governmental authority, governmental agency or court having jurisdiction affecting the Mortgaged Land (including all such laws, by-laws, regulations, orders and decisions relating to the environment or to residential or other property, including those relating to the amount of rent charged by the Mortgagor with respect to any part of the Mortgaged Land). The Mortgagor shall, at the Mortgagor's expense, promptly and in good and workmanlike manner make all improvements, alterations, clean-ups and repairs and effect any change in use that may be required from time to time to so comply.

9. *Maintain in Good Repair and Avoid Waste.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage, all buildings, erections, equipment, machinery and improvements on the Mortgaged Land are in good condition and repair and that all noxious weeds have been eradicated from the Mortgaged Land. The Mortgagor shall maintain all buildings, erections, equipment, machinery and improvements on the Mortgaged Land in good condition and repair to the satisfaction of the Mortgagee, shall eradicate all noxious weeds from the Mortgaged Land and shall not permit waste to be committed or suffered on the Mortgaged Land or any part

thereof. The Mortgagee or its agent shall be entitled, from time to time, to enter on the Mortgaged Land to inspect the Mortgaged Land and to undertake any tests (including intrusive environmental tests) required by the Mortgagee. If the Mortgagor neglects to keep the Mortgaged Land or any buildings, erections, equipment, machinery or improvements on the Mortgaged Land in good condition and repair, fails to eradicate noxious weeds from the Mortgaged Land or commits or permits any act of waste on the Mortgaged Land (as to which the Mortgagee shall be the sole judge), or fails to comply with section D.8., the Mortgagee or its agent may enter upon the Mortgaged Land and make such repairs and undertake such work and take such action as the Mortgagee deems necessary. All costs of such inspection, testing, repairs, work and action shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

10. *Environmental Representation and Indemnity.* The Mortgagor represents and warrants to the Mortgagee that there has not occurred, after the date the Mortgagor acquired an interest in the Mortgaged Land, any spill, leak, contamination or other material environmental problem affecting the Mortgaged Land or any part thereof (other than any such spill, leak, contamination or other environmental problem which has been remedied). The Mortgagor shall indemnify and save harmless the Mortgagee and any Receiver of the Mortgaged Land from any and all expenses and damages incurred or suffered by the Mortgagee or such Receiver as a result, or in respect of any spill, leak, contamination or other environmental problem affecting the Mortgaged Land or any part thereof. This indemnity shall survive the payment of all Indebtedness and the satisfaction, discharge or enforcement of the Mortgage or any other security.

11. *No Alterations or Change in Use.* The Mortgagor shall not, without the prior written consent of the Mortgagee, make, or permit to be made, any alterations or additions to the Mortgaged Land or any building thereon or change the Mortgagor's use of the Mortgaged Land or any building thereon and the Mortgagor shall not allow the Mortgaged Land to be unoccupied or unused.

12. *No Unapproved Charge or Encumbrance by Mortgagor.* The Mortgagor shall not, without the Mortgagee's prior written consent, mortgage, charge, lien or encumber the Mortgaged Land or any part thereof or any interest therein or permit any Other Encumbrance to remain thereon except for any Permitted Prior Mortgage, statutory liens that secure payment of amounts not in arrears and public utilities easements or minor easements or restrictive covenants that do not impair the value, marketability or use of the Mortgaged Land.

13. *Change in Ownership or Spousal Status.* Upon any change or event affecting any of the following, namely:

(a) the spousal status of the Mortgagor, if the Mortgagor is an individual;

(b) the qualification of the Mortgaged Land as a matrimonial home; or

(c) the ownership of the Mortgaged Land,

the Mortgagor shall forthwith advise the Mortgagee accordingly in writing and furnish the Mortgagee with full particulars thereof, the intention being that the Mortgagee shall be kept fully informed of the names and addresses of the owner or owners of the Mortgaged Land and of any spouse who is not an owner but who may have a legal right of possession of or interest in the Mortgaged Land. The Mortgagor shall furnish the Mortgagee with such evidence in connection with any of subsections (a), (b) and (c) of this provision as the Mortgagee may from time to time request.

14. *Expropriation.* If the Mortgaged Land or any part thereof is condemned or expropriated to an extent which, in the Mortgagee's sole discretion, materially affects the Mortgagee's security, all Indebtedness shall, at the option of the Mortgagee, be deemed to have become due and payable on the day before such condemnation or expropriation, and interest shall continue to accrue thereon, at the Applicable Rate, until the Mortgagee has been paid all Indebtedness. The Mortgagor shall pay to the Mortgagee from any condemnation or expropriation proceeds the full amount thereof, to be applied by the Mortgagee to reduce Indebtedness.

15. *Power of Attorney.* The Mortgagor hereby irrevocably appoints the Mortgagee or any Receiver appointed by the Mortgagee under or pursuant to the Mortgage or by any order of a court of competent jurisdiction, as the Mortgagor's attorney for all purposes to take any and all action deemed appropriate by the Mortgagee or such Receiver after the occurrence of a Default.

16. *Further Assurances.* The Mortgagor shall (and shall cause each person having or claiming to have an estate, right, title or interest in or to the Mortgaged Land to) at any time and from time to time, at the Mortgagee's request, do, execute and deliver or cause to be made, executed and delivered to the Mortgagee such further and other reasonable acts, deeds, conveyances, charges and assurances as may be required by the Mortgagee to fully and effectually carry out the intention and meaning of the Mortgage and the provisions included in the Mortgage and the reasonable cost of such further assurances shall be part of the Indebtedness and secured by the Mortgage.

17. *Business Purposes Only.* The Mortgagor shall use only for business purposes any amounts loaned by the Mortgagee to the Mortgagor and secured by the Mortgage.

18. *No Registration of Condominiums or Strata Title Developments.* The Mortgagor shall not, without the Mortgagee's prior written consent, register any condominium or strata title development with respect to all or part of the Mortgaged Land or any declaration or description with respect thereto and the Mortgagee shall not have any obligation to provide such consent.

19. *Delivery of Information.* The Mortgagor shall deliver to the Mortgagee, promptly at the Mortgagee's request, all financial statements and other information as the Mortgagee may request from time to time with respect to the Mortgagor, a Guarantor or the Mortgaged Land.

20. *No Litigation or Other Proceedings.* The Mortgagor represents and warrants that, as at the date of the Mortgage, there is no application, litigation, proceeding or investigation outstanding or, to the Mortgagor's knowledge, pending or threatened, against the Mortgagor or any Guarantor or with respect to the Mortgaged Land or any part thereof including any application, litigation, proceeding or investigation in respect of residential or other property by-laws or regulations. The Mortgagor shall notify the Mortgagee in writing of any such application, litigation, proceeding or investigation commenced after the date of the Mortgage, promptly after such commencement.

21. *Mortgagor a Canadian Resident.* The Mortgagor represents and warrants that, as at the date of the Mortgage, it is not a non-resident of Canada for purposes of the Income Tax Act and agrees that the Mortgagor shall not, without the Mortgagee's prior written consent, become a non-resident of Canada.

22. *Good Management of Mortgaged Land.* The Mortgagor shall at all times cause the Mortgaged Land to be managed in a commercially reasonable manner by the Mortgagor or by a property manager satisfactory to the Mortgagee, acting reasonably.

23. *Abutting Real Property.* The Mortgagor shall not, without the Mortgagee's prior written consent, acquire any real property which abuts the Mortgaged Land. If the Mortgagee gives such consent, the Mortgagor shall, at the Mortgagee's request, deliver to the Mortgagee a mortgage or charge of such abutting real property and of the Mortgaged Land in form and substance satisfactory to the Mortgagee.

E. MORTGAGE OF LEASEHOLD INTEREST

If the Mortgagor is not the owner of the Mortgaged Land in fee simple but is the owner of a leasehold interest in the Mortgaged Land as tenant, or as an assignee or successor of a tenant, pursuant to a Lease, the following provisions shall apply:

1. *Representations and Warranties.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage:

(a) the Lease is a good, valid and subsisting lease and has not been surrendered, forfeited or terminated or, except as specified in the Mortgage, amended, and the rents, covenants and provisions therein reserved and contained have been duly paid, performed and observed by the Mortgagor up to the date of the Mortgage; and

(b) the Mortgagor has good right and full, lawful and absolute authority to charge, mortgage, demise and sublet the Mortgaged Land in accordance with the Mortgage and any consent thereto required of the applicable landlord has been obtained.

2. *Covenants Relating to Lease.* The Mortgagor agrees with the Mortgagee as follows:

(a) The Mortgagor shall at all times fully perform and comply with all the obligations of the Mortgagor under or with respect to the Lease, or imposed on, assumed by or agreed to by the Mortgagor pursuant to any Other Encumbrances and, if the Mortgagor fails to do so, the Mortgagee may (but shall not be obliged to) take any action the Mortgagee deems necessary or desirable to prevent or to cure any default by the Mortgagor in the performance of or compliance with any such obligations. The Mortgagor shall promptly provide to the Mortgagee a copy of any notice the Mortgagor receives from the landlord, any prior mortgagee or encumbrancer, any claimant of any of the Other Encumbrances or any other person under or relating to the Lease of the Mortgaged Land. Upon receipt by the Mortgagee from the Mortgagor, the landlord, any prior mortgagee or encumbrancer, any claimant of any of the Other Encumbrances or any other person of any notice, including a notice of default, the Mortgagee may rely thereon and take any action with respect to such notice as may be required in the Mortgagee's sole discretion, including to cure a default even though the existence of such default or the nature thereof may be questioned or denied by or on behalf of the Mortgagor and the Mortgagee shall have the absolute and immediate right to enter in and upon the Mortgaged Land or any part thereof to such extent and as often as the Mortgagee, in its sole discretion deems necessary or desirable, in order to prevent or to cure any such default. The Mortgagee may pay and expend such amounts as the Mortgagee in its sole discretion deems necessary for any such purpose, and the amounts so paid shall be payable by the Mortgagor to the Mortgagee on demand by the Mortgagee with interest thereon at the Applicable Rate, and shall be a part of the Indebtedness and be secured by the Mortgage.

(b) If the Mortgage is outstanding at the expiration of the term of the Lease and the Mortgagor refuses or neglects to exercise the Mortgagor's right, if any, to renew or extend the term of the Lease or refuses to pay any fees, costs, charges or expenses payable upon any such renewal or extension, the Mortgagee may effect such renewal or extension in the name of the Mortgagor or otherwise, and every such renewed or extended Lease shall remain and be mortgaged and charged pursuant to the Mortgage in accordance with the Mortgage.

(c) From and after the execution and delivery of the Mortgage, the Mortgagor shall stand possessed of the Mortgaged Land for the remainder of the Lease in trust for the Mortgagee, and shall exercise any right to renew or extend the term of the Lease or to assign the Lease as the Mortgagee may direct, but subject to the Mortgagor's right of redemption under the Mortgage. The Mortgagor hereby irrevocably appoints the Mortgagee as the Mortgagor's attorney for and on behalf of the Mortgagor to exercise

any such renewal or extension right and to assign the Lease and convey the leasehold interest in the Mortgaged Land and the reversion thereof as the Mortgagee shall at any time direct after the occurrence of a Default and, in particular, upon any sale made by the Mortgagee under any power of sale contained in the Mortgage or granted by statute to assign the Lease and convey the Mortgagor's leasehold interest in the Mortgaged Land and the reversion to a purchaser. The Mortgagee may at any time remove the Mortgagor or any other person from being a trustee of the Lease under the above declaration of trust and appoint a new trustee or trustees.

(d) The Mortgagor shall not surrender, terminate, amend or modify the Lease or agree to do so without the prior written consent of the Mortgagee, which the Mortgagee may withhold in its absolute discretion. No release or forbearance of any of the Mortgagor's obligations under the Lease or under any Other Encumbrance shall release the Mortgagor from any of the Mortgagor's obligations under the Mortgage.

(e) Unless the Mortgagee expressly consents in writing, the title in fee simple to the Mortgaged Land and the leasehold estate shall not merge but shall always remain separate and distinct, notwithstanding the union of said estates by purchase or otherwise.

3. *Last Day of Term Excepted.* Despite any other provision of the Mortgage, the last day of the term of the Lease and of any renewal or extension thereof and of any agreement therefor now held or hereafter acquired by the Mortgagor shall be excepted out of the mortgage, charge and demise contained in the Mortgage.

4. *Charge by way of Sublease.* Despite section C.1. and any other provision of the Mortgage (except section E.3), the Mortgagor mortgages and charges, by way of sublease, the Mortgagor's leasehold interest in the Mortgaged Land pursuant to the Lease, the mortgages and charges contained in the Mortgage shall be by way of sublease and the Mortgagee shall not have any obligation or liability to the landlord or any other person pursuant to or in respect of the Lease.

5. *Leasehold Interests.* Wherever any reference is made in the Mortgage to any right of the Mortgagee to sell, transfer, assign, lease, sublease, alienate or otherwise deal with the Mortgaged Land, such reference shall be deemed, subject to section E.3., to relate to the existing and future rights and interests of the Mortgagor in the Mortgaged Land pursuant to the Lease.

F. ASSIGNMENT OF LEASES AND RENTS

If the Mortgagor or any predecessor of the Mortgagor grants or has granted any lease, offer to lease, tenancy agreement or other similar agreement of all or any part of the Mortgaged Land as landlord, the following provisions shall apply:

1. *Assignment.* As additional and separate security for payment of all Indebtedness, the Mortgagor hereby assigns, transfers and sets over to the Mortgagee, all the Mortgagor's rights and interests as landlord in all existing and future leases, tenancy agreements, offers to lease and other similar agreements with respect to all or part of the Mortgaged Land, and all rents, incomes, profits and other amounts now or hereafter arising from or out of all or part of the Mortgaged Land or any building, improvement, fixture or part thereof forming part of the Mortgaged Land.

2. *Separate Assignments.* The assignment of each of the foregoing and of each of the rents, incomes, profits and other amounts by the Mortgagor to the Mortgagee pursuant to section F.1. shall be deemed to be a separate assignment so that the Mortgagee in its discretion may exercise its rights in respect of any or all of such leases, offers to lease, tenancy agreements or other similar agreements or the rents, incomes, profits or other amounts paid or payable thereunder.

3. *Collection by Mortgagor before Default.* Until there occurs a Default, the Mortgagor may collect, retain and apply all rents, incomes, profits and other amounts and deal with all leases, offers to lease, tenancy agreements and other similar agreements from time to time in accordance with sound business practice.

4. *No Liability of Mortgagee and Indemnity by Mortgagor.* Nothing herein shall obligate the Mortgagee to assume or perform (and nothing herein shall impose on the Mortgagee) any liability or obligation of the Mortgagor to any tenant or other person pursuant to or in respect of any lease, offer to lease, tenancy agreement, other similar agreement or otherwise and the Mortgagor hereby indemnifies and saves harmless the Mortgagee from any and all claims with respect thereto, provided that the Mortgagee may, at its sole option, assume or perform any such obligations as it considers necessary or desirable.

5. *Re-assignment.* The Mortgagee may, at any time without further request or agreement by the Mortgagor, reassign to the Mortgagor, or the Mortgagor's heirs, administrators, successors or assigns, any or all of the collateral referred to in section F.1.

6. *Application by Mortgagee.* The Mortgagee's obligations with respect to any amount collected by the Mortgagee shall be discharged by the application of such amount to reduce Indebtedness.

7. *Not Mortgagee in Possession.* Nothing contained herein shall have the effect of making the Mortgagee a mortgagee in possession of the Mortgaged Land.

G. CONDOMINIUM OR STRATA TITLE DEVELOPMENT PROVISIONS

If the Mortgaged Land is or includes one or more condominium units or strata title units, the following provisions shall apply:

1. *Compliance with Requirements.* The Mortgagor shall observe and perform each of the covenants and provisions required to be observed and performed pursuant to the

Mortgage, all applicable statutes governing or affecting condominiums or strata title developments, and the declaration, description, by-laws and rules, as amended from time to time, of the applicable condominium corporation or strata corporation.

2. *Common Expense Payments.* The Mortgagor shall pay promptly when due any and all unpaid condominium or strata development fees, common expenses, common element expenses, assessments, levies, instalments, payments or any other amounts due to the applicable condominium corporation or strata corporation or any agent thereof by the Mortgagor and, at the Mortgagee's request, deliver to the Mortgagee evidence of the payment thereof.

3. *Right of Mortgagee to Pay.* If the Mortgagor does not pay when due any condominium or strata development fees, common expenses or other amounts referred to in section G.2., the Mortgagee may (but shall not be obliged to) pay such amounts, the Mortgagor shall forthwith pay such amounts to the Mortgagee with interest thereon at the Applicable Rate, and all such amounts owing by the Mortgagor to the Mortgagee shall be a part of the Indebtedness and secured by the Mortgage.

4. *Voting by Mortgagee.* The Mortgagor hereby irrevocably authorizes the Mortgagee to exercise the rights of the Mortgagor as an owner of the Mortgaged Land to vote or to consent in all matters relating to the affairs of the condominium corporation or strata corporation or arising under applicable law or the declaration or by-laws of the condominium or strata corporation, provided that:

(a) in any case where the Mortgagee is entitled to receive and does receive notice of a meeting of owners, the Mortgagee may notify the condominium or strata corporation and the Mortgagor of its intention to exercise the right of the owner to vote or to consent at such meeting at least two days before the date specified in the notice for the meeting, failing which the Mortgagor may exercise such right to vote or consent at such meeting;

(b) the Mortgagee shall not, by virtue of the giving to the Mortgagee of the right to vote or consent, be under any obligation to vote or consent or to protect the interests of the Mortgagor, and the Mortgagee shall not be responsible for any exercise or failure to exercise the right to vote or consent; and

(c) nothing herein contained, including the exercise by the Mortgagee of the right to vote or consent, shall constitute the Mortgagee a mortgagee in possession.

H. MORTGAGE AS SECURITY FOR A GUARANTEE

If the Mortgagor has delivered to the Mortgagee or now or hereafter delivers to the Mortgagee a guarantee or guarantees of payment to the Mortgagee of indebtedness or liability of another or others, the Indebtedness shall include all indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee pursuant to such guarantee or guarantees, whether direct or indirect, absolute or contingent, and the Mortgage shall

secure payment of all such indebtedness and liability of the Mortgagor pursuant to such guarantee or guarantees in addition to all other Indebtedness. If any such guarantee is increased or otherwise amended, the Mortgage shall also secure payment of all indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee pursuant to such guarantee as increased or otherwise amended.

I. DEFAULT

The Mortgagor shall be in default of the Mortgage and a Default shall occur pursuant to the Mortgage if:

1. the Mortgagor fails to pay any Indebtedness when due;

2. the Mortgagor or a Guarantor fails to comply with any obligation of the Mortgagor or the Guarantor pursuant to or in respect of the Mortgage or any existing or future note, instrument or agreement delivered by the Mortgagor and the Guarantors (or any of them) to the Mortgagee or between the Mortgagor and the Guarantors (or any of them) and the Mortgagee;

3. the Mortgagor fails to comply with any obligation of the Mortgagor pursuant to or in respect of any Permitted Prior Mortgage or any Other Encumbrance;

4. any representation or warranty made by the Mortgagor or a Guarantor in the Mortgage, any agreement between the Mortgagor and the Guarantors (or any of them) and the Mortgagee, or any loan or credit application made in connection with any Indebtedness was untrue when made;

5. a Receiver is appointed of any asset of the Mortgagor or of a Guarantor;

6. any construction lien, mechanics' lien or builders' lien is registered against all or any part of the Mortgaged Land and is not discharged within seven days after a request by the Mortgagee that such lien be discharged;

7. all or any part of the Mortgaged Land is condemned or expropriated;

8. the Mortgagor or a Guarantor becomes bankrupt or insolvent;

9. a petition in bankruptcy is filed against the Mortgagor or a Guarantor;

10. the Mortgagor or a Guarantor makes a proposal in bankruptcy or files a notice of intention to make a proposal in bankruptcy;

11. the Mortgagor or a Guarantor makes an application as a debtor in any Insolvency Proceeding or any other person makes an application against the Mortgagor or a Guarantor in any Insolvency Proceeding;

12. the Mortgagor sells, transfers or disposes of in any other manner the Mortgaged Land, any part thereof or any interest therein (unless the Mortgagee has approved in writing such sale, transfer or other disposition);

13. an execution, judgment or order of execution is filed or made against the Mortgaged Land or any part thereof and remains unsatisfied for a period of ten days;

14. the Mortgagor fails to pay when due any amount owing by the Mortgagor to the applicable condominium corporation or strata corporation or any agent thereof referred to in section G.2.; or

15. the Mortgagor or a Guarantor is not an individual and a change in control of the Mortgagor or such Guarantor occurs without the prior written consent of the Mortgagee; for the purposes hereof, a change in control of the Mortgagor or a Guarantor shall be deemed to occur if there occurs one or more sales, transfers or other dispositions of the beneficial ownership existing on the date of the Mortgage in the aggregate of:

    (a) shares, other securities or other equity interests issued by the Mortgagor or such Guarantor which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Mortgagor or such Guarantor; or

    (b) shares, other securities or equity interests issued by any Controlling Entity which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by such Controlling Entity.

J. REMEDIES OF MORTGAGEE

1. *Acceleration and Termination of Obligation to Extend Credit.* Without prejudice to any right of the Mortgagee to demand at any time payment by the Mortgagor of any and all Indebtedness, upon the occurrence of a Default all Indebtedness (or any part thereof determined by the Mortgagee) shall, at the Mortgagee's option, forthwith become due and payable, the Mortgage shall become enforceable and the Mortgagee shall not be obligated to extend any further credit to the Mortgagor.

2. *Right of Entry.* Upon the occurrence of a Default, the Mortgagee may, at any time or times without the concurrence of any person, enter upon, take and maintain possession of the Mortgaged Land, inspect, complete the construction of, repair or maintain any buildings or other improvements thereon, lease, collect the rents, profits and other amounts derived from the Mortgaged Land and manage the Mortgaged Land as the Mortgagee may deem fit without hindrance or interruption by the Mortgagor or any other person, and all reasonable costs, charges and expenses, including legal fees on a solicitor and his or her own client basis, and disbursements, commissions and allowances for the time and services of any employees of the Mortgagee or any agent of the Mortgagee or other persons appointed for any such purpose shall be forthwith

payable by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage. Upon the occurrence of a Default, the Mortgagee may also enforce its security against all crops growing on the Mortgaged Land, the Mortgagee may, at any time or times without the concurrence of any person, enter upon the Mortgaged Land for the purpose of cutting, harvesting and removing such crops and for otherwise farming and working the Mortgaged Land, the Mortgagee may bring on the Mortgaged Land all machines, equipment and instruments necessary for such purposes, and the Mortgagee may use all yards, barns, granaries, grain bins or all other improvements and equipment located on the Mortgaged Land to carry out any of such activities.

3. *Sale, Lease or Foreclosure.* Upon the occurrence of a Default, the Mortgagee may do any one or more of the following:

(a) apply to a court for an order that the interest of the Mortgagor in and to the Mortgaged Land be sold or leased on terms approved by the court;

(b) apply to a court to foreclose the interest of the Mortgagor in and to the Mortgaged Land;

(c) without notice, sell the interest of the Mortgagor in and to the Mortgaged Land or any part thereof by public auction or private sale for such price as can reasonably be obtained therefor, and on such terms as to credit and otherwise, and with such conditions of sale and stipulations as to title or evidence of title or otherwise as the Mortgagee shall in its discretion deem proper; and in the event of any sale on credit or for part cash and part credit, the Mortgagee shall not be accountable for or charged with any moneys until actually received; and the Mortgagee may rescind or vary any contract of sale and may buy in and resell the interest of the Mortgagor in and to the Mortgaged Land or any part thereof without being answerable for loss occasioned thereby; and no purchaser shall be bound to inquire into the legality, regularity or propriety of any sale or be affected by notice of any irregularity or impropriety; and no lack of default, lack of notice or other requirement, and no irregularity or impropriety of any kind shall invalidate any sale; and the Mortgagee may take sale proceedings hereunder, notwithstanding that other mortgage proceedings have been taken or are then pending; and for the purposes of this paragraph the Mortgagor hereby appoints the Mortgagee as its irrevocable attorney to exercise the aforesaid powers and to execute and do all deeds, documents and things as may be necessary in the circumstances; and

(d) in respect of any property to which the *Personal Property Security Act* applies, exercise the remedies of a secured party under the *Personal Property Security Act.*

4. *Sale or Lease.* The following shall apply with respect to any sale or lease by the Mortgagee, its agent or any Receiver of all or part of the Mortgaged Land after the occurrence of a Default:

(a) no purchaser or lessee shall be bound to enquire into the legality, regularity or propriety of any sale or lease or be affected by notice of any irregularity or impropriety and no lack of default or lack of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale or lease;

(b) the Mortgagee may sell or lease all or part of the Mortgaged Land without entering into actual possession of the Mortgaged Land and, when it desires to take possession, it may break locks and bolts and while in possession shall only be accountable for moneys actually received by it;

(c) the Mortgagor hereby appoints the Mortgagee as the Mortgagor's true and lawful attorney and agent to make application under any statute for consent to sever, sell or lease part or parts of the Mortgaged Land and to do all things and execute all documents to effectually complete any such severance, sale or lease;

(d) the Mortgagee may lease or take sale proceedings notwithstanding that other mortgage proceedings have been taken or are then pending;

(e) the Mortgagee shall not be responsible for any loss which may arise by reason of any such leasing or sale of the Mortgaged Land unless such loss is caused by the Mortgagee's willful misconduct; and

(f) no sale, leasing or other dealing by the Mortgagee with the Mortgaged Land or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of any Indebtedness.

5. *Attornment.* To the extent the Mortgaged Land or any part thereof is not a residential premises so as to be subject to the provisions of the applicable statute governing residential tenancies, the Mortgagor hereby attorns to and becomes a tenant of such Mortgaged Land to the Mortgagee from year to year from the date of the execution of the Mortgage until the Mortgage is discharged at a rental equivalent to and applicable in satisfaction of the interest payments forming part of the Indebtedness, the legal relation of landlord and tenant being hereby constituted between the Mortgagee and the Mortgagor in regard to the Mortgaged Land. The Mortgagor agrees that neither the existence of this provision nor anything done by virtue hereof shall impose any obligation on the Mortgagee or render the Mortgagee a mortgagee in possession or accountable for any moneys except moneys actually received by the Mortgagee and the Mortgagee may, upon the occurrence of any Default, enter on the Mortgaged Land and terminate the tenancy hereby created without notice.

6. *Right to Distrain.* Upon the occurrence of a Default, to the extent permitted by law, the Mortgagee may distrain for payment of any and all Indebtedness upon the Mortgaged Land or any part thereof and all chattels situated thereon and by distress warrant recover, by way of rent reserved from the Mortgaged Land, such moneys as shall from time to time be or remain in arrears and all costs, charges and expenses incurred by or on behalf of the Mortgagee with respect to or in connection therewith as in like cases of distress for rent. The Mortgagor waives the right to claim exceptions and agrees that the Mortgagee shall not be limited in the amount for which it may distrain.

7. *Judgments and Non-Merger.* The taking of a judgment or judgments with respect to any of the covenants contained herein, in the Mortgage or otherwise shall not operate as a merger of any such covenants or affect the Mortgagee's right to receive interest under the Mortgage and each such judgment may provide, at the option of the Mortgagee, that interest thereon shall be computed and payable until such judgment has been fully paid and satisfied.

8. *Separate Remedies.* All remedies of the Mortgagee may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights of the Mortgagee however created.

9. *Application of Proceeds and Mortgagor's Liability for Deficiency.* All amounts received by the Mortgagee or any Receiver pursuant to any enforcement of the Mortgage may be held by the Mortgagee as security for the Indebtedness or applied to reduce Indebtedness in such manner as may be determined by the Mortgagee and the Mortgagee may at any time apply or change any such appropriation of such payments to such part or parts of the Indebtedness as the Mortgagee may determine in its sole discretion. The Mortgagor shall be and remain liable to the Mortgagee for any deficiency. Any surplus amounts realized after payment of all Indebtedness shall be paid in accordance with applicable law.

10. *Mortgagor's Insolvency* Proceedings. The Mortgagor acknowledges that the Mortgaged Land is of such a unique nature that, if the Mortgagor seeks to reorganize or restructure its affairs pursuant to any Insolvency Proceeding, the Mortgagee would not have a sufficient commonality of interest with any other creditor or creditors of the Mortgagor such that the Mortgagee would be required to vote on any plan, reorganization, arrangement, compromise or other transaction in a class with any other creditor or creditors of the Mortgagor and, in that regard, the Mortgagor agrees that the Mortgagee shall be placed in its own exclusive class of creditors for voting purposes. The Mortgagor further agrees that:

(a) it will give the Mortgagee not less than 10 days written notice prior to the commencement of any Insolvency Proceeding with respect to the Mortgagor;

(b) in no circumstance will the Mortgagor seek an order which stays any right of the Mortgagee or, to the extent permitted by law, permit any right of the Mortgagee to be stayed, in any Insolvency Proceeding and, if any court-

ordered or automatic stay is imposed on the Mortgagee, the Mortgagor hereby consents to an order lifting such stay as against the Mortgagee;

(c) if an Insolvency Proceeding is commenced with respect to the Mortgagor, the Mortgagor will consent to an order directing that all rents or other revenues generated or received from or in respect of the Mortgaged Land be deposited to a segregated trust account under the sole control of the Mortgagee and that same shall not result in the Mortgagee's being a mortgagee in possession of, or in control or management of the Mortgaged Land or result in the acceleration of payment of any Indebtedness unless such acceleration is required by the Mortgagee in writing; and

(d) it shall not, without the Mortgagee's prior written consent, propose or permit the sale or transfer of the Mortgaged Land or any part thereof, in or as part of any Insolvency Proceeding, for a net sale price less than the amount required to pay in full all Indebtedness outstanding as at the date of payment of such net sale proceeds to the Mortgagee.

K. APPOINTMENT OF A RECEIVER

1. *Appointment.* Upon the occurrence of a Default, in addition to any other remedies available to the Mortgagee, the Mortgagee may by instrument in writing appoint a Receiver of all or any part of the Mortgaged Land and all rents, incomes, profits and other amounts now or hereafter arising therefrom. The Mortgagee may also apply to any court of competent jurisdiction for the appointment of a Receiver.

2. *Powers of Receiver.* Any Receiver appointed by the Mortgagee shall, to the extent permitted by law, have the following powers:

(a) to enter upon, take possession of, use, and occupy the Mortgaged Land or any part thereof;

(b) to collect all rents, incomes, profits and other amounts in respect of the Mortgaged Land and to carry on the business of the Mortgagor on the Mortgaged Land;

(c) to borrow money required for the maintenance, preservation or protection of the Mortgaged Land or for carrying on the business of the Mortgagor and, in the discretion of the Receiver, to charge the Mortgaged Land in priority to the Mortgage as security for the principal amounts so borrowed, interest thereon and costs related thereto;

(d) to sell, lease, or otherwise dispose of the Mortgaged Land or any part thereof on such terms and conditions and in such manner as the Receiver shall determine in its sole discretion, and to effect such sale by conveying in the name and on behalf of the Mortgagor or otherwise;

(e) to demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession of the Mortgaged Land, and to give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the rents, accounts receivable or any other obligation of any person to the Mortgagor;

(f) to exercise any rights or remedies which could have been exercised by the Mortgagee against the Mortgagor or the Mortgaged Land or with respect thereto; and

(g) to execute all documents required to effect any of the foregoing.

3. *Identity of Receiver and Removal.* Any Receiver so appointed by the Mortgagee may be any person or persons satisfactory to the Mortgagee, and the Mortgagee may remove any Receiver so appointed and appoint another or others instead.

4. *Receiver as Agent of Mortgagor.* Any Receiver appointed by the Mortgagee shall be deemed to be agent of the Mortgagor unless the Mortgagee expressly specifies in writing that the Receiver shall be agent of the Mortgagee. The Mortgagor agrees to ratify and confirm all actions of the Receiver acting as agent for the Mortgagor and to release and indemnify the Receiver in respect of all such actions.

5. *Receivership Expenses.* The Mortgagor shall pay to the Receiver, forthwith on demand by the Mortgagee or the Receiver, the amount of all reasonable fees, disbursements and other expenses incurred by the Receiver in the exercise of its powers hereunder, with interest thereon at the Applicable Rate from the date on which such sums are incurred. All such sums, together with interest thereon at the Applicable Rate, shall be part of the Indebtedness and secured by the Mortgage.

6. *No Enquiries Required.* No persons dealing with the Receiver or its agents, upon any sale or other dealing with the Mortgaged Land, shall be concerned to inquire as to their powers or as to the application of any money paid to them, such sale or dealing shall be deemed as regards such person to be within the powers hereby conferred and to be valid and effectual.

L. MISCELLANEOUS

1. *Records of Mortgagee.* The records of the Mortgagee disclosing the amount of an extension of credit by the Mortgagee to the Mortgagor, the repayment of any principal amount of Indebtedness, the amount of accrued and unpaid interest owing by the Mortgagor and the amount of other Indebtedness (or any part thereof) at any time outstanding, shall constitute conclusive evidence thereof in the absence of mathematical error.

2. *Revolving Line of Credit.* The Mortgagee may wish to make loan advances and re-advances or otherwise extend credit to the Mortgagor from time to time up to a total outstanding principal amount not exceeding the principal amount referred to in the

Mortgage. The Mortgage is and shall be continuing security to the Mortgagee for the payment of all Indebtedness. Any portion of the Indebtedness may be advanced or re-advanced by the Mortgagee or other credit may be extended by the Mortgagee in one or more sums at any future time or times and the amount of all such advances, re-advances or other credits when so made or extended shall be secured by the Mortgage and be payable by the Mortgagor with interest thereon at the Applicable Rate and the Mortgage shall be deemed to be taken as security for the ultimate balance of the monies hereby secured, provided that none of the execution or registration of the Mortgage or the advance in part of any monies or extension of any other credit by the Mortgagee shall obligate the Mortgagee to advance any unadvanced portion thereof or to extend any other credit. The Mortgage shall not be void or cease to operate because the Indebtedness secured hereby has at any time or times been paid in full.

3. *Assignment and Syndication.* The Mortgagee shall be entitled from time to time, both before and after a Default, without notice to, or the consent of the Mortgagor or any Guarantor:

(a) to sell or assign all or part of the Indebtedness and the Mortgagee's interests in the Mortgage and any other security and agreements held by the Mortgagee; and

(b) to syndicate all or part of the Indebtedness, the Mortgage and any other security and agreements held by the Mortgagee and to grant participations therein.

(c) To facilitate the foregoing, the Mortgagee may provide each prospective purchaser, assignee, syndicated lender or participant and their respective advisers with financial and other information concerning the Indebtedness, the Mortgagor, the Mortgaged Land, any Guarantor, any other collateral or any other matter.

4. *General Indemnity by Mortgagor.* The Mortgagor hereby agrees, on demand by the Mortgagee, to indemnify and hold harmless the Mortgagee and its officers, directors, employees and agents from and against any and all claims, expenses, liabilities, losses and damages that may be asserted against or incurred by any of such indemnified persons arising out of, or in connection with the Mortgage, any Indebtedness or any claim, investigation, proceeding or litigation relating to any of the foregoing, regardless of whether any such indemnified person is a party thereto (including any and all breakage costs reasonably incurred by the Mortgagee in respect of any breach by the Mortgagor of any of its obligations under the Mortgage) and to reimburse each such indemnified person, on demand by the Mortgagee, for any and all reasonable legal and other expenses incurred in investigating, pursuing or defending any of the foregoing or otherwise in connection with any of the foregoing; provided that the foregoing indemnity shall not, as to any indemnified person, apply to any claim, expense, liability, loss or damage or related expense to the extent they are found by a final, non-appealable

judgment of a court of competent jurisdiction to have resulted from the willful misconduct or gross negligence of such indemnified person.

5. *Effect of Sale.* No sale, conveyance, transfer or other dealing by the Mortgagor with the Mortgaged Land or any part thereof or any approval of the Mortgagee relating thereto shall in any way change or affect the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person or persons liable for payment of the Indebtedness or any part thereof.

6. *Dealings with the Mortgagor and Others.* The Mortgagee may grant time, renewals, extensions, indulgences, releases and discharges to, may take security from and give the same and any and all existing security up to, may abstain from taking security from or from perfecting security of, may accept compositions from, may amend the Mortgage, and may otherwise deal with the Mortgagor and all other persons (including any principal debtor, any Guarantor or any owner of the Mortgaged Land) and security as the Mortgagee may see fit without prejudicing any rights of the Mortgagee under the Mortgage.

7. *Amendments to Mortgage.* The Mortgagor and the Mortgagee may from time to time amend the Mortgage (including to increase the interest rate specified by the Mortgage) by an amendment agreement between the Mortgagor and the Mortgagee, whether or not such amendment agreement (or notice thereof) is registered. This provision shall constitute notice of such amendments and the Mortgage shall secure payment of all Indebtedness (including all interest and other Indebtedness arising or resulting from such amendments) and retain its priority with respect thereto over any mortgage, charge or other instrument registered subsequent to the Mortgage.

8. *Waiver.* No waiver, condonation or excusing by the Mortgagee of any default, breach or other non-performance by the Mortgagor at any time or times in respect of any provision of the Mortgage (including any Default) shall operate as a waiver by the Mortgagee of any subsequent or other default, breach or non-performance or prejudice or affect in any way the rights of the Mortgagee in respect of any such subsequent or other default, breach or non-performance.

9. *Discharge or Assignment.* The Mortgagee shall be entitled to prepare or have its counsel prepare a discharge or assignment of the Mortgage and any other documents necessary to discharge or assign any other security held by the Mortgagee and shall have a reasonable time after payment of the Indebtedness in full within which to prepare, execute and deliver such instruments. All reasonable costs, fees and disbursements of the Mortgagee and the Mortgagee's counsel in connection with the preparation, review, execution and delivery of the discharge, assignment or any other documents necessary to discharge or assign the Mortgage or any other security shall, to the extent permitted by law, be paid by the Mortgagor to the Mortgagee and be secured by the Mortgage.

10. *No Obligation to Advance.* Nothing herein and nothing contained in the Mortgage shall obligate the Mortgagee to loan any amount to the Mortgagor or to extend any other credit to the Mortgagor.

11. *Appointment of Attorney Irrevocable.* Each appointment by the Mortgagor of an attorney in the Mortgage or the Standard Mortgage Terms is coupled with an interest and may not be revoked.

12. *Other Security.* The Mortgage is in addition to and not in substitution for any other security at any time held by the Mortgagee as security for payment of all or any part of the Indebtedness, and the Mortgagee may, at its option, pursue its remedies thereunder or under the Mortgage concurrently or successively. Any judgment or recovery under the Mortgage or under any other security held by the Mortgagee as security for payment of Indebtedness shall not affect the right of the Mortgagee to enforce or realize on the Mortgage or any other such security.

13. *Financing Statement.* To the extent permitted by law, the Mortgagor hereby waives its right to receive from the Mortgagee a copy of any financing statement, financing change statement, verification statement or other similar statement filed by or received by the Mortgagee or any agent of the Mortgagee.

14. *Notice.* Except as otherwise herein provided, any notice, demand or other communication to the Mortgagor referred to herein or in the Mortgage may be forwarded to the Mortgagor by personal delivery or mailed by prepaid ordinary or registered mail to the Mortgagor at the Mortgagor's last known address as shown on the Mortgagee's records. The Mortgagor shall be deemed to have received the same on the date of delivery, if personally delivered, or on the fourth day after the same is mailed by prepaid ordinary mail or registered mail, if mailed, even if the Mortgagor does not actually receive it.

15. *Different Currencies.* The payment of any part of the Indebtedness shall be made by the Mortgagor in the same currency as the currency in which such part of the Indebtedness is then denominated and all interest and fees shall be paid by the Mortgagor in the same currency as the currency in which that part of the Indebtedness to which they relate is denominated.

16. *Judgment Currency.* If in the recovery by the Mortgagee of any Indebtedness in any currency, judgment can only be obtained in another currency and, because of changes in the exchange rate of such currencies between the date of judgment and payment in full of the amount of such judgment, the recovery under the judgment differs from the receipt by the Mortgagee of the full amount of such Indebtedness, the Mortgagor shall pay any such deficiency to the Mortgagee, such deficiency may be claimed by the Mortgagee against the Mortgagor as an alternative or additional cause of action and any surplus received by the Mortgagee shall be repaid to the Mortgagor.

17. *Foreign Exchange Rate Determinations.* Whenever any provision of the Mortgage requires or permits the determination of the rate of exchange between any currencies, such rate of exchange shall be determined by the Mortgagee based on its normal practice as at the date of such determination.

18. *Governing Law.* The Standard Mortgage Terms and the Mortgage shall be governed by the law of the jurisdiction in which the Mortgaged Land is located.

19. *Time of Essence.* Time shall be of the essence of the Mortgage.

20. *Severability.* If any provision of the Mortgage is found by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall not apply and the Mortgage shall remain in full force and effect without such provision.

21. *Interpretation.* Whenever the context so requires, words in the singular shall include the plural, words in the plural shall include the singular and words importing any gender shall include the other genders. Whenever used in the Standard Mortgage Terms, the Mortgage or any Schedule, the words "including" and "includes" shall mean "including, without limitation" and "includes, without limitation", respectively, and the word "person" shall include an individual, corporation, partnership, government, government agency and any other entity.

22. *Titles.* Titles used in the Standard Mortgage Terms, the Mortgage or any Schedule are inserted for convenience of reference only and shall not affect or modify the interpretation or construction of any provision of the Standard Mortgage Terms, the Mortgage or any Schedule.

23. *Joint and Several Obligations.* If there is more than one Mortgagor, all Mortgagors shall be jointly and severally liable for all obligations of the Mortgagors pursuant to the Mortgage.

24. *Schedule.* Schedule "A" shall form part of the Standard Mortgage Terms.

25. *Equivalent Rate Information.* Schedule "A" is a summary of various annual rates of interest calculated half-yearly not in advance equivalent to the corresponding annual rates calculated monthly not in advance or calculated quarter-annually not in advance. The rate of interest chargeable, calculated half-yearly not in advance, equivalent to each Applicable Rate, is shown by Schedule "A".

26. *Successors and Assigns.* All rights and powers of the Mortgagee shall enure to the benefit of and be exercisable by the Mortgagee and the Mortgagee's successors and assigns. All covenants, obligations and liabilities entered into or imposed on the Mortgagor shall be binding on the Mortgagor and the Mortgagor's heirs, executors, administrators, personal representatives, successors and assigns.

SCHEDULE "A"

The interest rates set out in Column C are the annual interest rates calculated half-yearly not in advance which are equivalent to the corresponding annual interest rates calculated monthly not in advance set out in Column A and quarter-annually not in advance set out in Column B.

COLUMN A	COLUMN B	COLUMN C	COLUMN A	COLUMN B	COLUMN C
Interest rate calculated monthly not in advance	**Interest rate calculated quarter-annually not in advance**	**Interest rate calculated half-yearly not in advance**	**Interest rate calculated monthly not in advance**	**Interest rate calculated quarter-annually not in advance**	**Interest rate calculated half-yearly not in advance**
1.0000%	1.0008%	1.0021%	9.6250%	9.7024%	9.8201%
1.1250%	1.1261%	1.1276%	9.7500%	9.8294%	9.9502%
1.2500%	1.2513%	1.2533%	9.8750%	9.9565%	10.0804%
1.3750%	1.3766%	1.3789%	10.0000%	10.0836%	10.2107%
1.5000%	1.5019%	1.5047%	10.1250%	10.2107%	10.3410%
1.6250%	1.6272%	1.6305%	10.2500%	10.3378%	10.4714%
1.7500%	1.7526%	1.7564%	10.3750%	10.4650%	10.6019%
1.8750%	1.8779%	1.8823%	10.5000%	10.5921%	10.7324%
2.0000%	2.0033%	2.0084%	10.6250%	10.7194%	10.8630%
2.1250%	2.1288%	2.1344%	10.7500%	10.8466%	10.9937%
2.2500%	2.2542%	2.2606%	10.8750%	10.9739%	11.1244%
2.3750%	2.3797%	2.3868%	11.0000%	11.1011%	11.2552%
2.5000%	2.5052%	2.5131%	11.1250%	11.2285%	11.3861%
2.6250%	2.6307%	2.6394%	11.2500%	11.3558%	11.5170%
2.7500%	2.7563%	2.7658%	11.3750%	11.4832%	11.6480%
2.8750%	2.8819%	2.8923%	11.5000%	11.6106%	11.7791%
3.0000%	3.0075%	3.0188%	11.6250%	11.7380%	11.9102%
3.1250%	3.1331%	3.1454%	11.7500%	11.8654%	12.0414%
3.2500%	3.2588%	3.2721%	11.8750%	11.9929%	12.1727%
3.3750%	3.3845%	3.3988%	12.0000%	12.1204%	12.3040%
3.5000%	3.5102%	3.5256%	12.1250%	12.2479%	12.4354%
3.6250%	3.6360%	3.6525%	12.2500%	12.3755%	12.5669%
3.7500%	3.7617%	3.7794%	12.3750%	12.5031%	12.6985%
3.8750%	3.8875%	3.9064%	12.5000%	12.6307%	12.8301%
4.0000%	4.0133%	4.0335%	12.6250%	12.7583%	12.9618%
4.1250%	4.1392%	4.1606%	12.7500%	12.8859%	13.0935%
4.2500%	4.2651%	4.2878%	12.8750%	13.0136%	13.2253%
4.3750%	4.3910%	4.4151%	13.0000%	13.1413%	13.3572%
4.5000%	4.5169%	4.5424%	13.1250%	13.2691%	13.4892%
4.6250%	4.6428%	4.6698%	13.2500%	13.3968%	13.6212%
4.7500%	4.7688%	4.7973%	13.3750%	13.5246%	13.7533%
4.8750%	4.8948%	4.9248%	13.5000%	13.6524%	13.8854%
5.0000%	5.0209%	5.0524%	13.6250%	13.7803%	14.0177%
5.1250%	5.1469%	5.1800%	13.7500%	13.9082%	14.1499%
5.2500%	5.2730%	5.3078%	13.8750%	14.0360%	14.2823%
5.3750%	5.3991%	5.4355%	14.0000%	14.1640%	14.4147%
5.5000%	5.5252%	5.5634%	14.1250%	14.2919%	14.5472%
5.6250%	5.6514%	5.6913%	14.2500%	14.4199%	14.6798%
5.7500%	5.7776%	5.8193%	14.3750%	14.5479%	14.8124%
5.8750%	5.9038%	5.9474%	14.5000%	14.6759%	14.9451%
6.0000%	6.0300%	6.0755%	14.6250%	14.8040%	15.0779%
6.1250%	6.1563%	6.2037%	14.7500%	14.9320%	15.2108%
6.2500%	6.2826%	6.3319%	14.8750%	15.0601%	15.3437%
6.3750%	6.4089%	6.4603%	15.0000%	15.1883%	15.4766%
6.5000%	6.5353%	6.5887%	15.1250%	15.3164%	15.6097%
6.6250%	6.6616%	6.7171%	15.2500%	15.4446%	15.7428%
6.7500%	6.7880%	6.8456%	15.3750%	15.5728%	15.8760%
6.8750%	6.9145%	6.9742%	15.5000%	15.7011%	16.0092%

COLUMN A	COLUMN B	COLUMN C	COLUMN A	COLUMN B	COLUMN C
Interest rate calculated monthly not in advance	**Interest rate calculated quarter-annually not in advance**	**Interest rate calculated half-yearly not in advance**	**Interest rate calculated monthly not in advance**	**Interest rate calculated quarter-annually not in advance**	**Interest rate calculated half-yearly not in advance**
7.0000%	7.0409%	7.1029%	15.6250%	15.8293%	16.1425%
7.1250%	7.1674%	7.2316%	15.7500%	15.9576%	16.2759%
7.2500%	7.2939%	7.3604%	15.8750%	16.0859%	16.4094%
7.3750%	7.4204%	7.4892%	16.0000%	16.2143%	16.5429%
7.5000%	7.5470%	7.6182%	16.1250%	16.3427%	16.6765%
7.6250%	7.6736%	7.7472%	16.2500%	16.4710%	16.8102%
7.7500%	7.8002%	7.8762%	16.3750%	16.5995%	16.9439%
7.8750%	7.9268%	8.0053%	16.5000%	16.7279%	17.0777%
8.0000%	8.0535%	8.1345%	16.6250%	16.8564%	17.2116%
8.1250%	8.1801%	8.2638%	16.7500%	16.9849%	17.3455%
8.2500%	8.3068%	8.3931%	16.8750%	17.1134%	17.4795%
8.3750%	8.4336%	8.5225%	17.0000%	17.2420%	17.6136%
8.5000%	8.5604%	8.6519%	17.1250%	17.3706%	17.7477%
8.6250%	8.6871%	8.7815%	17.2500%	17.4992%	17.8819%
8.7500%	8.8140%	8.9111%	17.3750%	17.6278%	18.0162%
8.8750%	8.9408%	9.0407%	17.5000%	17.7564%	18.1506%
9.0000%	9.0677%	9.1704%	17.6250%	17.8851%	18.2850%
9.1250%	9.1946%	9.3002%	17.7500%	18.0138%	18.4195%
9.2500%	9.3215%	9.4301%	17.8750%	18.1426%	18.5540%
9.3750%	9.4484%	9.5600%	18.0000%	18.2713%	18.6887%
9.5000%	9.5754%	9.6900%	18.1250%	18.4001%	18.8233%
18.2500%	18.5290%	18.9581%	19.2500%	19.5605%	20.0387%
18.3750%	18.6578%	19.0929%	19.3750%	19.6895%	20.1741%
18.5000%	18.7867%	19.2278%	19.5000%	19.8186%	20.3096%
18.6250%	18.9156%	19.3628%	19.6250%	19.9477%	20.4451%
18.7500%	19.0445%	19.4979%	19.7500%	20.0768%	20.5807%
18.8750%	19.1734%	19.6330%	19.8750%	20.2060%	20.7163%
19.0000%	19.3024%	19.7682%	20.0000%	20.3352%	20.8521%
19.1250%	19.4314%	19.9034%			

END OF SET

This is Exhibit "E" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

BMO Bank of Montreal

British Columbia — P.P.S.A.
General Security Agreement with Floating Charge
(For Corporations Only)

THIS SECURITY AGREEMENT is made the _____ day of _____, 2016 (year).

BETWEEN:

Starline Foods Inc.,
a British Columbia company (No.BC1055902)
having its chief executive office at 33786 Clayburn Rd,
Abbotsford, British Columbia, V2S7T7;
(the "Borrower")

AND:

BANK OF MONTREAL, a Chartered Bank of Canada with head office in Montreal, Quebec, and having a branch office at 101-32988 South Fraser Way,
Abbotsford, British Columbia, V2S2A8;
(the "Bank")

1. SECURITY INTEREST

1.1 For consideration the Borrower does hereby:

(a) mortgage and charge as and by way of a fixed and specific charge. and assign and transfer to the Bank, and grant to the Bank a security interest in, all the Borrower's right, title and interest in and to all its presently owned or held and after acquired or held personal property, of whatever nature or kind (including without limitation client lists, client records and client files) and wheresoever situate, and all proceeds thereof and therefrom including:

(i) all equipment, including, without limiting the generality of the foregoing, machinery, tools, fixtures, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the foregoing (all of which is hereinafter collectively called the "Equipment");

(ii) all inventory, including, without limiting the generality of the foregoing, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is hereinafter collectively called the "Inventory");

(iii) all debts, accounts, claims, demands, monies and choses in action which now are, or which may at anytime hereafter be, due or owing to or owned by the Borrower and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the said debts, accounts, claims, demands, monies and choses in action or any part thereof (all of which is hereinafter collectively called the "Accounts");

(iv) all documents of title, chattel paper, instruments, securities and money, and all other goods of the Borrower that are not Equipment, Inventory or Accounts;

(iv) all contractual rights, licenses, goodwill, patents, trademarks, trade names, copyrights and other intellectual property of the Borrower, all other choses in action of the Borrower of every kind which now are, or which may at any time hereafter be, due or owing to or owned by the Borrower, and all other intangible property of the Borrower which is not Accounts, chattel paper, instruments, documents of title, securities or money; and

(vi) without limiting the generality of the foregoing, the personal property, if any, described in Schedule A hereto; and

(b) charge as and by way of a floating charge, and grant to the Bank a security interest in and to:

(i) all the Borrower's right, title and interest in and to all its presently owned or held and after acquired or held real, immovable and leasehold property and all interests therein, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held, including all structures, plant and other fixtures (all which is hereinafter collectively called the "Real Property"); and

(ii) all assets and undertakings of the Borrower, of whatsoever nature or kind and wheresoever situate, and all proceeds thereof and therefrom, other than such of its assets and undertakings as are otherwise validly and effectively subject to the charges and security interests in favour of the Bank created pursuant to this Clause 1.1.

1.2 The charges, assignments and transfers and security interests created pursuant to Clause 1.1 are hereinafter collectively called the "Security Interests" and the property subject to the Security Interests and all property, assets and undertakings, expressed to be charged, assigned or transferred or secured by any instruments supplemental hereto or in implementation hereof are hereinafter collectively called the "Collateral".

2. EXCEPTIONS

2.1 The last 10 days of the term created by any lease or agreement therefore are hereby excepted out of any charge or security interest created by this Security Agreement but the Borrower shall stand possessed of the reversion thereby remaining upon trust to assign and dispose thereof to any third party as the Bank shall direct.

3. ATTACHMENT

The Borrower acknowledges that the Security Interests hereby created attach upon the execution of this Security Agreement (or in the case of any after acquired property, upon the date of acquisition thereof), that value has been given, and that the Borrower has (or in the case of any after acquired property, will have upon the date of acquisition) rights in the Collateral.

4. PROHIBITIONS

Without the prior written consent of the Bank the Borrower shall not have power to:

(a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, or undertakings which ranks or could in any event rank in priority to or pari passu with any of the Security Interests created by this Security Agreement; or

(b) grant, sell, or otherwise assign its chattel paper.

5. OBLIGATIONS SECURED

This Security Agreement and the Security Interests hereby created are in addition to and not in substitution for any other security interest now or hereafter held by the Bank from the Borrower or from any other person whomsoever and shall be general and continuing security for the payment of all indebtedness and liability of the Borrower to the Bank (including interest thereon), present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all advances on current or running account, future advances and re-advances, and for the performance of all obligations of the Borrower to the Bank, whether or not contained in this Security Agreement (all of which indebtedness, liability and obligations are hereinafter collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

6.1 The Borrower represents and warrants that this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Borrower or, if the Borrower is a partnership, of the partners, of the Borrower, and all other matters and things have been done and performed so as to authorize and make the execution and delivery of this Security Agreement, and the performance of the Borrower's obligations hereunder, legal, valid and binding.

6.2 The Borrower represents and warrants that the Borrower lawfully owns and possesses all presently held Collateral and has good title thereto, free from all security interests, charges, encumbrances, liens and claims, save only the charges or security interests, if any, consented to in writing by the Bank or shown in any Schedule hereto, and the Borrower has good right and lawful authority to grant a security interest in the Collateral as provided by this Security Agreement.

7. COVENANTS OF THE BORROWER

7.1 The Borrower covenants that at all times while this Security Agreement remains in effect the Borrower will:

(a) defend the title to the Collateral for the benefit of the Bank against the claims and demands of all persons;

(b) fully and effectually maintain and keep maintained the Security Interests hereby created valid and effective;

(c) maintain the Collateral in good order and repair;

(d) forthwith pay:

(i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Borrower shall in good faith contest its obligations so to pay and shall furnish such security as the Bank may require; and

(ii) all security interests, charges, encumbrances, liens and claims which rank or could in any event rank in priority to any Security Interest created by this Security Agreement;

(e) forthwith pay all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) which may be incurred by the Bank in:

(i) inspecting the Collateral;

(ii) negotiating, preparing, perfecting and registering this Security Agreement and other documents, whether or not relating to this Security Agreement;

(iii) investigating title to the Collateral;

(iv) taking, recovering and keeping possession of the Collateral;

(v) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Security Agreement and of any other security interest held by the Bank as security for the Obligations;

(f) at the Bank's request at any time and from time to time execute and deliver such further and other documents and instruments and do all acts and things as the Bank in its absolute discretion requires in order to confirm and perfect, and maintain perfection of, the Security Interests hereby created in favour of the Bank upon any of the Collateral;

(g) notify the Bank promptly of:

(i) any change in the information contained herein relating to the Borrower, its business or the Collateral, including without limitation any change of name or address of the Borrower and any change in the present location of any Collateral;

(ii) the details of any material acquisition of Collateral;

(iii) any material loss or damage to Collateral;

(iv) any material default by any account debtor in payment or other performance of his obligations to the Borrower with respect to any Accounts; and

(v) the return to or repossession by the Borrower of Collateral where such return or repossession of Collateral is material in relation to the business of the Borrower;

(h) prevent Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(i) carry on and conduct its business in a proper and business-like manner, including maintenance of proper books of account and records;

(j) permit the Bank and its representatives, at all reasonable times, access to all its property, assets and undertakings and to all its books of account and records for the purpose of inspection and render all assistance necessary for such inspection;

(k) deliver to the Bank from time to time promptly upon request:

(i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to Collateral;

(ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;

(iii) all financial statements prepared by or for the Borrower regarding the Borrower's business;

(iv) such information concerning Collateral, the Borrower and the Borrower's business and affairs as the Bank may require; and

(l) observe and perform the additional covenants set out in Schedule B hereto, if any.

7.2 The Borrower covenants that at all times while this Security Agreement remains in effect, without the prior written consent of the Bank, it will not:

(a) declare or pay any dividends;

(b) purchase or redeem any of its shares or otherwise reduce its share capital;

(c) become guarantor of any obligation; or

(d) become an endorser in respect of any obligation or otherwise become liable upon any note or other obligation other than bills of exchange deposited to the bank account of the Borrower.

8. INSURANCE

8.1 The Borrower covenants that at all times while this Security Agreement is in effect the Borrower shall:

(a) maintain or cause to be maintained insurance on the Collateral with an insurer, of kinds, for amounts and payable to such person or persons, all as the Bank may require, and in particular maintain insurance on the Collateral to the full insurable value against loss or damage by fire including extended coverage endorsement and in the case of motor vehicles, maintain insurance against theft;

(b) cause the insurance policy or policies required hereunder to be assigned to the Bank and have as part thereof a standard mortgage clause or a mortgage endorsement, as appropriate; and

(c) pay any premium in connection with such insurance, and deliver all such policies to the Bank, if it so requires.

8.2 If proceeds of any insurance required hereunder become payable, the Bank may, in its absolute discretion apply such proceeds to such part or parts of the Obligations as the Bank may see fit or the Bank may release any such insurance proceeds to the Borrower for the purpose of repairing, replacing or rebuilding, but any release of insurance proceeds to the Borrower shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement.

8.3 The Borrower will forthwith, on the happening of loss or damage to the Collateral, notify the Bank thereof and furnish to the Bank at the Borrower's expense any necessary proof and do any necessary act to enable the Bank to obtain payment of the insurance proceeds, but nothing herein contained shall limit the Bank's right to submit to the insurer a proof of loss on its own behalf.

8.4 The Borrower hereby authorizes and directs the insurer under any policy of insurance required hereunder to include the name of the Bank as a loss payee on any cheque or draft which may be issued with respect to a claim under and by virtue of such insurance, and the production by the Bank to any insurer of a certified copy of this Security Agreement shall be its full and complete authority for so doing.

8.5 If the Borrower fails to maintain insurance as required by Clause 8.1, the Bank may, but shall not be obliged to, maintain or effect such insurance coverage, or so much thereof as the Bank considers necessary for its protection.

9. PERFORMANCE OF OBLIGATIONS

If the Borrower fails to perform its obligations hereunder, the Bank may, but shall not be obliged to, perform any or all of such obligations without prejudice to any other rights and remedies of the Bank hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred in connection therewith shall be payable by the Borrower to the Bank forthwith with interest until paid at the highest rate borne by any of the Obligations.

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

10.1 Except as herein provided, without the prior written consent of the Bank the Borrower will not:

(a) sell, lease or otherwise dispose of the Collateral;

(b) release, surrender or abandon possession of the Collateral; or

(c) move or transfer the Collateral from the jurisdictions in which the Security Interests hereby created have been perfected.

10.2 Provided that the Borrower is not in default under this Security Agreement, at any time without the consent of the Bank the Borrower may lease, sell, license, consign or otherwise deal with items of Inventory in the ordinary course of its business and for the purposes of carrying on its business.

11. DEFAULT

11.1 The Borrower shall be in default under this Security Agreement, unless waived by the Bank, in any of the following events:

(a) the Borrower makes default in payment when due of any indebtedness or liability of the Borrower to the Bank; or

(b) the Borrower is in breach of any term, condition, obligation or covenant to the Bank, or any representation or warranty to the Bank is untrue, whether or not contained in this Security Agreement; or

(c) the Borrower declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of provisions for relief under the Bankruptcy and Insolvency Act, the Companies Creditors' Arrangement Act or similar legislation in any jurisdiction, or makes an authorized assignment; or

(d) a receiver, receiver and manager or receiver manager of all or any part of the Collateral is appointed; or

(e) an order is made or an effective resolution is passed for winding up the Borrower; or

(f) the Borrower ceases or threatens to cease to carry on all or a substantial part of its business; or

(g) an order of execution against the Collateral or any part thereof remains unsatisfied for a period of 10 days; or

(h) without the prior written consent of the Bank, the Borrower creates or permits to exist any security interest in, charge, encumbrance, lien on or claim against any of the Collateral which ranks or could in any event rank in priority to or pari passu with any of the Security Interests created by this Security Agreement; or

(i) the holder of any other security interest, charge, encumbrance or lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or

(j) the Borrower enters into an amalgamation, a merger or other similar arrangement with any other person;

or

(k) the Bank in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy.

11.2 For the purposes of Section 203 of the Land Title Act (British Columbia), the floating charge created by this Security Agreement over Real Property shall become a fixed charge thereon upon the earliest of:

(a) the occurrence of an event described in Clause 11.1 (c), (d), (e) or (f); or

(b) the Bank taking any action pursuant to Clause 12 to enforce and realize on the Security Interests created by this Security Agreement.

12. ENFORCEMENT

12.1 Upon any default under this Security Agreement the Bank may declare any or all of the Obligations to become immediately due and payable and the security hereby constituted will immediately become enforceable. To enforce and realize on the Security Interests created by this Security Agreement the Bank may take any action permitted by law or in equity, as it may deem expedient, and in particular and without limiting the generality of the foregoing, the Bank may do any of the following:

(a) appoint by instrument a receiver, receiver and manager or receiver manager (the person so appointed being hereinafter called the "Receiver") of the Collateral, with or without bond as the Bank may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;

(b) enter upon any premises of the Borrower and take possession of the Collateral with power to exclude the Borrower, its agents and its servants therefrom, without becoming liable as a mortgage in possession;

(c) preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Bank may deem advisable;

(d) sell, lease or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Bank may seem reasonable, provided that if any sale, lease or other disposition is on credit the Borrower will not be entitled to be credited with the proceeds of such sale, lease or other disposition until the monies therefore are actually received; and

(e) exercise all of the rights and remedies of a secured party under the Act.

12.2 A Receiver appointed pursuant to this Security Agreements shall be the agent of the Borrower and not of the Bank and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of the Bank hereunder, and in addition shall have power to carry on the business of the Borrower and for such purpose from time to time to borrow money either secured or unsecured, and if secured by a security interest on any Collateral, such security interest may rank before or pari passu with or behind any of the Security Interests created by this Security Agreement, and if it does not so specify such security interest shall rank in priority to the Security Interests created by this Security Agreement.

12.3 Subject to the claims, if any, of the creditors of the Borrower ranking in priority to this Security Agreement, all amounts realized from the disposition of Collateral pursuant to this Security Agreement will be applied as the Bank, in its absolute discretion, may direct as follows:

(a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Bank in connection with or incidental to:

(i) the exercise by the Bank of all or any of the powers granted to it pursuant to this Security Agreement; and

(ii) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it pursuant to this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;

(b) in or toward payment to the Bank of all principal and other monies (except interest) due in respect of the Obligations;

(c) in or toward payment to the Bank of all interest remaining unpaid in respect of the Obligations.

Subject to applicable law and the claims, if any, of other creditors of the Borrower, any surplus will be paid to the Borrower.

13. DEFICIENCY

If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full, the Borrower will immediately pay to the Bank the amount of such deficiency.

14. LIABILITY OF BANK

The Bank shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfillment of contracts during any period when the Bank shall manage the Collateral upon entry, as herein provided, nor shall the Bank be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Bank shall not be bound to do, observe or perform or to see to the observance or performance by the Borrower of any obligations or covenants imposed upon the Borrower nor shall the Bank, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall the Bank be obliged to keep any of the Collateral identifiable. The Borrower hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Bank than aforesaid.

15. APPOINTMENT OF ATTORNEY

The Borrower hereby irrevocably appoints the Bank or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Borrower for and in the name of the Borrower to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Borrower is obliged to sign, endorse or execute and generally to use the name of the Borrower and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Bank or the Receiver, as the case may be, pursuant to this Security Agreement.

16. ACCOUNTS

Notwithstanding any other provision of this Security Agreement, the Bank may collect, realize, sell or otherwise deal with the Accounts or any part thereof in such manner, upon such terms and conditions and at such time or times, whether before or after default, as may seem to it advisable, and without notice to the Borrower, except in the case of disposition after default and then subject to the provisions of Part V of the Act. All monies or other forms of payment received by the Borrower in payment of any Account will be received and held by the Borrower in trust for the Bank.

17. APPROPRIATION OF PAYMENTS

Any and all payments made in respect of the Obligations from time to time and monies realized from any security interests held therefore (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank may at all times and from time to time change any appropriation as the Bank may see fit.

18. CONSOLIDATION

In accordance with the Property Law Act (British Columbia), the doctrine of consolidation applies to this Security Agreement.

19. LIABILITY TO ADVANCE

Except to the extent that the Bank:

(a) by accepting bills of exchange drawn on it by the Borrower, or

(b) by issuing letters of credit or letters of guarantee on the application of the Borrower,

is required to advance monies on the maturity of such bills or pursuant to such letters of credit or letters of guarantee, as the case may be, none of the preparation, execution, perfection and registration of this Security Agreement or the advance of any monies shall bind the Bank to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Borrower to the Bank.

20. WAIVER

The Bank may from time to time and at any time waive in whole or in part any right, benefit or default under any clause of this Security Agreement but any such waiver of any right, benefit or default on any occasion shall be deemed not to be a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default, as the case may be. No waiver shall be effective unless it is in writing.

21. NOTICE

Notice may be given to either party by sending it through the post in prepaid mail or delivered to the party for whom it is intended, at the principal address of such party provided herein or at such other address as may be given in writing by such party to the other, and any notice if posted shall be deemed to have been given at the expiration of three business days after posting and if delivered, on delivery.

22. EXTENSIONS

The Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Borrower, account debtors of the Borrower, sureties and others and with Collateral and other security interests as the Bank may see fit without prejudice to the liability of the Borrower or the Bank's right to hold and realize on the Security Interests created by this Security Agreement.

23. NO MERGER

This Security Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may hereafter be held by the Bank from the Borrower or from any other person whomsoever. The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

All rights and remedies of the Bank set out in this Security Agreement, and in any other security agreement held by the Bank from the Borrower or any other person whomsoever to secure payment and performance of the Obligations, are cumulative and no right or remedy contained herein or therein is intended to be exclusive but each is in addition to every other right or remedy contained herein or therein or in any future security agreement, or now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Borrower and the Bank that may be in effect from time to time.

25. ASSIGNMENT

The Bank may, without further notice to the Borrower, at any time assign, transfer or grant a security interest in this Security Agreement and the Security Interests created hereby. The Borrower expressly agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Bank's rights and remedies under this Security Agreement and the Borrower will not assert any defense, counterclaim, right of set-off or otherwise any claim which it now has or hereafter acquires against the Bank in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

26. SATISFACTION AND DISCHARGE

Any partial payment or satisfaction of the Obligations, or any ceasing by the Borrower to be indebted to the Bank shall be deemed not to be a redemption or discharge of this Security Agreement. The Borrower shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Borrower and payment to the Bank of a discharge fee to be fixed by the Bank and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Bank in connection with the Obligations and such release and discharge.

27. ENUREMENT

This Security Agreement shall enure to the benefit of the Bank and its successors and assigns, and shall be binding upon the successors and permitted assigns of the Borrower.

28. INTERPRETATION

28.1 In this Security Agreement:

(a) "Collateral" has the meaning set out in Clause 1 hereof and any reference to Collateral shall, unless the context otherwise requires, be deemed to be a reference to Collateral as a whole or any part thereof;

(b) "the Act" means the Personal Property Security Act (British Columbia) and all regulations thereunder, as amended from time to time.

28.2 Words and expressions used herein that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined herein or unless the context otherwise requires.

28.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause.

28.4 The headings of the clauses of this Security Agreement have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

28.5 This Security Agreement shall be governed by the laws of British Columbia.

29. COPY OF AGREEMENT AND FINANCING STATEMENT

The Borrower hereby:

(a) acknowledges receiving a copy of this Security Agreement; and

(b) waives all rights to receive from the Bank a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Security Agreement.

IN WITNESS WHEREOF the Borrower has executed this Security Agreement this 11 day of Feb, 2016 (year).

Starline Foods Inc.

x _____

Name:
Title: Authorized Signatory

_____

Name:
Title: Authorized Signatory

SCHEDULE A

1. General Collateral, other than Serial Numbered Goods (insert description of Equipment by item or kind)

2. Serial Numbered Goods

Type	Serial No./ Dept. of Transport No.	Year	Make and Model

SCHEDULE B

Additional Covenants

7.1(l) The Borrower will:

(i) limit its capital expenditures in any one fiscal year in aggregate to not more than $_____ ; and

(ii) limit the amounts paid for remuneration in any form, whether by way of salary, bonus, commission, director's fee or otherwise, to its directors, officers and shareholders in any one fiscal year in aggregate to not more than $_____ .

BMO Bank of Montreal

General Assignment of Debts, etc. (P.P.S.A.)

THE UNDERSIGNED Starline Foods Inc. of 33786 Clayburn Rd in the city of Abbotsford, V2S7T7 in the Province of British Columbia, for valuable consideration HEREBY ASSIGNS AND TRANSFERS to the Bank of Montreal, (herein called the Bank), all accounts, debts and other intangibles, chattel paper, documents of title, instruments, securities and security interests (all such terms having the meaning of such terms in the Personal Property Security Act and herein collectively called the "said debts and securities") now due or hereafter to become due to the undersigned or which now are or may hereafter become vested in the undersigned and all proceeds and other rights and benefits in respect thereof.

AND the undersigned undertakes and promises to furnish to the Bank at any time and from time to time on demand a list of all its debtors with the amounts owing by each and all security and other rights and benefits in respect thereof and to assign and transfer the same to the Bank.

AND the undersigned hereby assigns and transfers and agrees to assign and transfer to the Bank all books and accounts, letters, invoices, papers and documents in any way evidencing or relating to all or any of the debts and securities and rights hereby transferred or agreed to be transferred, and to furnish the Bank with all information which may assist in the collection thereof.

AND without limiting the generality of the foregoing, the undersigned hereby assigns and transfers and agrees to assign and transfer any and all claims and other rights for insurance against loss by fire, water, misappropriation or otherwise to the real or personal property of the undersigned.

THE present assignment and transfer shall be a continuing collateral security to the Bank for the payment of all and every present and future indebtedness and liability direct or indirect of the undersigned to the Bank and any ultimate unpaid balance thereof with interest.

AND the undersigned agrees to pay all reasonable expenses, including solicitor's fees and disbursements incurred by the Bank or its agents in connection with the preparation and perfection of this assignment and in connection with the collection and realization of the said debts and securities and the payment of all such expenses shall be secured hereby.

AND the undersigned expressly authorizes the Bank to give notice to account debtors and collect and realize the said debts and securities and rights hereby transferred from time to time in such manner and at such times as it may in its discretion deem advisable including by appointment of receiver or agent or disposition for deferred payment (but it shall not be bound to realize the same, shall not be obliged to prepare the debts and securities for disposition, shall not be obliged to keep the same identifiable, and shall not be obliged to preserve rights against other persons unless it sees fit), and may appropriate the proceeds thereof in its absolute discretion on account of such parts of the said indebtedness and liability whether secured or unsecured as to the Bank may seem best; and such appropriations may be changed or varied from time to time at the discretion of the Bank; and the Bank before appropriating the same as aforesaid may deduct all reasonable costs, charges and expenses of realization including reasonable commissions for collection and all legal costs on a solicitor and his client basis all of which the undersigned agrees to pay to the Bank.

THE Bank may grant extensions, take and give up securities, accept compositions, grant releases and discharges and generally deal with the said debts and securities and rights in its absolute discretion without consent of or notice to the undersigned, and the Bank shall not be responsible for any loss or damage which may occur in consequence of the negligence of any officer, agent, receiver, sheriff or solicitor employed in the collection or realization thereof or while the debts, claims or securities are in the possession of the Bank.

IF the amounts of any of the said debts and securities and rights be paid to the undersigned, the undersigned (or such one or other of them as shall receive the same) hereby agrees to receive the same as

agent of and in trust for the Bank and forthwith to pay over the same.

THE UNDERSIGNED covenants not to substitute or modify any of the undersigned's rights under the debts, claims or securities, by agreement or otherwise, without the written consent of the Bank, and any substitution or modification not consented to may at the option of the Bank be treated as an act of default hereunder and under any other agreement between the undersigned and the Bank.

THE UNDERSIGNED hereby undertakes to do such other things and sign such further instruments as may from time to time be required by the Bank or any officer or solicitor thereof to vest in the Bank the said debts and securities and rights hereby assigned and transferred or agreed to be assigned and transferred, or to collect the same, and the Bank and its Officers are and each of them is irrevocably appointed attorneys or attorney to execute in the name and on behalf of the undersigned and the heirs or devisees, executors or administrators of the undersigned any assignment or other instrument for the said purpose and the said power of attorney shall not be revoked by the death of the undersigned.

THIS assignment is in addition to and not in substitution for any former assignment and shall not be merged in any subsequent assignment.

Applicable only in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Northwest Territories, Nunavut, Newfoundland, Prince Edward Island and Saskatchewan.

THE UNDERSIGNED waives receipt of any financing statement registered by the Bank and any confirmation of registration.

THE UNDERSIGNED acknowledges receipt of a copy of this General Assignment of Debts.

THIS assignment was executed on the 11 day of Feb 2016 (year).

Starline Foods Inc.

By: X _____
Name: _____
Title: Authorized Signatory

By: _____
Name: _____
Title: Authorized Signatory

® Registered trade-marks of Bank of Montreal

BMO Bank of Montreal

Assignment, Postponement and Subordination Agreement

TO: BANK OF MONTREAL

WHEREAS STARLINE FOODS INC. (herein called the "**Customer**") is and/or may hereafter become indebted and/or may hereafter become further indebted or liable to the undersigned (herein called the "**Investor**") from time to time or to corporations, partnerships, trusts or other legal entities directly or indirectly owned or controlled by the Investor (such entities being herein called "**Investor Entities**");

AND WHEREAS the Investor has agreed to enter into this agreement in favour of Bank of Montreal (herein called the "**Bank**");

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Investor, including, without limitation, the Bank making advances from time to time to the Customer, accepting bills of exchange issued by the Customer or making other credit accommodations for the benefit of the Customer, the Investor covenants and agrees with the Bank as follows:

1. Subject to the provisions hereof, any and all present and future indebtedness and liability of the Customer to the Investor and to any Investor Entity (all of which present and future indebtedness and liability being herein collectively called "**Investor Indebtedness**") is hereby and shall hereafter be postponed and subordinate to all present and future indebtedness and liability whether actual or contingent of the Customer to the Bank (all of which present and future indebtedness and liability being herein collectively called "**Bank Indebtedness**"); and any and all security now or hereafter held, in whole or in part, by the Investor or any Investor Entity to secure Investor Indebtedness (all of which present and future security being herein called "**Investor Security**") is hereby and shall hereafter be postponed and subordinated to all security now or hereafter held by the Bank to secure Bank Indebtedness or any part thereof (all of which present and future Bank security being called "**Bank Security**").

2. In order to give effect to this agreement, the Investor hereby pledges, assigns, transfers and makes over to the Bank as collateral security for the due payment by the Customer of the Bank Indebtedness (i) any and all Investor Indebtedness which the Investor may now or hereafter have against the Customer, and (ii) any and all Investor Security in respect of such Investor Indebtedness, and agrees to cause all Investor Entities which are now or hereafter become a creditor of the Customer to pledge, assign, transfer and make over to the Bank as collateral security for the due payment by the Customer of the Bank Indebtedness (iii) any and all Investor Indebtedness which such Investor Entities may now or hereafter have against the Customer, and (iv) any and all Investor Security in respect of such Investor Indebtedness. The Investor also agrees, and agrees to cause all Investor Entities to agree, to deliver to the Bank all instruments evidencing a right to payment now or hereafter held by the Investor and all Investor Entities as part of the Investor Security or that otherwise relate to the Investor Indebtedness ("**Investor Instruments**") and, to the extent such Investor Instruments are not already part of the Investor Security, hereby pledges, assigns, transfers and makes over such Investor Instruments and the proceeds thereof to the Bank as collateral security for the due payment by the Customer of the Bank Indebtedness.

3. The Investor hereby subrogates to the Bank and agrees to cause all Investor Entities to subrogate to the Bank in all the rights of the Investor and all Investor Entities in respect to Investor Indebtedness, including rights under the Investor Security and rights under all Investor Instruments.

4. The security interest hereunder shall become enforceable (i) upon a failure of the Customer to comply with the terms, conditions and covenants of any part of the Bank Indebtedness or upon the occurrence of an event of default that makes any part of the Bank Indebtedness immediately due and payable, or (ii) upon any receivership, bankruptcy, liquidation or winding-up of the Customer, or (iii) upon any realization of any Investor Security. The Investor hereby authorizes the Bank and agrees to cause all Investor Entities to authorize the Bank to collect and receive any dividends or payments which may be payable to the Investor or such Investor Entities upon the security interest hereunder becoming enforceable. In the event that the total amount of Bank Indebtedness at such time is not paid in full, the Investor hereby authorizes the Bank, and agrees to cause all Investor Entities to authorize the Bank, to apply the amount of the dividends or payments so collected by the Bank in payment of the balance of the Bank Indebtedness and any costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of the Bank Indebtedness, the surplus, if any, to be paid to the Investor or such Investor Entities.

5. The Investor shall execute all sworn statements of claim, assignments and other documents and do all matters and things which may be required by the Bank from time to time or which may be necessary or advisable to carry this agreement into effect, including such measures as may be required to cause Investor Entities which now or hereafter hold Investor Indebtedness of the Customer to enter into an agreement similar hereto.

6. The Investor irrevocably appoints the Bank (and any of its managers) as attorney of the Investor (with full power of substitution) to do, make and execute, in the name of and on behalf of the Investor, all such further acts, documents, matters and things which the Bank may deem necessary or advisable to accomplish the purposes of this agreement including, without limitation, the execution, endorsement and delivery of any documents, the filing or taking of any claims or actions, and the institution of any proceedings which the Bank determines is necessary or advisable to carry this agreement into effect. All acts of the attorney are hereby ratified and approved, and the attorney will not be liable for any act, failure to act or any other matter or thing, except to the extent caused by its own gross negligence or wilful misconduct. The Investor agrees to cause all Investor Entities which are now or hereafter become a creditor of the Customer to appoint the Bank (and any of its managers) as attorney of the Investor (with full power of substitution) on the same terms.

7. The Investor agrees, and agrees to cause all Investor Entities to agree, that Investor Indebtedness owing on the date hereof and Investor Indebtedness which may hereafter become owing by the Customer to the Investor or to any Investor Entity, shall not be paid, withdrawn or substituted but shall hereafter either be retained by the Customer or be paid to the Bank pursuant to this agreement and that any moneys received by the Investor or by any Investor Entity or by any agent on account of any of the Investor Indebtedness shall be held in trust for the Bank, without being used, and forthwith paid to the Bank, except only to the extent that payments or repayments by the Customer to the Investor or Investor Entities are specifically permitted by this agreement.

8. Subject to the provisions of Paragraph 11 of this agreement, payment of reasonable interest by the Customer on the Investor Indebtedness is permitted; but, for greater certainty, repayment of principal is not permitted, unless otherwise expressly provided for in another provision of this agreement.

9. **This Paragraph 9 is applicable only if the Bank has inserted an amount in the blank herein, and shall otherwise be of no force or effect.** Subject to the provisions of Paragraph 11 of this agreement, repayment of principal owed by the Customer pursuant to the Investor Indebtedness in accordance with the terms thereof is permitted if, but only if, the aggregate Investor Indebtedness is at the time of such repayment not less than $_____ (the "**Minimum Amount**"), and no repayment shall be permitted or shall be deemed to be permitted hereunder which would cause the aggregate Investor Indebtedness to be less than the Minimum Amount.

10. **This Paragraph 10 is applicable only if (a) no amount has been inserted in the blank in Paragraph 9 above and (b) the Customer is subject to Affected Covenants, as defined below, and shall otherwise be of no force or effect.** Subject to the provisions of Paragraph 11 of this agreement, repayment of principal owed by the Customer pursuant to the Investor Indebtedness in accordance with the terms thereof is permitted if, but only if, the Customer is at the time of such repayment in compliance with any financial covenants in favour of the Bank then in force which are calculated with reference to the Investor Indebtedness which is postponed, assigned and subordinated by this agreement (the "**Affected Covenants**"), and no payment shall be permitted or shall be deemed to be permitted hereunder which would cause a breach of any of the Affected Covenants. The Investor, on its own behalf and on behalf of the Investor Entities, hereby (i) acknowledges that the determination of whether any particular financial covenant of the Customer in favour of the Bank is an Affected Covenant may be made in the sole discretion of the Bank and (ii) represents and warrants to and agrees with the Bank that it is familiar with the terms of the Affected Covenants, if any, in place as at the date of this agreement and that it will confirm the status of existing or future Affected Covenants with the Customer prior to any future repayment of Investor Indebtedness.

11. Payments or permitted repayments, if any, pursuant to Paragraphs 8, 9 or 10 of this agreement, may be made only (a) while the security interest referred to in Paragraph 4 of this agreement has not become enforceable in accordance with the terms thereof, (b) while the Customer is in compliance with the terms, conditions and covenants in respect of the Bank Indebtedness, and (c) subject to the Bank's verification procedures in respect of compliance by the Investor, the Investor Entities and the Customer with the terms hereof and with the terms, conditions and covenants in respect of the Bank Indebtedness, and the Investor, the Investor Entities and the Customer each agree to respond promptly to any request received from the Bank for information required to confirm such compliance.

12. Except with the prior written consent of the Bank, the Investor shall not assign or hypothecate and will cause any Investor Entity not to assign or hypothecate any Investor Indebtedness or any part thereof or any Investor Security or any part thereof to any other party or ask for or obtain any negotiable paper or other instrument evidencing a right to payment or other evidence of the same.

13. The covenants and agreements herein contained shall extend to and be binding upon, and enure to the benefit of, the successors and assigns of the Investor and the Bank.

14. This agreement shall be construed pursuant to and governed by the laws applicable in the province wherein the Branch of the Bank where the Customer's account is kept is located.

15. The Investor waives the right to receive any financing statement or financing change statement registered by the Bank and any confirmation of registration or verification statement issued.

16. The Investor acknowledges receipt of a copy of this agreement.

17. It is the express wish of the parties that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

[Signature page follows]

Dated as of this 14 day of February, 2020 (year).

Witness
Name Ross Pringle

Witness
Name Ross Pringle

Witness
Name Ross Pringle

Name: **Gurinder Grewal**

Name: **Sukhminder Gill**

Name: **Surjit Gill**

TO: BANK OF MONTREAL

We acknowledge receipt of notice in writing of the terms and conditions contained in the foregoing agreement and we agree to comply therewith. We shall not make any payment to the Investor or to any Investor Entity except as therein provided.

Dated as of this 14 day of February, 2020 (year).

Starline Foods Inc.
(Name of Entity)

By:
Name: **Gurinder Grewal**
Title: Authorized Signatory

By:
Name: **Sukhminder Gill**
Title: Authorized Signatory

This is Exhibit "F" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

BMO Bank of Montreal

Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with **Starline Foods Inc.**_ (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **Six Million** Dollars **$6,000,000.00**_ plus interest thereon at a rate of **3%** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of **British Columbia** and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank..

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

This clause applies to the Province of Québec only

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

DATED as of February 14, 2020.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
Witness to sign for each individual (i.e. natural person) guarantor who signs. Name: Ross Pohle Name: _____ Name: _____ Name: _____	_____ (Individual Guarantor) Name: **Gurinder Grewal** _____ (Individual Guarantor) Name: _____ _____ (Individual Guarantor) Name: _____ _____ (Individual Guarantor) Name: _____ _____ (Name of Corporation/Entity Guarantor) By: _____ Name: _____ Title: _____

BMO Bank of Montreal

Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with **Starline Foods Inc.**_ (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **Three Million Seven Hundred and Fifty Thousand**Dollars **$3,750,000.00**_ plus interest thereon at a rate of **3%** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of **British Columbia** and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank..

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

This clause applies to the Province of Québec only

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

DATED as of February 14, 2020.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
Witness to sign for each individual (i.e. natural person) guarantor who signs.	
_____ Name: Ross Pribyl	_____ (Individual Guarantor) Name: **Sukhminder Gill**
_____ Name: _____	_____ (Individual Guarantor) Name: _____
_____ Name: _____	_____ (Individual Guarantor) Name: _____
_____ Name: _____	_____ (Individual Guarantor) Name: _____
	_____ (Name of Corporation/Entity Guarantor) By: _____ Name: _____ Title: _____

BMO Bank of Montreal

Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with **Starline Foods Inc.** (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **Two Million Five Hundred Thousand**Dollars **$2,500,000.00** plus interest thereon at a rate of **3%** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of **British Columbia** and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank..

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

This clause applies to the Province of Québec only

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

DATED as of **February 14**, 2020__.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
Witness to sign for each individual (i.e. natural person) guarantor who signs.	
Name: Ross Pringle	(Individual Guarantor)
	Name: **Surjit Gill**
Name:	(Individual Guarantor)
	Name:
Name:	(Individual Guarantor)
	Name:
Name:	(Individual Guarantor)
	Name:
	(Name of Corporation/Entity Guarantor)
	By:
	Name:
	Title:

This is Exhibit "G" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "STARLINE FOODS INC."

Search Date and Time: April 16, 2026 at 11:25:19 am Pacific time
Account Name: LAWSON LUNDELL
Folio Number: 014134-159827

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4	762752P	August 31, 2023	* STARLINE FOODS INC.	10
5	823193R	March 4, 2026	* STARLINE FOODS INC.	12

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 101830J

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	February 8, 2016 at 1:24:37 pm Pacific time
Current Expiry Date and Time:	February 8, 2027 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of April 16, 2026 at 11:25:19 am Pacific time)

Secured Party Information

BANK OF MONTREAL/BANQUE DE MONTREAL

Address

2ND FLOOR, 234 SIMCOE ST.
TORONTO ON
M5T 1T4 Canada

Debtor Information

STARLINE FOODS INC.

Address

33786 CLAYBURN RD
ABBOTSFORD BC
V2S 7T7 Canada

Vehicle Collateral

None

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

LF32 GENERAL ASSIGNMENT OF DEBTS ALL PRESENT AND FUTURE ACCOUNTS, DEBTS AND OTHER INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, SECURITIES AND SECURITY INTERESTS AND ALL PROCEEDS THEREOF AND THEREFROM AND OTHER RIGHTS AND ,BENEFITS IN RESPECT THEREOF. LF379 ALL PRESENTLY OWNED AND AFTER ACQUIRED PERSONAL PROPERTY (OTHER THAN CONSUMER GOODS) AND FLOATING CHARGE ON LAND.

Original Registering Party

BANK OF MONTREAL/BANQUE DE MONTREAL

Address

2ND FLOOR, 234 SIMCOE ST.
TORONTO ON
M5T 1T4 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

RENEWAL

Registration Date and Time: December 18, 2025 at 3:58:08 pm Pacific time
Registration Number: 685231R
Registration Life: 1 Year
New Expiration Date and Time: February 8, 2027 at 11:59:59 pm Pacific time

Registering Party Information

D + H LIMITED PARTNERSHIP

Address

2 ROBERT SPECK PARKWAY, 15TH FLOOR
MISSISSAUGA ON
L4Z 1H8 Canada

RENEWAL

Registration Date and Time: December 16, 2020 at 10:42:02 am Pacific time
Registration Number: 658294M
Registration Life: 5 Years
New Expiration Date and Time: February 8, 2026 at 11:59:59 pm Pacific time

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 378481L

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	March 19, 2019 at 10:35:48 am Pacific time
Current Expiry Date and Time:	March 19, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of April 16, 2026 at 11:25:19 am Pacific time)

Secured Party Information

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

Address

3450 SUPERIOR COURT, UNIT 1
OAKVILLE ON
L6L 0C4 Canada

Debtor Information

STARLINE FOODS INC.

Address

260 SHORT ROAD
ABBOTSFORD BC
V2S 8A7 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2018	UNICARRIERS / / MP1F1A20LV	P1F19G21504

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL GOODS OF THE DEBTOR DESCRIBED HEREIN BY VEHICLE IDENTIFICATION NUMBER OR SERIAL NUMBER, AS APPLICABLE, WHEREVER SITUATED, TOGETHER WITH ALL PARTS AND ACCESSORIES RELATING THERETO, ALL ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO OR THEREON, ALL REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS OF ALL OR ANY PART OF THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED THEREFROM. PROCEEDS: ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED, DIRECTLY OR INDIRECTLY, FROM ANY DEALING WITH OR DISPOSITION OF THE ,ABOVE-DESCRIBED COLLATERAL, INCLUDING WITHOUT LIMITATION, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO, ACCOUNTS, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE ABOVE-DESCRIBED COLLATERAL, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, CHEQUES, DEPOSITS, SECURITIES AND INTANGIBLES.

Original Registering Party

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

Address

3450 SUPERIOR COURT, UNIT 1
OAKVILLE ON
L6L 0C4 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

RENEWAL

Registration Date and Time: December 29, 2023 at 12:45:15 pm Pacific time
Registration Number: 109025Q
Registration Life: 4 Years
New Expiration Date and Time: March 19, 2029 at 11:59:59 pm Pacific time

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 069306N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	June 25, 2021 at 2:21:44 pm Pacific time
Current Expiry Date and Time:	June 25, 2027 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of April 16, 2026 at 11:25:19 am Pacific time)

Secured Party Information

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

Address

3450 SUPERIOR COURT, UNIT 1
OAKVILLE ON
L6L 0C4 Canada

Debtor Information

STARLINE FOODS INC.

Address

33786 CLAYBURN ROAD
ABBOTSFORD BC
V2T 7T7 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2019	UNICARRIERS / / MP1F2A25LV	P1F29H25905

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL GOODS OF THE DEBTOR DESCRIBED HEREIN BY VEHICLE IDENTIFICATION NUMBER OR SERIAL NUMBER, AS APPLICABLE, WHEREVER SITUATED, TOGETHER WITH ALL PARTS AND ACCESSORIES RELATING THERETO, ALL ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO OR THEREON, ALL REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS OF ALL OR ANY PART OF THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED THEREFROM. PROCEEDS: ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED, DIRECTLY OR INDIRECTLY, FROM ANY DEALING WITH OR DISPOSITION OF THE ,ABOVE-DESCRIBED COLLATERAL, INCLUDING WITHOUT LIMITATION, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO, ACCOUNTS, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE ABOVE-DESCRIBED COLLATERAL, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, CHEQUES, DEPOSITS, SECURITIES AND INTANGIBLES.

Original Registering Party

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

Address

3450 SUPERIOR COURT, UNIT 1
OAKVILLE ON
L6L 0C4 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 762752P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	August 31, 2023 at 2:35:48 pm Pacific time
Current Expiry Date and Time:	August 31, 2028 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of April 16, 2026 at 11:25:19 am Pacific time)

Secured Party Information

KHALSA CREDIT UNION

Address

8788 120TH STREET
SURREY BC
V3W 3N4 Canada

Debtor Information

STARLINE FOODS INC.

Address

1-2838 GARDEN ST
ABBOTSFORD BC
V2T 4W7 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

KANE SHANNON WEILER LLP

Address

SUITE 220 7565 132ND STREET
SURREY BC
V3W 1K5 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 823193R

Registration Description:	COMMERCIAL LIEN
Act:	COMMERCIAL LIENS ACT
Base Registration Date and Time:	March 4, 2026 at 2:27:51 pm Pacific time
Current Expiry Date and Time:	March 4, 2027 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)

CURRENT REGISTRATION INFORMATION

(as of April 16, 2026 at 11:25:19 am Pacific time)

Secured Party Information

BRANDT TRACTOR LTD.

Address

9500 190TH ST.
SURREY BC
V4N 3S2 Canada

Debtor Information

STARLINE FOODS INC.

Address

260 SHORT RD
ABBOTSFORD BC
V2S 8A7 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2025	JD / 270DLC	FF270DX703355

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

$10,492.70

114500225

Original Registering Party

BRANDT TRACTOR LTD.

Address

29 TOWER ROAD PO BOX 32063 VICTORIA SQUARE
REGINA SK
S4N 7L2 Canada

This is Exhibit "H" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

FORBEARANCE AGREEMENT

This Agreement is dated for reference April 29, 2022.

BETWEEN: **BANK OF MONTREAL**, a chartered bank of Canada c/o Mezzanine Level - 595 Burrard Street, Vancouver, British Columbia, V7X 1L7 (the "**Bank**")	
AND: **STARLINE FOODS INC.**, c/o 33786 Clayburn Rd., Abbottsford, B.C. V25 7T7 (the "**Borrower**")	AND: **SURJIT SINGH GILL**, c/o 33786 Clayburn Rd., Abbottsford, B.C. V25 7T7 ("**Surjit**")
AND: **SUKHMINDER SINGH GILL**, c/o 33786 Clayburn Rd., Abbottsford, B.C. V25 7T7 ("**Sukhminder**")	AND: **GURINDER GREWAL**, c/o 33786 Clayburn Rd., Abbottsford, B.C. V25 7T7 ("**Gurinder**" and together with Sukhminder, Surjit and the Borrower, the "**Credit Parties**")

WHEREAS:

A. The Borrower has certain banking relations (the "**Banking Relationship**") with the Bank.

B. The Borrower is the registered owner of lands civically and legally described as:

> 33786 Clayburn Road, Abbotsford, BC V2S 7T7
> PID: 004-178-050
> Lot 1 Except: Firstly: Parcel "B" (Reference Plan 8236) Secondly: Parcel "C" (Reference Plan 8237) Thirdly: Parcel "A" (Reference Plan 8255) Fourthly: Part Subdivided By Plan 24013, District Lot 202 Group 2 New Westminster District Plan 4298
>
> (the "**Lands**").

C. Under and pursuant to the Banking Relationship, the Bank has established and authorized credit facilities (the "**Credit Facilities**") pursuant to a Letter of Agreement dated August 23, 2021 issued to the Borrower (the "**Credit Agreement**").

D. The Credit Facilities provided by the Bank to the Borrower pursuant to the Credit Agreement include:

(a) Operating demand loan (the "**Operating Loan**"), payable on demand, in the authorized amount of $900,000, plus a $500,000 seasonal bulge from October 1 through April 30 (the "**Operating Loan Bulge**"), bearing interest at the Bank's prime rate of interest plus 3.25% per annum, with an outstanding principal balance owing to the Bank of $1,401,373.43 as at April 14, 2022;

(b) Non-revolving loan ("**Demand Loan 634**"), payable on demand, bearing interest at the Bank's prime rate of interest plus 3.25% per annum, with an outstanding principal balance owing to the Bank of $4,079,480.55 as at April 14, 2022, with monthly payments due to the Bank in the amount of $33,342.57;

(c) Non-revolving loan ("**Demand Loan 419**"), payable on demand, bearing interest at the Bank's prime rate of interest plus 3.25% per annum, with an outstanding principal balance owing to the Bank of $2,890,878.67 as at April 14, 2022, with monthly payments due to the Bank in the amount of $14,583.55;

(d) Farm mortgage loan (the "**Farm Mortgage**"), bearing interest at 4.07% per annum, with an outstanding principal balance owing to the Bank of $1,276,719.74, with annual payments due to the Bank in the amount of $98,297.83 and which loan matured on March 1, 2022 and has not been renewed;

(e) Commercial letter of credit ("**CLC 575**"), in the authorized amount of $90,000, in favour of the City of Abbotsford;

(f) Commercial letter of credit ("**CLC 954**"), in the authorized amount of $10,000, in favour of the City of Abbotsford; and

(g) Corporate MasterCard, payable on demand, in the authorized amount of $50,000 (the "**MasterCard**").

The loans and balances owing to the Bank by the Borrower pursuant to the Credit Facilities, as set out above,[1] are hereinafter collectively referred to as the "**Indebtedness**".

E. All security (collectively and individually, the "**Security**") now or hereafter held by the Bank in respect of the Credit Agreement, the Credit Facilities and the Indebtedness is collectively referred to as the "**Security Documents**" which include, without limitation, the security documents and guarantees listed in **Schedule "A"** attached hereto.

F. The Bank has several concerns regarding the Borrower, including, among other things, operating losses, cash flow difficulties and poor management information systems/financial reporting, together with default under the Credit Agreement by virtue of, among other things, loan arrears and failure to pay statutory remittances.

G. The Borrower has provided to the Bank and the Consultant (as defined below) a cash flow forecast (the "**CFF**") from March 2022 through December 2022, set out in Schedule "**B**" attached hereto.

H. Notwithstanding the foregoing, the Credit Parties have requested that the Bank forbear from taking steps to enforce the Security to recover the Indebtedness, all on the terms and conditions set out herein, in order to provide the Credit Parties with a reasonable period of

[1] Exclusive of accrued and unpaid interest for the month of April 2022.

time to address the Borrower's financial difficulties and repay the Indebtedness in full by way of replacement financing or otherwise.

WITNESSES THAT in consideration of the promises and covenants hereinafter set forth, the Credit Parties hereto covenant and agree as follows:

Forbearance

1. Subject to the execution and delivery to the Bank of this Agreement by each of the Credit Parties, the Bank agrees that, provided that no further Event of Default (as defined below) occurs, it will not take steps to enforce the Security or to recover the Indebtedness until after **July 31, 2022** (the "**Forbearance Period**"), or such later date as may be agreed to pursuant to the terms of this Agreement or further extended by the Bank in writing and in its sole discretion.

2. Each of the Credit Parties acknowledge and agree that the Forbearance Period is reasonable in the circumstances. However, the Bank, in its sole discretion and at the request of the Credit Parties, may be prepared to extend the Forbearance Period if the Bank is content with the Borrower's efforts to address its financial difficulties and repay the Indebtedness.

3. Notwithstanding the Borrower's obligations set out in this Agreement may contemplate financial and other obligations beyond the Forbearance Period, nothing in this Agreement shall be deemed to extend the Forbearance Period beyond July 31, 2022, or such later date that the Bank may agree to in writing.

Confirmation of the Credit Agreement, Indebtedness, and Security

4. Each of the Credit Parties acknowledge and agree that the recitals to this Agreement are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.

5. Each of the Credit Parties acknowledge and agree that, except as set out herein, the Bank is not under any obligation whatsoever to provide further loans, overdraft facilities, or other credit facilities to the Borrower.

6. Each of the Credit Parties acknowledge and agree that the Indebtedness is due and owing to the Bank, and hereby waive any rights which they may have as at the date of this Agreement to claim any abatement or offset of the amounts, whether arising by way of defence or counterclaim.

7. Each of the Credit Parties acknowledge having reviewed and being familiar with the Security Documents, that all of the Security Documents are in full force and effect, and are valid and enforceable in accordance with their terms.

8. Each of the Credit Parties acknowledge and agree that whatever interest, claim, or right that any of them may have in and to any of the undertakings, properties, and assets of the Borrower shall be postponed, subordinated, and subject to the rights of the Bank under the Security Documents.

9. The Borrower acknowledges that it is duly authorized to enter into and be bound by the terms of the Credit Agreement, the Security Documents and this Agreement and to carry out the terms of each such agreement.

10. The confirmations and acknowledgements herein by each of the Credit Parties in relation to the Indebtedness and Security constitute acknowledgement of their respective liability for the Indebtedness and pursuant to the Security Documents as contemplated by the British Columbia *Limitation Act*.

Consultant Engagement

11. Each of the Credit Parties acknowledge and agree that Deloitte Restructuring Inc. (the "**Consultant**") has been retained as the Bank's consultant pursuant to an engagement letter dated December 3, 2021, to review, among other things, the business and financial position of the Borrower, including its business prospects and financial projections, the Bank's security position and to attend to any other matters which the Bank may from time to time in its sole discretion require, which shall include the financial monitoring duties set out in this Agreement.

12. Each of the Credit Parties agree with the Bank that in furtherance of the Consultant's duties:

    (a) to permit complete and unrestricted access to the Borrower's premises and personnel to the Consultant during normal business hours and to provide the Consultant with any information which it may reasonably request pursuant to its appointment provided that the Consultant will not interfere with normal business operations;

    (b) to direct its employees to cooperate fully with the appointment herein and in making disclosure to the Consultant;

    (c) if required, to direct its external accountants to cooperate fully with the appointment herein in making disclosure to the Consultant including providing any information and documents reasonably requested by the Consultant;

    (d) to permit the Consultant to make copies of any reports, documents or records as it deems necessary and that the Consultant shall be entitled to provide the Bank and its solicitors with copies of all reports and information arising out of or obtained pursuant to its appointment;

    (e) to indemnify and save harmless the Consultant and the Bank from any liability which the Consultant may incur in the course of acting as consultant under the terms of its engagement with the Bank and this Agreement, save and except any willful misconduct or gross negligence;

    (f) If the Bank deems it necessary or advisable to exercise any or all of the remedies available to it under the Security, each of the Credit Parties agree that the appointment of the Consultant in accordance with this Agreement shall not be grounds for their objecting to the appointment of the Consultant as Agent for the

Bank or Receiver or Receiver-Manager or Interim Receiver or Trustee or Monitor of the Borrower in the event of any enforcement of the Security; and

(g) None of the Credit Parties will at any time have or prosecute any claim or commence action against the Consultant or the Bank, or defend any action by the Bank to enforce the Security arising from or based, directly or indirectly, upon the Consultant's engagement herein and its recommendations to the Bank.

13. The Credit Parties covenant and agree that:

(a) the Consultant will not have any control over the Borrower's operations or affairs, will assume no decision making responsibility or have any management capacity, nor will it be conducting an audit;

(b) the Consultant will not be entitled to approve or execute agreements for or on behalf of the Borrower;

(c) the Consultant will not be held responsible for any decisions or activities of the Borrower; and

(d) the Consultant's standard hourly fees and expenses are for the account of the Borrower. The Bank may pay these fees and expenses and add same to the Indebtedness as the Bank sees fit including by way of debit to the Operating Loan. These fees and expenses, when added to the Indebtedness, shall be secured by the Security including the New Second Mortgage (as defined below).

The Credit Parties' Financial and Non-Financial Obligations

Amendments to the Credit Facilities and Additional Security

14. The Credit Parties acknowledge and agree that, effective immediately, the Farm Mortgage shall be converted to a non-revolving loan, payable upon demand, and bearing interest at the Bank's prime rate of interest plus 3.25% per annum, calculated monthly and not in advance. Blended annual payments shall remain at $98,297.83 with the next annual payment due and payable on March 1, 2023.

15. On or before May 13, 2022, the Borrower shall execute and deliver to the Bank a supplemental second all-indebtedness mortgage over the Lands in the principal amount of $2,000,000, (the "**New Second Mortgage**"), as further security for the Indebtedness and in a form prepared by the Bank's solicitors, together with all necessary corporate resolutions and any further ancillary documentation as the Bank may reasonably require. The New Second Mortgage shall henceforth be included in the Security Documents as referenced herein.

Monthly Financial Statements

16. On or before April 30, 2022, the Borrower shall, to the satisfaction of the Bank and the Consultant:

(a) reconcile its accounts, including its accounts receivable and accounts payable;

(b) book all accruals;

(c) record its inventory at cost;

(d) record and correct all related party transactions and other unrecorded transactions; and

(e) release or cancel all held and stale-dated cheques.

17. Beginning May, 2022, the Borrower shall provide to the Bank and the Consultant its internally prepared monthly financial statements within 10 days of month end[2] in a form satisfactory to the Bank in its sole discretion.

Management Cash Flow Forecast

18. The Credit Parties acknowledge and agree that the Consultant shall monitor the CFF on a monthly basis.

19. Beginning in May 2022, the Borrower shall, on a monthly basis and in a form satisfactory to the Bank in its sole discretion, provide to the Bank and the Consultant for review a cash flow variance analysis within 10 days of month end,[3] consisting of:

(a) a comparison of actual cash flow results to the CFF, which shall include commentary from the Borrower on any variances set out therein;

(b) particulars respecting all transactions listed on the Borrower's monthly bank statements; and

(c) details of any changes to the CFF based on actual results.

20. The Credit Parties acknowledge and agree that the Consultant shall review any proposed amendments to the CFF, with such amendments subject to the Bank's approval.

Accounts Payable and Accounts Receivable

21. Beginning May 2022, the Borrower shall provide to the Bank and the Consultant accurate and properly aged accounts receivable and accounts payable listings on the 10th (as part of the monthly margin reporting) and last day of each month, each in a form satisfactory to the Bank in its sole discretion.

Monthly Margin Reporting for the Operating Loan

22. Beginning May 2022,[4] the Borrower shall provide to the Bank and the Consultant complete and accurate monthly margin reports with respect to the Operating Loan within 10 days of month end in a form satisfactory to the Bank in its sole discretion.

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[2] Monthly financial statements for April 2022 to be delivered on or before May 10, 2022.
[3] Variance analysis for March and April 2022 to be delivered on or before May 10, 2022.
[4] Margin reporting for April 2022 to be delivered on or before May 10, 2022.

Payables

23. The Borrower shall notify the Bank and the Consultant in writing and shall, forthwith upon receipt, provide to the Bank copies of all correspondence from Canada Revenue Agency ("**CRA**") respecting its pending payroll audit and any subsequently agreed upon payment arrangement.

24. The Borrower shall pay the outstanding arrears (and any related penalties and interest) on account of employee source deductions to CRA in accordance with the CFF[5] and shall, forthwith upon payment, provide confirmation satisfactory to the Bank and the Consultant of same.

25. The Borrower shall keep all statutory priority payables current on a go-forward basis and shall, upon request by the Bank or the Consultant, provide confirmation satisfactory to the Bank and the Consultant respecting same.[6]

26. The Borrower shall provide to the Bank and the Consultant copies of any creditor demands for payment, creditor enforcement or legal proceedings taken by a creditor against the Borrower within two business days of receipt and/or notice of same.

27. On or before May 13, 2022, the Borrower shall attend to the discharge of the following charges on title to the Lands:

    (a) Certificate of Pending Litigation registered under registration number CA8654426 on December 17, 2020 in favour of Kondolay Transport Ltd. ("**Kondolay**").

    (b) Judgment registered under registration number CA8655828 on December 17, 2020 in favour of River Front Berry Farms Ltd.; and

    (c) Judgment registered under registration number CA9222327 on July 27, 2021 in favour of Kondolay.

Related Party and Shareholder Transactions

28. The Credit Parties acknowledge and agree that all transactions between the Borrower, its shareholders and/or other related parties shall be documented and recorded in the Borrower's accounting records and shall be disclosed to the Bank and the Consultant, which disclosure shall include market values of all such transactions.

29. The Credit Parties acknowledge and agree that the Borrower shall not make payments to its shareholders or other related parties including, without limitation, salaries, shareholder loan payments, dividends or otherwise, without the Bank's prior written consent.

[5] Arrears in the approximate amount of $600,000.
[6] Including statutory priority payables to CRA on account of employee source deductions, GST, PST and WCB.

30. Beginning July 2022, the Borrower shall begin making payments in accordance with the CFF to Pashaura Enterprises Ltd. ("**Pashaura**") on account of the fruit inventory supplied to the Borrower by Pashaura.[7]

31. The Credit Parties acknowledge and agree that any projected cash flow shortfall in accordance with the CFF, as updated to July 31, 2022, shall be funded by the Borrower's shareholders.

Refinancing

32. Beginning May 2022, the Borrower shall, on or before the last day of each month, provide to the Bank and the Consultant monthly written updates with respect to its efforts to obtain refinancing to repay the Indebtedness in full, including, among other things, the status of the Borrower's discussions with alternate lenders.

33. On or before July 31, 2022, the Borrower shall repay the Indebtedness in full, or such later date as the Bank may agree in writing.

Sale of Assets

34. The Borrower acknowledges and agrees that it shall not sell its assets outside the normal course of its business during the Forbearance Period, or any extension thereof, herein without the Bank's prior written consent.

Internal Cash Controls and Bank Reconciliation

35. On or before May 13, 2022, the Borrower shall attend to adding two authorized signatories for the purposes of its online banking transactions.

36. Beginning May 2022, the Borrower shall reconcile its bank accounts on a monthly basis and shall provide such reconciliations to the Bank and the Consultant within 10 days of month end. [8] The Borrower further acknowledges and agrees that reconciled accounts older than three months shall be investigated, cleared and reported to the Bank and the Consultant.

Current Inventory

37. On or before June 30, 2022, the Borrower shall sell, ship and invoice its existing inventory in accordance with the CFF.

Repayment of the Operating Loan Bulge

38. The Borrower shall repay the Operating Loan Bulge to the Bank on or before May 13, 2022, or such later date as may be agreed to by the Bank in writing and in its sole discretion.

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[7] First payment of $100,000 to be made July 2022.
[8] Reconciliations for April 2022 to be delivered on or before May 10, 2022.

Forbearance Fee

39. The Borrower shall pay to the Bank a $25,000 forbearance fee, which fee the Bank may add to the Indebtedness as it sees fit and when so added, this fee shall be secured by the Security including the New Second Mortgage.

Additional Obligations

40. Each of the Credit Parties (to the extent the following statutes may apply), covenant and agree that they will not seek any relief under the *Companies Creditors' Arrangement Act, Bankruptcy & Insolvency Act*, the B.C. *Personal Property Security Act,* the B.C. *Law and Equity Act,* or under any statute of similar nature in any other jurisdiction.

41. Each of the Credit Parties agree that all fees and disbursements paid by the Bank to its lawyers (on the basis of complete indemnification on a solicitor and its own client basis) in connection with advising the Bank in relation to the affairs of the Borrower and in relation to the Credit Agreement, the Credit Facilities, the Indebtedness, the Security Documents and this Agreement, and all matters incidental or relating thereto, including enforcement and realization, and whether past, present, or future, shall be added to the Indebtedness, and when so added, these fees and disbursements shall be secured by the Security including the New Second Mortgage.

Releases and Waivers

42. Each of the Credit Parties hereby release and forever discharge the Bank, and its successors and assigns of and from any and all manner of actions, causes of actions, suits, contracts, claims, demands, damages, costs, and expenses of any nature or kind whatsoever, whether known or unknown, suspected or unsuspected, or whether at law or in equity, which the Credit Parties, or any of them, ever had or now have or which they or their administrators, officers, agents, successors, and assigns hereafter can, shall or may have or by reason of any cause, matter or thing whatsoever existing up to the present time and relating to the Credit Agreement, the Credit Facilities, the Indebtedness, the Security Documents or the Bank's actions, errors or omissions with regard thereto.

43. Each of the Credit Parties hereby waive against the Bank, and its successors and assigns any defense which they, or any of them, may have existing up to the present time to any action brought by the Bank to collect the Indebtedness or to enforce or realize upon the Security under which said defense arises, whether by counterclaim or defense, by reason of any cause, matter, error, omission, neglect, or thing caused or done, whether direct or indirect, by the Bank, its executors, administrators, officers, agents, successors, and assigns existing as at the date of this Agreement and relating to or arising from the Credit Agreement, the Credit Facilities, the Indebtedness, the Security Documents or the Bank's actions, errors or omissions with regard thereto.

44. Notwithstanding the granting of the forbearance herein, the Bank does not waive any default under the Credit Agreement and the Security Documents.

Default

45. It shall be an Event of Default under this Agreement if:

(a) any of the Credit Parties fail to duly perform any covenant required of them contained in this Agreement, or any subsequent amendment, modification or extension thereto;

(b) except as expressly provided in this Agreement, there is further default under the terms of the Credit Agreement or the Security Documents;

(c) any encumbrancer or creditor of the Borrower takes possession of, or commences proceedings previously unknown to the Bank or steps to realize upon, any property or asset of the Borrower including a distress, execution, garnishing order, foreclosure, forfeiture, registration of builders' lien, or other charge, or any similar process levied or enforced there against and any such event is not cured within 5 days of notice thereof having been given by the Bank;

(d) the Borrower, without the prior written consent of the Bank, passes a resolution or institutes proceedings for its winding-up, restructuring, liquidation, or dissolution or consents to the institution or filing of any petition or proceedings with respect thereto;

(e) any application is made or proceeding commenced with respect to the Borrower seeking reorganization, readjustment, rearrangement, restructuring, composition or similar relief under any applicable Canadian or other law, or if a step is taken or proceeding is instituted for the winding-up, liquidation, or dissolution of the Borrower or seeking an order adjudging it insolvent or seeking the appointment of a Trustee, Receiver, Receiver/Manager, Liquidator, or similar person over any part of any of the Borrower's property;

(f) any of the Credit Parties become bankrupt;

(g) without the prior written consent of the Bank, the Borrower effects or passes a resolution authorizing any consolidation, merger, or amalgamation with any other entity or disposition of all or a substantial portion of its assets;

(h) during the Forbearance Period, the Bank discovers any material fact, which, in the sole and absolute judgment of the Bank, impairs the financial condition of any of the Credit Parties, the validity of the Security Documents, or the value of the undertaking, property, and assets charged by the Security Documents; and

(i) during the Forbearance Period, there occurs, in the sole and absolute judgment of the Bank, any material adverse change in the financial condition of any of the Credit Parties, the validity of the Security Documents, or the value of the undertaking, property, and assets charged by the Security Documents.

46. Each of the Credit Parties acknowledge and agree that, upon the happening of an Event of a Default under this Agreement or upon expiry of the Forbearance Period, or any extension

thereof agreed to by the Bank in writing, the Bank shall have the immediate right to terminate the remainder of the Forbearance Period (or said extension), if any, and issue formal demand for payment in full followed by enforcement of the Security in the event of non-payment.

47. In the event that the Bank commences proceedings to enforce some or all of the Security, either at the expiry of the Forbearance Period or after the Forbearance Period has been terminated at the Bank's election, the Credit Parties irrevocably consent to the appointment of a Receiver or Receiver/Manager over any or all of the Borrower's assets and undertakings charged by the Security, with power of sale in favour of such Receiver or Receiver/Manager. The Credit Parties further acknowledge and agree that the Bank may rely upon this Agreement as evidence of the irrevocable consent in any such court application.

48. The Bank may, at its option and in its sole discretion, waive any Event of Default but such waiver shall not constitute a waiver of any subsequent event which would constitute an Event of Default herein.

General

49. Except as set out herein, all other terms of the Credit Agreement and Security Documents shall remain in full force and effect.

50. Any notice to be given to any party hereunder may be given by delivery to the respective party at the address hereinafter set forth:

If to the Bank:

Bank of Montreal
595 Burrard Street, Mezzanine Level
Vancouver, BC V7X 1L7

Attention: Steven Lum

Email: Steven.Lum@bmo.com

If to the Credit Parties:

c/o 33786 Clayburn Rd.,
Abbottsford, B.C.
V25 7T7

51. This Agreement shall be governed by the laws of British Columbia and the Courts of British Columbia shall have exclusive jurisdiction with respect to any disputes arising hereunder or pursuant hereto.

52. Each of the Credit Parties acknowledge and agree that this Agreement shall in all respects be binding upon it, and its respective administrators, successors, and assigns.

53. If there is any inconsistency between this Agreement and any other agreement with the Bank concerning the Indebtedness, the provisions of this Agreement shall prevail.

54. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one in the same document. All such counterparts may be delivered by fax or any electronic form.

55. Each of the Credit Parties acknowledge and agree that they have had the opportunity to seek independent legal advice prior to execution of this Agreement.

[Signatures to follow on next page]

IN WITNESS WHEREOF the Credit Parties have caused these presents to be executed as of the reference date set out on page one.

ACCEPTED, ACKNOWLEDGED AND AGREED: **BANK OF MONTREAL** Per: S. Lum Authorized Signatory	
ACCEPTED, ACKNOWLEDGED AND AGREED: **STARLINE FOODS INC.** Per: Authorized Signatory,	ACCEPTED, ACKNOWLEDGED AND AGREED: **SURJIT SINGH GILL**
ACCEPTED, ACKNOWLEDGED AND AGREED: **SUKHMINDER SINGH GILL**	ACCEPTED, ACKNOWLEDGED AND AGREED: **GURINDER GREWAL**

SCHEDULE "A"

List of Security Documents

Mortgage

1. First ranking Mortgage and Assignment of Rents registered in the New Westminster Land Title Office on February 15, 2016 under registration nos. CA4986042 and CA4986043 granted by **the Borrower** in favour of the Bank, in the principal amount of $10,000,000, plus interest at the Bank's prime rate + 5% per annum, together with filed all-indebtedness mortgage terms MT100118, charging the Lands.

2. Acknowledgment of Receipt of Standard Mortgage Terms MT100118, dated February 11, 2016, executed by **the Borrower.**

General Security Agreements

3. General Security Agreement with Floating Charge in the Bank's form LF 379 dated February 11, 2016 and granted by **the Borrower** in favour of the Bank.

Guarantees

4. Guarantee in the Bank's form LF 44 for the present and future debts and liabilities of **the Borrower** to the Bank, dated February 14, 2020, limited to the amount of **$6,000,000**, plus interest and costs as set out therein, executed by **Gurinder** in favour of the Bank.

5. Guarantee in the Bank's form LF 44 for the present and future debts and liabilities of **the Borrower** to the Bank, dated February 14, 2020, limited to the amount of **$3,750,000**, plus interest and costs as set out therein, executed by **Sukhminder** in favour of the Bank.

6. Guarantee in the Bank's form LF 44 for the present and future debts and liabilities of **the Borrower** to the Bank, dated February 14, 2020, limited to the amount of **$2,500,000**, plus interest and costs as set out therein, executed by **Surjit** in favour of the Bank.

Section 427 *Bank Act* Documents

7. Security under Section 427 of the *Bank Act* granted in favour of the Bank consisting of:

   (a) LF 39 Notice of Registration dated February 11, 2016 and executed by the **Borrower**;

   (b) LF 43 Security under s. 427 of the *Bank Act* (Security on All Property of Specified Kinds) dated February 15, 2016 and executed by the **Borrower**

   (c) LF 51 Agreement as to Loans and Advances and Security therefor, dated February 11, 2016 and executed by the **Borrower**; and

   (d) LF 52 Application for Credit and Promise to Give Bills of Lading, Warehouse Receipts or Security under s. 427 of the *Bank Act* dated February 15, 2016 and executed by the **Borrower.**

Assignment of Book Debts

8. General Assignment of Debts in the Bank's form LF 32 dated February 11, 2016 and granted by the **Borrower** in favour of the Bank.

Assignment, Postponement and Subordination Agreement

9. Assignment, Postponement and Subordination Agreement in the Bank's form LF 9B dated February 14, 2020 and granted by **Sukhminder, Surjit and Gurinder** in favour of the Bank.

SCHEDULE "B"

Cash flow forecast from March 2022 – December 2022

Starline Foods Inc. - Management's Monthly Projected Cash Flow Forecast from March to December, 2022

$000	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Total
Receipts											
Fresh sales	-	-	-	-	250	888	1,318	890	315	-	3,661
Frozen direct sales	132	519	926	1,250	1,010	474	351	577	793	783	6,814
Freezer storage sales	1	1	1	1	-	-	1	1	3	6	14
Opening AR collections	80	343	214	80	12	-	-	-	-	-	729
Other income	150	100	-	-	-	-	-	-	-	-	250
Total receipts	363	963	1,141	1,331	1,273	1,362	1,669	1,468	1,111	789	11,468
Operating disbursements											
Inventory purchases (July to Dec)	-	-	-	-	(825)	(905)	(493)	(239)	(239)	(339)	(3,040)
Packaging purchases	(21)	(37)	(15)	-	(12)	(21)	(36)	(36)	(51)	(51)	(281)
AP arrears 2020 - growers	(11)	(42)	(49)	(75)	(81)	(38)	(28)	(32)	-	-	(355)
AP arrears 2021 - growers (excl Aquilini ar	(58)	(127)	(43)	(75)	(127)	(75)	30	10	(9)	(13)	(487)
Growers 2021 AP arrears (Aquilini)	-	(250)	(100)	(125)	(135)	-	-	-	-	-	(610)
Growers 2021 AP arrears (Pashaura)	-	-	-	-	(100)	(250)	(250)	(250)	(250)	-	(1,100)
AP arrears - non-growers	(13)	(52)	(56)	(113)	(136)	(46)	(53)	(87)	(119)	(117)	(791)
Payroll/staffing expenses	(25)	(25)	(25)	(25)	(240)	(240)	(165)	(40)	(40)	(40)	(865)
Wage arrears	(13)	(12)	-	-	-	-	-	-	-	-	(26)
CRA payroll source deduction arrears	-	(150)	(150)	(300)	-	-	-	-	-	-	(600)
Other disbursements	(49)	(112)	(114)	(135)	(97)	(101)	(106)	(103)	(103)	(103)	(1,024)
Total operating disbursements	(191)	(807)	(553)	(847)	(1,752)	(1,676)	(1,101)	(777)	(810)	(664)	(9,178)
Non-operating disbursements											
Operating line interest	(6)	(6)	(6)	(4)	(2)	(5)	(6)	(4)	(1)	(0)	(42)
Mortgage interest	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(202)
Principal repayments	(146)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(578)
Bank charges	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(18)
Professional fees	(4)	(4)	(59)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(99)
Other non-operating disbursements	-	-	-	-	-	-	-	-	-	-	-
Total non-operating disbursements	(179)	(81)	(135)	(78)	(76)	(79)	(81)	(79)	(76)	(75)	(938)
Opening cash/(operating line)	(1,390)	(1,397)	(1,321)	(869)	(463)	(1,020)	(1,413)	(926)	(314)	(89)	(1,390)
Net cash flow	(7)	76	453	405	(556)	(394)	488	612	225	51	1,352
Closing cash/(operating line)	**(1,397)**	**(1,321)**	**(869)**	**(463)**	**(1,020)**	**(1,413)**	**(926)**	**(314)**	**(89)**	**(38)**	**(38)**
Operating line limit	(1,400)	(1,400)	(900)	(900)	(900)	(900)	(900)	(1,400)	(1,400)	(1,400)	(1,400)
Operating line surplus/(deficit)	**3**	**79**	**31**	**437**	**(120)**	**(513)**	**(26)**	**1,086**	**1,311**	**1,362**	**1,362**

Source: Management information

Management's projected monthly cash receipts by customer (45 day terms)

$000	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Total
Sales ('000 lbs)											
FS - California Giant	-	-	-	-	660	660	200	-	-	-	1,520
Total fresh lbs	**-**	**-**	**-**	**-**	**660**	**660**	**200**	**-**	**-**	**-**	**1,520**
FZ - Innovative Freeze Dry, Wa	119	119	119	119	-	-	119	119	119	119	950
FZ - Evergold Frozen Foods	41	-	-	-	-	-	118	118	118	118	513
FZ - Dole	-	-	-	-	-	100	100	100	100	100	500
FZ - BC Valley Select, BC	-	-	-	-	-	120	120	120	120	120	600
FZ - Royal Ridge, Wa	80	80	80	-	-	-	79	79	79	79	557
FZ - Frozen Graceland	160	400	500	-	-	-	-	-	-	-	1,060
FZ - Meduri Farms, Oregon	80	120	120	120	-	-	-	-	-	-	440
FZ - Juice Stock Pac Coast Fruits	-	-	-	-	-	-	-	-	-	250	250
Frozen total lbs	**480**	**719**	**819**	**239**	**-**	**220**	**536**	**536**	**536**	**786**	**4,871**
Total lbs	**480**	**719**	**819**	**239**	**660**	**880**	**736**	**536**	**536**	**786**	**6,391**
Sales ($'000)											
FS - California Giant	-	-	-	-	250	888	1,318	890	315	-	3,661
Total fresh sales ($)	**-**	**-**	**-**	**-**	**250**	**888**	**1,318**	**890**	**315**	**-**	**3,661**
FZ - Innovative Freeze Dry, Wa	36	142	215	219	219	109	-	87	174	174	1,374
FZ - Evergold Frozen Foods	-	38	38	-	-	-	-	86	172	172	507
FZ - Dole	71	71	-	-	-	-	73	146	146	146	653
FZ - BC Valley Select, BC	-	-	-	-	-	-	103	191	175	175	644
FZ - Royal Ridge, Wa	-	69	137	137	69	-	-	68	126	116	721
FZ - Frozen C-grade / Graceland	25	123	345	665	419	-	-	-	-	-	1,577
FZ - Meduri Farms Inc, Oregon	-	76	191	229	229	114	-	-	-	-	838
FZ - Frozen Custom IQF Co-Packing	-	-	-	-	75	250	175	-	-	-	500
Total frozen direct sales	**132**	**519**	**926**	**1,250**	**1,010**	**474**	**351**	**577**	**793**	**783**	**6,814**
Freezer storage	**1**	**1**	**1**	**1**	**-**	**-**	**1**	**1**	**3**	**6**	**14**
Total cash receipts	**133**	**520**	**927**	**1,251**	**1,260**	**1,362**	**1,669**	**1,468**	**1,111**	**789**	**10,489**

Source: Management information

This is Exhibit "I" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

SUPPLEMENTAL FORBEARANCE AGREEMENT

This Agreement is dated for reference September 12, 2022

BETWEEN: **BANK OF MONTREAL**, a chartered bank of Canada c/o Mezzanine Level - 595 Burrard Street, Vancouver, British Columbia, V7X 1L7 (the "**Bank**")	
AND: **STARLINE FOODS INC.**, c/o 33786 Clayburn Rd., ~~Abbottsford~~, B.C. V25 7T7 Abbotsford (the "**Borrower**")	AND: **SURJIT SINGH GILL**, c/o 33786 Clayburn Rd., ~~Abbottsford~~, B.C. V25 7T7 Abbotsford ("**Surjit**")
AND: **SUKHMINDER SINGH GILL**, c/o 33786 Clayburn Rd., ~~Abbottsford~~, B.C. V25 7T7 Abbotsford ("**Sukhminder**")	AND: **GURINDER GREWAL**, c/o 33786 Clayburn Rd., ~~Abbottsford~~, B.C. V25 7T7 Abbotsford ("**Gurinder**" and together with Sukhminder, Surjit and the Borrower, the "**Credit Parties**")

WHEREAS:

A. The Credit Parties and the Bank entered into a Forbearance Agreement dated for reference April 29, 2022 (the "**Forbearance Agreement**").

B. Pursuant to the terms of the Forbearance Agreement, the Bank agreed to forbear from security enforcement until after July 31, 2022, or such later date as may be agreed to by the Bank in its sole discretion, in order to provide the Credit Parties with a reasonable period of time to secure refinancing to repay the Indebtedness in full.

C. The Credit Parties have requested that, notwithstanding that the Forbearance Period has expired and the Borrower remains in default of the Credit Agreement including failure to pay statutory remittances, the Bank continue to make the Credit Facilities available in the short term and not to proceed to take steps to enforce the Security, all on the terms and conditions herein, in order to provide the Credit Parties with a further reasonable period of time to repay the Indebtedness in full.

WITNESSES THAT for consideration the Credit Parties and the Bank agree to the following terms and conditions:

1. Certain capitalized words used but not otherwise defined herein (including the Recitals) have the meaning given to them in the Forbearance Agreement.

2. Each of the Credit Parties acknowledge and agree that the recitals to this Agreement above are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.

3. Each of the Credit Parties acknowledge and agree that except as set out herein, the Bank is not under any obligation whatsoever to provide further loans, overdraft facilities or other banking accommodations to the Borrower.

Forbearance

4. Subject to the execution and delivery by the Credit Parties of this Agreement, the Bank agrees and covenants that, provided that no further Event of Default occurs, including any default hereunder, it will not enforce the Security until after **October 31, 2022** (the "**Extended Forbearance Period**"), or such later date as may be agreed to by the Bank in writing.

5. The Credit Parties acknowledge and agree that the Extended Forbearance Period is reasonable in the circumstances.

6. Notwithstanding the Credit Parties' obligations set out in this Agreement may contemplate payments and reporting beyond the Extended Forbearance Period, nothing contained in this Agreement shall be deemed to extend the Extended Forbearance Period beyond October 31, 2022, or such later date as the Bank may agree to in writing.

Confirmation of Forbearance Agreement, Indebtedness, and Security

7. The Credit Parties acknowledge the principal amounts owing[1] on account of the Indebtedness as at September 6, 2022 as follows:

   (a) $892,984.32 on account of the Operating Loan;

   (b) $500,000 on account of the Operating Loan Bulge;

   (c) $4,036,327.91 on account of Demand Loan 634;

   (d) $2,960,104.02 on account of Demand Loan 419;

[1] Exclusive of:
1) $500,000 Treasury Risk Facility (presently unused);
2) the Mastercard; and
3) accrued and unpaid interest for the month of September 2022.

(e) $1,302,600.93 on account of the Farm Mortgage, which loan was converted to a non-reovling demand loan upon its maturity date of March 1, 2022.

(f) $90,000 on account of CLC 575; and

(g) $10,000 on account of CLC 954.

8. Each of the Credit Parties acknowledge and agree that the Indebtedness is due and owing by the Borrower to the Bank, and hereby waive any rights any of them may have as at the date of this Agreement to claim any abatement or offset of the amounts whether arising by way of defence or counterclaim.

9. Each of the Credit Parties acknowledge and agree that all of the Security Documents, including the New Second Mortgage, are in full force and effect, and are valid and enforceable in accordance with their terms.

10. Each of the Credit Parties hereby ratify and confirm and/or re-confirm all acknowledgements, representations, warranties, covenants, releases and waivers contained in the Forbearance Agreement.

11. The confirmations and acknowledgments herein by each of the Credit Parties in relation to the Indebtedness and the Security Documents constitute acknowledgments of their respective liability for the Indebtedness and pursuant to the Security as contemplated by the British Columbia *Limitations Act*.

Refinancing and Payout

12. On or before October 31, 2022, the Borrower shall repay the Indebtedness in full, or such later date as the Bank may agree to in writing.

General

13. Each of the Credit Parties acknowledge and agree that upon the expiry of the Extended Forbearance Period herein or upon the happening of an Event of Default under the Forbearance Agreement (other than those past defaults already referenced therein) or default under this Agreement, then the Bank shall have the immediate right to terminate the remainder of the Extended Forbearance Period, if any, and proceed to issue formal demand for payment followed by enforcement of the Security in the event of non-payment in full pursuant to such demand.

14. In the event of security enforcement by the Bank in accordance with the preceding paragraph, the Credit Parties irrevocably consent to the appointment of a Receiver or a Receiver-Manager and all of the assets, property and undertakings charged by the Security, with power of sale in favor of such Receiver/Manager. Each of the Credit Parties acknowledge and agree that the Bank may rely on this Agreement together with the Forbearance Agreement, as evidence of the Credit Parties' irrevocable consent to the appointment of a Receiver or a Receiver-Manager in any court application for the appointment of such Receiver or Receiver-Manager.

15. In the event that foreclosure proceedings are initiated by the Bank pursuant to the preceding paragraphs, then the Credit Parties hereby consent to such proceedings being commenced in the Vancouver Registry of the British Columbia Supreme Court.

16. The Bank may, at its option and in its sole discretion, waive in writing any Event of Default, including default hereunder, but such waiver shall not constitute a waiver of any subsequent event which would constitute an Event of Default under the Forbearance Agreement, as amended by this Agreement.

17. Except as set out herein, all other terms and conditions of the Forbearance Agreement shall remain in full force and effect and are hereby ratified and confirmed.

18. Each of the Credit Parties acknowledge and agree that this Agreement shall in all respects be binding upon it, and its respective administrators, successors and assigns.

19. If there is any inconsistency between this Agreement and any other agreement with the Bank concerning the Indebtedness, the provisions of this Agreement shall prevail.

20. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one in the same document. All such counterparts may be delivered by fax or any electronic form.

21. Each of the Credit Parties acknowledge and agree that they have had the opportunity to seek independent legal advice prior to execution of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF the parties have caused these presents to be executed on the day and year first written above.

ACCEPTED, ACKNOWLEDGED AND AGREED: **BANK OF MONTREAL** Per: S. Lum Authorized Signatory	
ACCEPTED, ACKNOWLEDGED AND AGREED: **STARLINE FOODS INC.** Per: Authorized Signatory, SUKHMINDER S. GILL	ACCEPTED, ACKNOWLEDGED AND AGREED: **SURJIT SINGH GILL**
ACCEPTED, ACKNOWLEDGED AND AGREED: **SUKHMINDER SINGH GILL**	ACCEPTED, ACKNOWLEDGED AND AGREED: **GURINDER GREWAL**

This is Exhibit "J" referred to in the affidavit of .....Danon Danesh.....
made before me on April 22, 2026.

.....
A Commissioner for taking Affidavits
within British Columbia

SECOND SUPPLEMENTAL FORBEARANCE AGREEMENT

This Agreement is dated for reference November 7, 2022

BETWEEN: **BANK OF MONTREAL,** a chartered bank of Canada c/o Mezzanine Level - 595 Burrard Street, Vancouver, British Columbia, V7X 1L7 (the "**Bank**")	
AND: **STARLINE FOODS INC.**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V25 7T7 (the "**Borrower**")	AND: **SURJIT SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V25 7T7 ("**Surjit**")
AND: **SUKHMINDER SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V25 7T7 ("**Sukhminder**")	AND: **GURINDER GREWAL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V25 7T7 ("**Gurinder**" and together with Sukhminder, Surjit and the Borrower, the "**Credit Parties**")

WHEREAS:

A. The Credit Parties and the Bank entered into a Forbearance Agreement dated for reference April 29, 2022, as modified by a Supplemental Forbearance Agreement dated for reference September 12, 2022 (collectively, the "**Forbearance Agreement**").

B. Pursuant to the terms of the Forbearance Agreement, the Bank agreed to forbear from security enforcement until after October 31, 2022, or such later date as may be agreed to by the Bank in its sole discretion, in order to provide the Credit Parties with a reasonable period of time to secure refinancing to repay the Indebtedness in full.

C. The Credit Parties have requested that, notwithstanding that the Forbearance Period has expired and the Borrower remains in default of the Credit Agreement including failure to pay statutory remittances, the Bank continue to make the Credit Facilities available in the short term and not to proceed to take steps to enforce the Security, all on the terms and conditions herein, in order to provide the Credit Parties with a further reasonable period of time to repay the Indebtedness in full.

WITNESSES THAT for consideration the Credit Parties and the Bank agree to the following terms and conditions:

1. Certain capitalized words used but not otherwise defined herein (including the Recitals) have the meaning given to them in the Forbearance Agreement.

2. Each of the Credit Parties acknowledge and agree that the recitals to this Agreement above are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.

3. Each of the Credit Parties acknowledge and agree that except as set out herein, the Bank is not under any obligation whatsoever to provide further loans, overdraft facilities or other banking accommodations to the Borrower.

Forbearance

4. Subject to the execution and delivery by the Credit Parties of this Agreement, the Bank agrees and covenants that, provided that no further Event of Default occurs, including any default hereunder, it will not enforce the Security until after **January 31, 2023** (the "**Further Extended Forbearance Period**"), or such later date as may be agreed to by the Bank in writing.

5. The Credit Parties acknowledge and agree that the Extended Forbearance Period is reasonable in the circumstances.

6. Notwithstanding the Credit Parties' obligations set out in this Agreement may contemplate payments and reporting beyond the Extended Forbearance Period, nothing contained in this Agreement shall be deemed to extend the Extended Forbearance Period beyond January 31, 2023, or such later date as the Bank may agree to in writing.

Confirmation of Forbearance Agreement, Indebtedness, and Security

7. The Credit Parties acknowledge, represent and agree the principal amounts owing[1] on account of the Indebtedness as at November 7, 2022 as follows:

   (a) $871,378.63 on account of the Operating Loan[2];

   (b) $4,031,089.46 on account of Demand Loan 634;

   (c) $2,987,932.17 on account of Demand Loan 419;

---

[1] Exclusive of:
1) $500,000 Treasury Risk Facility (presently unused);
2) the MasterCard; and
3) accrued and unpaid interest for the month of November 2022.

[2] Nil balance with respect to the Operating Loan Bulge.

(d) $1,321,302.68 on account of the Farm Mortgage, which loan was converted to a non-revolving demand loan upon its maturity date of March 1, 2022 ("**Demand Loan 711**").

(e) $90,000 on account of CLC 575; and

(f) $10,000 on account of CLC 954.

8. Each of the Credit Parties acknowledge, represent and agree that the Indebtedness is due and owing by the Borrower to the Bank, and hereby waive any rights any of them may have as at the date of this Agreement to claim any abatement or offset of the amounts whether arising by way of defence or counterclaim.

9. Each of the Credit Parties acknowledge, represent and agree that all of the Security Documents, including the New Second Mortgage, are in full force and effect, and are valid and enforceable in accordance with their terms.

10. Each of the Credit Parties hereby ratify and confirm and/or re-confirm all acknowledgements, representations, warranties, covenants, releases and waivers contained in the Forbearance Agreement.

11. The confirmations and acknowledgments herein by each of the Credit Parties in relation to the Indebtedness and the Security Documents constitute acknowledgments of their respective liability for the Indebtedness and pursuant to the Security as contemplated by the British Columbia *Limitations Act*.

Financial Statements

January 31, 2023

12. On or before ~~November 30, 2022~~, the Borrower shall deliver to the Bank its externally prepared 2022 fiscal year end financial statements, in review engagement form.

Canada Revenue Agency ("CRA")

January 31, 2023

13. On or before ~~November 30, 2022~~, the Borrower shall provide to the Bank copies of correspondence between CRA and the Borrower confirming a payment plan, including payments made pursuant thereto, on account of arrears of statutory remittances owed by the Borrower to CRA.

Consultant

14. The Credit Parties acknowledge and agree that the Consultant may, at the Bank's sole discretion and option, continue to act as the Bank's consultant on the terms and conditions set out in the Forbearance Agreement including financial monitoring of the Borrower's business. In the event of further default under the Credit Agreement, as amended by the Forbearance Agreement and this agreement, the Bank may request the Consultant to conduct a further review respecting the Borrower's business and financial position, business prospects, financial projections and the Bank's security position.

Refinancing and Payout

15. On or before January 31, 2023, the Credit Parties shall provide to the Bank a term sheet or commitment letter from a new lender, satisfactory to the Bank, respecting the refinancing and payout of the Indebtedness.

16. On or before January 31, 2023, or such later date as the Bank may agree to in writing, the Borrower shall repay the Indebtedness in full.

Forbearance Fee

17. The Credit Parties shall forthwith pay to the Bank a forbearance fee in the amount of ~~$10,000~~, which fee the Bank may add to the Indebtedness in any manner that the Bank may see fit, and when so added, such fee shall be secured by the Security.

General

18. Each of the Credit Parties acknowledge and agree that upon the expiry of the Further Extended Forbearance Period herein or upon the happening of an Event of Default under the Forbearance Agreement (other than those past defaults already referenced therein) or default under this Agreement, then the Bank shall have the immediate right to terminate the remainder of the Further Extended Forbearance Period, if any, and proceed to issue formal demand for payment followed by enforcement of the Security in the event of non-payment in full pursuant to such demand.

19. In the event of security enforcement by the Bank in accordance with the preceding paragraph, the Credit Parties irrevocably consent to the appointment of a Receiver or a Receiver-Manager and all of the assets, property and undertakings charged by the Security, with power of sale in favor of such Receiver/Manager. Each of the Credit Parties acknowledge and agree that the Bank may rely on this Agreement together with the Forbearance Agreement, as evidence of the Credit Parties' irrevocable consent to the appointment of a Receiver or a Receiver-Manager in any court application for the appointment of such Receiver or Receiver-Manager.

20. In the event that foreclosure proceedings are initiated by the Bank pursuant to the preceding paragraphs, then the Credit Parties hereby consent to such proceedings being commenced in the Vancouver Registry of the British Columbia Supreme Court.

21. The Bank may, at its option and in its sole discretion, waive in writing any Event of Default, including default hereunder, but such waiver shall not constitute a waiver of any subsequent event which would constitute an Event of Default under the Forbearance Agreement, as amended by this Agreement.

22. Except as set out herein, all other terms and conditions of the Forbearance Agreement shall remain in full force and effect and are hereby ratified and confirmed.

23. Each of the Credit Parties acknowledge and agree that this Agreement shall in all respects be binding upon it, and its respective administrators, successors and assigns.

24. If there is any inconsistency between this Agreement and any other agreement with the Bank concerning the Indebtedness, the provisions of this Agreement shall prevail.

25. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one in the same document. All such counterparts may be delivered by fax or any electronic form.

26. Each of the Credit Parties acknowledge and agree that they have had the opportunity to seek independent legal advice prior to execution of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF the parties have caused these presents to be executed on the day and year first written above.

ACCEPTED, ACKNOWLEDGED AND AGREED: **BANK OF MONTREAL** Per: S. Lum Authorized Signatory	
ACCEPTED, ACKNOWLEDGED AND AGREED: **STARLINE FOODS INC.** Per: Authorized Signatory, SUKHMINDER GILL.	ACCEPTED, ACKNOWLEDGED AND AGREED: **SURJIT SINGH GILL**
ACCEPTED, ACKNOWLEDGED AND AGREED: **SUKHMINDER SINGH GILL**	ACCEPTED, ACKNOWLEDGED AND AGREED: **GURINDER GREWAL**

This is Exhibit "K" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

LAWSON LUNDELL LLP

Suite 1600 Cathedral Place
925 West Georgia Street
Vancouver, BC
Canada V6C 3L2
T: 604.685.3456

February 8, 2023

Bryan C. Gibbons
T: (604) 631-9152
F: (604) 694-2958
bgibbons@lawsonlundell.com

DELIVERED – STRICTLY CONFIDENTIAL

Starline Foods Inc.
c/o 33786 Clayburn Road
Abbotsford, BC V2S 7T7

Re: Your outstanding indebtedness to Bank of Montreal (the "Bank"), payable on demand, secured by, *inter alia*, a General Security Agreement and General Assignment of Debts (the "GSA and GAD"), both dated February 11, 2016, security under Section 427 of the Bank Act (the "Section 427 Security"), and two all-indebtedness mortgages (collectively, the "Mortgages"), dated February 11, 2016 and June 4, 2022, registered against properties at and adjacent to 33786 Clayburn Road, Abbotsford, BC having PID No. 004-178-050 and 004-178-432 (the 'Lands")

We are the solicitors for the Bank with respect to the above-captioned matter.

We are instructed that you are in default of your obligations to the Bank, and as at February 7, 2023 you are indebted to the Bank, as follows:

Description	Balance	Interest Rate per annum
Revolving Operating Demand Loan* Account #0709-1996-019	$842,003.09	Prime + 3.25%
Non-Revolving Demand Loan Account #0706-6988-711	$1,354,319.51	Prime + 3.25%
Non-Revolving Demand Loan Account # 0706-6989-634	$4,037,161.64	Prime + 3.25%
Non-Revolving Demand Loan Account #0706-6991-419	$3,023,760.29	Prime + 3.25%
Corporate Mastercard* Account #5264550000007900	$18,292.10	18.4%
Letter of Credit issued in favour of City of Abbotsford Account #0706-6995-575	$90,000.00	N/A
Letter of Credit issued in favour of City of Abbotsford Account #0706-6995-954	$10,000.00	N/A
	$9,375,536.63	

(**Total may fluctuate - updated figures must be obtained prior to paying out this loan.*)

(the "**Indebtedness**").

On behalf of our client, we hereby make formal demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the GSA and GAD, the Section 427 Security, and the Mortgages.

This letter is to advise you that unless payment of the Indebtedness, plus interest to the date of payment as set out above, plus legal costs, is made into this office by certified cheque or bank draft payable to Lawson Lundell LLP, in trust, on or before March 10, 2023, legal proceedings, which may include enforcement of the Bank's security, the appointment of a Receiver or a Receiver Manager and/or the appointment of an agent, as well as foreclosure proceedings with respect to the Mortgage, may be commenced against you without further notice.

This letter is also to confirm that at the expiry of the demand period herein, the Bank will be at liberty to terminate the Operating Line and the Mastercard Account the Bank's option and without further notice, in which case no further cheques/debits will be honoured.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we are enclosing a Notice of Intention to Enforce Security in the prescribed form, and pursuant to the provisions of the *Farm Debt Mediation Act*, Notices of Intent to Realize on Security.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours very truly,

LAWSON LUNDELL LLP



Bryan C. Gibbons

lea/Enc.

cc: Starline Foods Inc.
c/o Registered Office
1 – 2838 Garden Street
Abbotsford, BC V2T 4W7

cc: Bank of Montreal

BANKRUPTCY AND INSOLVENCY ACT

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY
[Subsection 244(1)]

TO: STARLINE FOODS INC. (the "**Debtor**")

Take notice that:

1. BANK OF MONTREAL, a secured creditor, intends to enforce its security on the property of the Debtor described below:

General Security Agreement:

All presently owned or held or after acquired or held personal property and a floating charge on land

General Assignment of Debts

Accounts

Section 427 Security

Inventory

Mortgages and Assignments of Rents

All of the right, title and interest of the Debtor as registered owner in and to real property located in Abbotsford, B.C., legally described as:

PARCEL IDENTIFIER: 004-178-050
LOT 1 EXCEPT: FIRSTLY: PARCEL "B" (REFERENCE PLAN 8236) SECONDLY: PARCEL "C" (REFERENCE PLAN 8237) THIRDLY: PARCEL "A" (REFERENCE PLAN 8255) FOURTHLY: PART SUBDIVIDED BY PLAN 24013, DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT PLAN 4298

PARCEL IDENTIFIER: 004-178-432
PARCEL "E" (EXPLANATORY PLAN 14251) OF PARCEL "D" (REFERENCE PLAN 287) DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT

2. The security that is to be enforced is in the form of a General Security Agreement, a General Assignment of Debts, Security under Section 427 of the Bank Act and two Mortgages with accompanying Assignment of Rents.

3. The total amount of indebtedness secured by the security is $9,375,536.63 as at February 7, 2023.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

Dated at Vancouver, British Columbia, this 8 day of February, 2023.

BANK OF MONTREAL

LAWSON LUNDELL LLP,
solicitors for Bank of Montreal

PROTECTED B
when completed

Agriculture and Agri-Food Canada / Agriculture et Agroalimentaire Canada
Farm Debt Mediation Service / Service de médiation en matière d'endettement agricole

NOTICE OF INTENT BY SECURED CREDITOR

As required under Section 21 of the *Farm Debt Mediation Act*, you are hereby notified that it is the intent of:

Name of creditor
Bank of Montreal (Bryan C. Gibbons, Solicitor)

To enforce a remedy against the property of; or commence a proceeding, action, execution or other proceeding, judicial or extra-judicial, for the recovery of a debt, the realization of the security or the taking of the property of:

Full name of farmer or business name
Starline Foods Inc.

Farmer's address

Unit/Suite/Apt.	Street Number	Number Suffix	Street Name	Street Type
	33786		Clayburn	Road

Street direction	PO Box or Route Number	Municipality (City, Town, etc.)	Province	Postal code
		Abbotsford	British Columbia	V2S 7T7

The security being (type(s) of security)	on (asset(s))
General Security Agreement	All personal property and floating charge on land
General Assignment of Debts	Accounts
Section 427 Bank Act Security	Inventory
Mortgage and Assignment of Rents	Two properties located in Abbotsford, B.C, having
	PID numbers 004-178-050 and 004-178-432

Dated this 8 day of February, 2023 at Vancouver, BC

Starline Foods Inc. per Bryan C. Gibbons, Solicitor
Name of secured creditor or authorized representative (print)

Signature of secured creditor or authorized representative

604-631-9152
Creditor's phone number and ext.

bgibbons@lawsonlundell.com
Email address of secured creditor or authorized representative

604-669-1620
Creditor's fax number

You are hereby notified of your right to make application under Section 5 of the *Farm Debt Mediation Act* for a review of your financial affairs, mediation with your creditors, and to obtain a stay of proceedings against this action. Provided you are:

a) currently engaged in farming for commercial purposes; and

b) insolvent, meaning that you are:
- unable to meet your obligations as they generally become due; or
- have ceased paying your current obligations in the ordinary course of business as they generally become due; or
- the aggregate of your property is not, at fair valuation, sufficient, or if disposed of at a fairly conducted sale under legal process would not be sufficient, to enable payment of all your obligations, due and accruing due.

A secured creditor must wait 15 business days after this notice has been deemed served before beginning action to realize on their security. You may apply for mediation and a stay of proceedings at any time, before, during, or after the 15 business day period, by making an application to the Farm Debt Mediation Service.

The Farm Debt Mediation Service provides qualified farm financial counsellors to conduct a financial review and to prepare a recovery plan for your mediation meeting. Qualified mediators are provided to help you and your creditors reach a mutually satisfactory arrangement.
Application forms and more information about the service can be obtained from:

Farm Debt Mediation Service

https://agriculture.canada.ca/en/agricultural-programs-and-services/farm-debt-mediation-service

Eastern Canada Office
Tel: 1-866-452-5556
Email: aafc.fdmseast-smmeaest.aac@agr.gc.ca
Fax: 1-506-452-4975

Western Canada Office
Tel: 1-866-452-5556
Email: aafc.fdmswest-smmeaouest.aac@agr.gc.ca
Fax: 1-306-780-7353

The information you provide on this document is collected by Agriculture and Agri-Food Canada under the authority of the *Farm Debt Mediation Act* for the purpose of facilitating financial arrangements between farmers and their creditors. Personal information will be protected under the provisions of the *Privacy Act* and will be stored in Personal Information Bank AAFC-PPU-227. Information may be accessible or protected as required under the provisions of the *Access to Information Act*.

A copy of this form must be sent to the FDMS Administrator

Canada

LAWSON LUNDELL LLP

Suite 1600 Cathedral Place
925 West Georgia Street
Vancouver, BC
Canada V6C 3L2
T: 604.685.3456

February 8, 2023

Bryan C. Gibbons
T: (604) 631-9152
F: (604) 694-2958
bgibbons@lawsonlundell.com

DELIVERED - CONFIDENTIAL
and BY EMAIL: ggrewal@hotmail.com

Gurinder Grewal
4133 Seldon Road
Abbotsford, BC, V2S 7T4

Re: Your guarantee of the indebtedness of Starline Foods Inc. (the "Company") to Bank of Montreal (the "Bank"), dated February 14, 2020 (the "Guarantee")

We are the solicitors for the Bank with respect to the above-captioned matter. Demand for payment has now been made upon the Company and a copy of our demand letter is enclosed for your reference.

Pursuant to the terms of the Guarantee, you have guaranteed the indebtedness of the Company to the Bank, to a limit of $6,000,000.00, plus interest and costs as set out therein. As at February 7, 2023, the Company was indebted to the Bank for the sum of $9,375,536.63, plus interest thereafter (the "**Indebtedness**").

On behalf of our client, we hereby make formal demand upon you, pursuant to the Guarantee, for payment of the sum of $6,000,000.00, plus interest at the Bank's prime rate of interest plus 3% per annum and costs from and after February 8, 2023, to the date of payment, as set out above.

This letter is to advise you that unless payment of the Indebtedness plus interest to the date of payment as set out above, plus legal costs, is made into this office by certified cheque or bank draft payable to Lawson Lundell LLP, in trust, on or before noon on March 10, 2023, legal proceedings may be commenced against you without further notice.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours very truly,

LAWSON LUNDELL LLP

Bryan C. Gibbons
LEA/Encl.

cc: Bank of Montreal

LAWSON LUNDELL LLP

Suite 1600 Cathedral Place
925 West Georgia Street
Vancouver, BC
Canada V6C 3L2
T: 604.685.3456

February 8, 2023

Bryan C. Gibbons
T: (604) 631-9152
F: (604) 694-2958
bgibbons@lawsonlundell.com

DELIVERED - CONFIDENTIAL
and BY EMAIL: joegill@fraservalleypackers.com

Sukhminder (Joe) Gill
32920 Huntingdon Road
Abbotsford, BC, V2S 7Z3

Re: Your guarantee of the indebtedness of Starline Foods Inc. (the "Company") to Bank of Montreal (the "Bank"), dated February 14, 2020 (the "Guarantee")

We are the solicitors for the Bank with respect to the above-captioned matter. Demand for payment has now been made upon the Company and a copy of our demand letter is enclosed for your reference.

Pursuant to the terms of the Guarantee, you have guaranteed the indebtedness of the Company to the Bank, to a limit of $3,750,000.00, plus interest and costs as set out therein. As at February 7, 2023, the Company was indebted to the Bank for the sum of $9,375,536.63, plus interest thereafter (the "**Indebtedness**").

On behalf of our client, we hereby make formal demand upon you, pursuant to the Guarantee, for payment of the sum of $3,750,000.00, plus interest at the Bank's prime rate of interest plus 3% per annum and costs from and after February 8, 2023, to the date of payment, as set out above.

This letter is to advise you that unless payment of the Indebtedness plus interest to the date of payment as set out above, plus legal costs, is made into this office by certified cheque or bank draft payable to Lawson Lundell LLP, in trust, on or before noon on March 10, 2023, legal proceedings may be commenced against you without further notice.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours very truly,

LAWSON LUNDELL LLP

Bryan C. Gibbons
LEA/Encl.

cc: Bank of Montreal

LAWSON LUNDELL LLP

Suite 1600 Cathedral Place
925 West Georgia Street
Vancouver, BC
Canada V6C 3L2
T: 604.685.3456

February 8, 2023

Bryan C. Gibbons
T: (604) 631-9152
F: (604) 694-2958
bgibbons@lawsonlundell.com

DELIVERED - CONFIDENTIAL
and BY EMAIL: amang_24@hotmail.com

Surjit Singh Gill
4623 168 Street
Surrey, BC, V3S 0L2

Re: Your guarantee of the indebtedness of Starline Foods Inc. (the "Company") to Bank of Montreal (the "Bank"), dated February 14, 2020 (the "Guarantee")

We are the solicitors for the Bank with respect to the above-captioned matter. Demand for payment has now been made upon the Company and a copy of our demand letter is enclosed for your reference.

Pursuant to the terms of the Guarantee, you have guaranteed the indebtedness of the Company to the Bank, to a limit of $2,500,000.00, plus interest and costs as set out therein. As at February 7, 2023, the Company was indebted to the Bank for the sum of $9,375,536.63, plus interest thereafter (the "**Indebtedness**").

On behalf of our client, we hereby make formal demand upon you, pursuant to the Guarantee, for payment of the sum of $2,500,000.00, plus interest at the Bank's prime rate of interest plus 3% per annum and costs from and after February 8, 2023, to the date of payment, as set out above.

This letter is to advise you that unless payment of the Indebtedness plus interest to the date of payment as set out above, plus legal costs, is made into this office by certified cheque or bank draft payable to Lawson Lundell LLP, in trust, on or before noon on March 10, 2023, legal proceedings may be commenced against you without further notice.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours very truly,

LAWSON LUNDELL LLP

Bryan C. Gibbons
LEA/Encl.

cc: Bank of Montreal

This is Exhibit "L" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

Agriculture and Agri-Food Canada / Agriculture et Agroalimentaire Canada

Farm Debt Mediation Service
Fax: 1-306-780-7353

PROTECTED B

March 7, 2023

FILE 003602: FINANCIAL INFORMATION REQUEST RELATED TO STARLINE FOODS INC. OF 33786 CLAYBURN RD, ABBOTSFORD, BRITISH COLUMBIA, V2S 7T7

Further to our notification of the farm debt mediation application for the above-named farmer, please forward the information below as soon as possible to our financial expert assigned to this file:

Financial expert: **Jane Kerner**
Email: **chericoranch2@gmail.com**
Fax: **250-457-9908**
Cell: **250-682-0975**

Your input is important. It will ensure the amounts owed are taken into account during our review and reflected in the financial statement. As the review proceeds, you will be advised of any changes in the status of this file, including the date of the mediation meeting. Thank you for your collaboration.

Part 1: provide your contact information

Creditor/Lender: _____ **Address:** _____

Contact Person: _____ **Contact Email:** _____

Contact Telephone: _____ **Contact Fax:** _____

Part 2: if possible, confirm who will represent your company at the farm debt mediation meeting

Name: _____ **Email:** _____

Telephone: _____ **Fax:** _____

Part 3: attach a statement of loans/account or fill out the section below

You may attach a statement of loans or statement of accounts and/or provide the information below as it pertains to the amounts owed to you. Some of the following headings only apply to term loans and mortgages. Please complete as appropriate.

CREDIT TYPE

☐ Trade Account/Receivable ☐ Term Loan ☐ Mortgage ☐ Lease
☐ Operating Loan ☐ Other: _____

CREDIT DETAILS

Amount approved: _____ **Capital Balance:** _____

Date approved: _____ **Interest Balance:** _____

Amortization: _____ **Total Arrears:** _____

Interest Rate: _____ **Arrears Principal:** _____

Total Payment: _____ **Arrears Interest:** _____

Payment Frequency: _____ **Other Charges:** _____

Date of Payment: _____ **Total Owing:** _____

SECURITY/COLLATERAL

☐ **Mortgage on real property** ☐ **Chattel mortgage** ☐ **Personal guarantee/surety**

Part 4: provide additional comments or attachments as needed

For the purpose of conducting an examination of my/our current financial affairs and/or arriving at a financial arrangement with my/our creditors pursuant to the *Farm Debt Mediation Act*, I / we, the undersigned, hereby, authorize Agriculture and Agri-Food Canada, its employees, agents and contractors to:

1) request and obtain any information of a financial nature concerning my/our farming operations;
2) have access to any and all records, books, papers and other documentation concerning my/our financial affairs (including all security documents); and
3) release a factual statement of my/our financial affairs to my/our creditors participating in any mediation meeting.
4) communicate with me/us by means (email, fax, mail, or phone) as identified in Part 3 of this application form or provided thereafter as required under section 3 of the Farm Debt Mediation Regulations.

The signatories below hereby represent and declare that the information provided in this application is to the best of my/our knowledge complete, true and correct.

In addition, I/we agree to be informed or notified, where required by the Act or the Regulations, by Agriculture and Agri-Food Canada, its employees, agents and contractors.

Before signing the form, ensure you have completed all sections. To add your signature, you may use the Fill & Sign function of Adobe or Foxit. Alternatively, you may print this signature page, sign it, scan it and send it with your application.

Starline Foods Inc.

Legal name of organization (*print clearly*)

Farm & Processing Plant

Operating as (*print clearly*)

33786 Clayburn Rd, Abbotsford, BC

Farm location (City and Province) (*print clearly*)

Sukhminder Singh	Gill
First name of farmer/authorized officer (*print clearly*)	Last name of farmer/authorized officer (*print clearly*)
Signature ~~of farmer/authorized~~ officer	2023-02-23 Date (YYYY-MM-DD)
First name of farmer/authorized officer (*print clearly*)	Last name of farmer/authorized officer (*print clearly*)
Signature of farmer/authorized officer	Date (YYYY-MM-DD)

This document outlines the responsibilities of the guardian of the assets when they are appointed under the *Farm Debt Mediation Act* (FDMA). This document is shared with the farmer, guardian and creditors to make sure all parties understand the role and responsibilities of the guardian and of the farmer during the stay of proceedings. The name of the guardian can be found on the "Notice of stay of proceedings and appointment of guardian" issued by the administrator.

Compliance with the FDMA and with the guardian directives will help decide whether the stay of proceedings, now in place, may be extended or terminated.

Duties of the guardian

Under subsection 17(2) of the FDMA, the guardian of the assets

- prepare an inventory of all the assets of the farmer;
- verify periodically the presence and condition of those assets;
- and tell the administrator of any act or omission that would jeopardize those assets.

Directives to the guardian

Under subsections 17(1) and 17(2) of the FDMA, the administrator gives the following directives to the guardian who must:

a. carry on the farm and/or business enterprise in the best interest of that enterprise, keep proper financial records and supporting documents for the business.

b. not sell, dispose or transfer any secured property, nor use money thus obtained, **without the prior written approval** of relevant secured creditor(s). A copy of the written approval must be provided to the administrator.

c. if **funds are available**, may continue to pay essential farm operating expenses such as heat, power, family living expenses, feed, loans, and invoices.

d. not incur additional debts that could be detrimental to reaching an arrangement with creditors.

e. if necessary, develop a budget of planned income and expenses during the stay of proceedings and review the budget with the main cereeeditor(s) to avoid any conflict about payments of expenses during the stay period. The Farm Debt Mediation Service (FDMS) office may help with this.

f. in the case of corporations, the corporation may **not pay bonuses or dividends** to employers, officers, or shareholders during the stay of proceedings.

g. maintain throughout the stay of proceedings all assets insurance that was in place when the stay was issued for such amount and against such hazards as would be prudent in the normal course of business. If you can't afford insurance on a secured asset/loan, you are encouraged to inform the relevant creditor(s)as soon as possible.

h. complete and submit the "Guardian report to the administrator" as requested by the administrator before any extensions to the stay of proceedings can be granted.

Please note: If pre-authorized payments and automatic debits must be stopped, it is the responsibility of the farmer/guardian to contact creditors/lenders or their financial institution to stop those payments

This is Exhibit "M" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

THIRD SUPPLEMENTAL FORBEARANCE AGREEMENT

This Agreement is dated for reference April 12, 2023.

BETWEEN: **BANK OF MONTREAL,** a chartered bank of Canada c/o Mezzanine Level - 595 Burrard Street, Vancouver, British Columbia, V7X 1L7 (the "**Bank**")	
AND: **STARLINE FOODS INC.**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 (the "**Borrower**")	AND: **SURJIT SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Surjit**")
AND: **SUKHMINDER SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Sukhminder**")	AND: **GURINDER GREWAL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Gurinder**" and together with Sukhminder, Surjit and the Borrower, the "**Credit Parties**")

WHEREAS:

A. The Credit Parties and the Bank entered into a Forbearance Agreement dated for reference April 29, 2022, as modified by a Supplemental Forbearance Agreement dated for reference September 12, 2022 and a Second Supplemental Forbearance Agreement dated November 7, 2022 (collectively, the "**Forbearance Agreement**").

B. Pursuant to the terms of the Forbearance Agreement, the Bank agreed to forbear from security enforcement until after January 31, 2023, or such later date as may be agreed to by the Bank in its sole discretion, in order to provide the Credit Parties with a reasonable period of time to secure refinancing to repay the Indebtedness in full.

C. By letters dated February 8, 2023, the Bank issued formal demand for payment of the Indebtedness to the Credit Parties (the "**Demand**"), together with notices pursuant to Section 21 of the *Farm Debt Mediation Act* and Section 244 of the *Bankruptcy and Insolvency Act* (collectively, the "**FDM/BIA Notice**") to the Borrower.

D. On April 6, 2023, the Borrower and the Bank participated in a mediation (the "**Mediation**") pursuant to *the Farm Debt Mediation Act*. Pursuant to the Mediation, the Credit Parties have

requested that, notwithstanding that the Forbearance Period has expired and the Borrower's ongoing financial difficulties, the Bank continue to make the Credit Facilities available in the short term and not to proceed to take steps to enforce the Security, all on the terms and conditions herein, in order to provide the Credit Parties with a further reasonable period of time to repay the Indebtedness in full.

WITNESSES THAT for consideration the Credit Parties and the Bank agree to the following terms and conditions:

1. Certain capitalized words used but not otherwise defined herein (including the Recitals) have the meaning given to them in the Forbearance Agreement.

2. Each of the Credit Parties acknowledge and agree that the recitals to this Agreement above are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.

3. Each of the Credit Parties acknowledge and agree that except as set out herein, the Bank is not under any obligation whatsoever to provide further loans, overdraft facilities or other banking accommodations to the Borrower.

Forbearance

4. Subject to the execution and delivery by the Credit Parties of this Agreement, the Bank agrees and covenants that, provided that no further Event of Default occurs, including any default hereunder, it will not enforce the Security until after **June 30, 2023** (the "**Third Extended Forbearance Period**"), or such later date as may be agreed to by the Bank in writing.

5. The Credit Parties acknowledge and agree that the Third Extended Forbearance Period is reasonable in the circumstances.

6. Notwithstanding the Credit Parties' obligations set out in this Agreement may contemplate payments and reporting beyond the Third Extended Forbearance Period, nothing contained in this Agreement shall be deemed to extend the Third Extended Forbearance Period beyond June 30, 2023, or such later date as the Bank may agree to in writing.

Confirmation of Forbearance Agreement, Indebtedness, and Security

7. The Credit Parties acknowledge, represent and agree that the balances owing to the Bank on account of the Indebtedness as at February 7, 2023, are as set out in the Demand.

8. Each of the Credit Parties acknowledge, represent and agree that the Indebtedness is due and owing by the Borrower to the Bank, and hereby waive any rights any of them may have as at the date of this Agreement to claim any abatement or offset of the amounts whether arising by way of defence or counterclaim.

9. Each of the Credit Parties acknowledge, represent and agree that all of the Security Documents are in full force and effect, and are valid and enforceable in accordance with their terms.

10. Each of the Credit Parties hereby ratify and confirm and/or re-confirm all acknowledgements, representations, warranties, covenants, releases and waivers contained in the Forbearance Agreement.

11. Each of the Credit Parties acknowledge receipt of and hereby agree that the Demand and the FDM/BIA Notice remain in full force and effect through the Third Extended Forbearance Period herein or any extensions thereof, and that the Bank has not, and will not be deemed to have waived, varied, altered or withdrawn same.

12. The confirmations and acknowledgments herein by each of the Credit Parties in relation to the Indebtedness and the Security Documents constitute acknowledgments of their respective liability for the Indebtedness and pursuant to the Security as contemplated by the British Columbia *Limitations Act*.

Monthly Payments

13. The Borrower shall continue making its current monthly payments when due on account of the Indebtedness during the Third Extended Forbearance Period herein, with such payments not constituting a waiver of the Demand or the FDM/BIA Notice.

Refinancing and Payout

14. On or before May 31, 2023, the Credit Parties shall provide to the Bank a term sheet or commitment letter from a new lender, satisfactory to the Bank, respecting the refinancing and payout of the Indebtedness.

15. On or before June 30, 2023, or such later date as the Bank may agree to in writing, the Borrower shall repay the Indebtedness in full.

Consultant

16. The Credit Parties acknowledge and agree that the Consultant may, at the Bank's sole discretion and option, continue to act as the Bank's consultant on the terms and conditions set out in the Forbearance Agreement including financial monitoring of the Borrower's business. In the event of further default under the Credit Agreement, as amended by the Forbearance Agreement and this agreement, the Bank may request the Consultant to conduct a further review respecting the Borrower's business and financial position, business prospects, financial projections and the Bank's security position.

Forbearance Fee

17. The Credit Parties shall forthwith pay to the Bank a forbearance fee in the amount of $10,000, which fee the Bank may add to the Indebtedness in any manner that the Bank may see fit, and when so added, such fee shall be secured by the Security.

Additional Obligations

18. Each of the Credit Parties covenant and agree that they will not seek any further relief under the *Farm Debt Mediation Act*, or under any statute of similar nature in any other jurisdiction.

General

19. Each of the Credit Parties acknowledge and agree that upon the expiry of the Third Extended Forbearance Period herein or upon the happening of an Event of Default under the Forbearance Agreement (other than those past defaults already referenced therein) or default under this Agreement, then the Bank shall have the immediate right to terminate the remainder of the Third Extended Forbearance Period, if any, and proceed to enforce the Security without a further Demand or FDM/BIA Notice.

20. In the event of security enforcement by the Bank in accordance with the preceding paragraph, the Credit Parties irrevocably consent to the appointment of a Receiver or a Receiver-Manager and all of the assets, property and undertakings charged by the Security, with power of sale in favor of such Receiver/Manager. Each of the Credit Parties acknowledge and agree that the Bank may rely on this Agreement together with the Forbearance Agreement, as evidence of the Credit Parties' irrevocable consent to the appointment of a Receiver or a Receiver-Manager in any court application for the appointment of such Receiver or Receiver-Manager.

21. In the event that foreclosure proceedings are initiated by the Bank pursuant to the preceding paragraphs, then the Credit Parties hereby consent to such proceedings being commenced in the Vancouver Registry of the British Columbia Supreme Court.

22. The Bank may, at its option and in its sole discretion, waive in writing any Event of Default, including default hereunder, but such waiver shall not constitute a waiver of any subsequent event which would constitute an Event of Default under the Forbearance Agreement, as amended by this Agreement.

23. Except as set out herein, all other terms and conditions of the Forbearance Agreement shall remain in full force and effect and are hereby ratified and confirmed.

24. Each of the Credit Parties acknowledge and agree that this Agreement shall in all respects be binding upon it, and its respective administrators, successors and assigns.

25. If there is any inconsistency between this Agreement and any other agreement with the Bank concerning the Indebtedness, the provisions of this Agreement shall prevail.

26. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one in the same document. All such counterparts may be delivered by fax or any electronic form.

27. Each of the Credit Parties acknowledge and agree that they have had the opportunity to seek independent legal advice prior to execution of this Agreement.

IN WITNESS WHEREOF the parties have caused these presents to be executed on the day and year first written above.

ACCEPTED, ACKNOWLEDGED AND AGREED: **BANK OF MONTREAL** Per: S. Lum Authorized Signatory	
ACCEPTED, ACKNOWLEDGED AND AGREED: **STARLINE FOODS INC.** Per: Authorized Signatory,	ACCEPTED, ACKNOWLEDGED AND AGREED: **SURJIT SINGH GILL**
ACCEPTED, ACKNOWLEDGED AND AGREED: **SUKHMINDER SINGH GILL**	ACCEPTED, ACKNOWLEDGED AND AGREED: **GURINDER GREWAL**

This is Exhibit "N" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

FOURTH SUPPLEMENTAL FORBEARANCE AGREEMENT

This Agreement is dated for reference July 17, 2023.

BETWEEN: **BANK OF MONTREAL**, a chartered bank of Canada c/o Mezzanine Level - 595 Burrard Street, Vancouver, British Columbia, V7X 1L7 (the "**Bank**")	
AND: **STARLINE FOODS INC.**, c/o 33786 Clayburn Rd., Abbotsford, B.C. ~~V2S~~ V2S 7T7 (the "**Borrower**")	AND: **SURJIT SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. ~~V2S~~ 7T7 V2S ("**Surjit**")
AND: **SUKHMINDER SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. ~~V2S~~ 7T7 V2S ("**Sukhminder**")	AND: **GURINDER GREWAL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. ~~V2S~~ 7T7 V2S ("**Gurinder**" and together with Sukhminder, Surjit and the Borrower, the "**Credit Parties**")

WHEREAS:

A. The Credit Parties and the Bank entered into a Forbearance Agreement dated for reference April 29, 2022, as modified by the following:

   i. Supplemental Forbearance Agreement dated for reference September 12, 2022;

   ii. Second Supplemental Forbearance Agreement dated for reference November 7, 2022; and

   iii. Third Supplemental Forbearance Agreement dated for reference April 12, 2023;

   (collectively, the "**Forbearance Agreement**").

B. Pursuant to the terms of the Forbearance Agreement, the Bank agreed to forbear from security enforcement until after June 30, 2023, or such later date as may be agreed to by the Bank in its sole discretion, in order to provide the Credit Parties with a reasonable period of time to secure refinancing to repay the Indebtedness in full.

C. By letters dated February 8, 2023, the Bank issued formal demand for payment of the Indebtedness to the Credit Parties (the "**Demand**"), together with notices pursuant to Section 21 of the *Farm Debt Mediation Act* and Section 244 of the *Bankruptcy and Insolvency Act* (collectively, the "**FDM/BIA Notice**") to the Borrower.

D. On April 6, 2023, the Borrower and the Bank participated in a mediation (the "**Mediation**") pursuant to *the Farm Debt Mediation Act*.

E. The Credit Parties have requested that, notwithstanding that the Forbearance Period has expired and the Borrower's ongoing financial difficulties, the Bank continue to make the Credit Facilities available in the short term and not to proceed to take steps to enforce the Security, all on the terms and conditions herein, in order to provide the Credit Parties with a further reasonable period of time to repay the Indebtedness in full.

WITNESSES THAT for consideration the Credit Parties and the Bank agree to the following terms and conditions:

1. Certain capitalized words used but not otherwise defined herein (including the Recitals) have the meaning given to them in the Forbearance Agreement.

2. Each of the Credit Parties acknowledge and agree that the recitals to this Agreement above are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.

3. Each of the Credit Parties acknowledge and agree that except as set out herein, the Bank is not under any obligation whatsoever to provide further loans, overdraft facilities or other banking accommodations to the Borrower.

Forbearance

4. Subject to the execution and delivery by the Credit Parties of this Agreement, the Bank agrees and covenants that, provided that no further Event of Default occurs, including any default hereunder, it will not enforce the Security until after **August 31, 2023** (the "**Fourth Extended Forbearance Period**"), or such later date as may be agreed to by the Bank in writing.

5. The Credit Parties acknowledge and agree that the Fourth Extended Forbearance Period is reasonable in the circumstances.

6. Notwithstanding the Credit Parties' obligations set out in this Agreement may contemplate payments and reporting beyond the Fourth Extended Forbearance Period, nothing contained in this Agreement shall be deemed to extend the Fourth Extended Forbearance Period beyond August 31, 2023, or such later date as the Bank may agree to in writing.

Confirmation of Forbearance Agreement, Indebtedness, and Security

7. The Credit Parties acknowledge, represent and agree that the principal balances owing to the Bank on account of the Indebtedness[1] as at July 6, 2023, are as follows:

   (a) $897,874.30 on account of the Operating Loan[2];

   (b) $4,049,089.15 on account of Demand Loan 634;

   (c) $3,067,736.81 on account of Demand Loan 419;

   (d) $1,263,750.67 on account of Demand Loan 711;

   (e) $90,000 on account of CLC 575; and

   (f) $10,000 on account of CLC 954.

8. Each of the Credit Parties acknowledge, represent and agree that the Indebtedness is due and owing by the Borrower to the Bank, and hereby waive any rights any of them may have as at the date of this Agreement to claim any abatement or offset of the amounts whether arising by way of defence or counterclaim.

9. Each of the Credit Parties acknowledge, represent and agree that all of the Security Documents are in full force and effect, and are valid and enforceable in accordance with their terms.

10. Each of the Credit Parties hereby ratify and confirm and/or re-confirm all acknowledgements, representations, warranties, covenants, releases and waivers contained in the Forbearance Agreement.

11. Each of the Credit Parties acknowledge receipt of and hereby agree that the Demand and the FDM/BIA Notice remain in full force and effect through the Fourth Extended Forbearance Period herein or any extensions thereof, and that the Bank has not, and will not be deemed to have waived, varied, altered or withdrawn same.

12. The confirmations and acknowledgments herein by each of the Credit Parties in relation to the Indebtedness and the Security Documents constitute acknowledgments of their respective liability for the Indebtedness and pursuant to the Security as contemplated by the British Columbia *Limitations Act*.

---

[1] Exclusive of:
1) $500,000 Treasury Risk Facility;
2) the MasterCard; and
3) Accrued and unpaid interest for the month of July 2023.

[2] Nil balance with respect to the Operating Loan Bulge.

Monthly Payments

13. The Borrower shall continue making its current monthly payments when due on account of the Indebtedness during the Fourth Extended Forbearance Period herein, with such payments not constituting a waiver of the Demand or the FDM/BIA Notice.

Repayment of the Indebtedness

14. On or before August 31, 2023, or such later date as the Bank may agree to in writing, the Borrower shall repay the Indebtedness in full.

Consultant

15. The Credit Parties acknowledge and agree that the Consultant may, at the Bank's sole discretion and option, continue to act as the Bank's consultant on the terms and conditions set out in the Forbearance Agreement including financial monitoring of the Borrower's business. In the event of further default under the Credit Agreement, as amended by the Forbearance Agreement and this agreement, the Bank may request the Consultant to conduct a further review respecting the Borrower's business and financial position, business prospects, financial projections and the Bank's security position.

Forbearance Fee

16. The Credit Parties shall forthwith pay to the Bank a further forbearance fee in the amount of $5,000, which fee the Bank may add to the Indebtedness in any manner that the Bank may see fit, and when so added, such fee shall be secured by the Security.

Additional Obligations

17. Each of the Credit Parties covenant and agree that they will not seek any further relief under the *Farm Debt Mediation Act*, or under any statute of similar nature in any other jurisdiction.

General

18. Each of the Credit Parties acknowledge and agree that upon the expiry of the Fourth Extended Forbearance Period herein or upon the happening of an Event of Default under the Forbearance Agreement (other than those past defaults already referenced therein) or default under this Agreement, then the Bank shall have the immediate right to terminate the remainder of the Fourth Extended Forbearance Period, if any, and proceed to enforce the Security without a further Demand or FDM/BIA Notice.

19. In the event of security enforcement by the Bank in accordance with the preceding paragraph, the Credit Parties irrevocably consent to the appointment of a Receiver or a Receiver-Manager and all of the assets, property and undertakings charged by the Security, with power of sale in favor of such Receiver/Manager. Each of the Credit Parties acknowledge and agree that the Bank may rely on this Agreement together with the Forbearance Agreement, as evidence of the Credit Parties' irrevocable consent to the

appointment of a Receiver or a Receiver-Manager in any court application for the appointment of such Receiver or Receiver-Manager.

20. In the event that foreclosure proceedings are initiated by the Bank pursuant to the preceding paragraphs, then the Credit Parties hereby consent to such proceedings being commenced in the Vancouver Registry of the British Columbia Supreme Court.

21. The Bank may, at its option and in its sole discretion, waive in writing any Event of Default, including default hereunder, but such waiver shall not constitute a waiver of any subsequent event which would constitute an Event of Default under the Forbearance Agreement, as amended by this Agreement.

22. Except as set out herein, all other terms and conditions of the Forbearance Agreement shall remain in full force and effect and are hereby ratified and confirmed.

23. Each of the Credit Parties acknowledge and agree that this Agreement shall in all respects be binding upon it, and its respective administrators, successors and assigns.

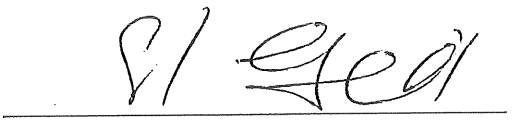
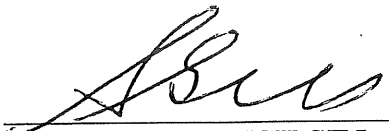
24. If there is any inconsistency between this Agreement and any other agreement with the Bank concerning the Indebtedness, the provisions of this Agreement shall prevail.

25. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one in the same document. All such counterparts may be delivered by fax or any electronic form.

26. Each of the Credit Parties acknowledge and agree that they have had the opportunity to seek independent legal advice prior to execution of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF the parties have caused these presents to be executed on the day and year first written above.

ACCEPTED, ACKNOWLEDGED AND AGREED: **BANK OF MONTREAL** Per:  Authorized Signatory	
ACCEPTED, ACKNOWLEDGED AND AGREED: **STARLINE FOODS INC.** Per:  Authorized Signatory, SUKHMINDER S. GILL	ACCEPTED, ACKNOWLEDGED AND AGREED:  **SURJIT SINGH GILL**
ACCEPTED, ACKNOWLEDGED AND AGREED:  **SUKHMINDER SINGH GILL**	ACCEPTED, ACKNOWLEDGED AND AGREED:  **GURINDER GREWAL**

This is Exhibit "O" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

FIFTH SUPPLEMENTAL FORBEARANCE AGREEMENT

This Agreement is dated for reference November 1, 2023.

BETWEEN: **BANK OF MONTREAL,** a chartered bank of Canada c/o Mezzanine Level - 595 Burrard Street, Vancouver, British Columbia, V7X 1L7 (the "**Bank**")	
AND: **STARLINE FOODS INC.**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 (the "**Borrower**")	AND: **SURJIT SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Surjit**")
AND: **SUKHMINDER SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Sukhminder**")	AND: **GURINDER GREWAL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Gurinder**" and together with Sukhminder, Surjit and the Borrower, the "**Credit Parties**")

WHEREAS:

A. The Credit Parties and the Bank entered into a Forbearance Agreement dated for reference April 29, 2022, as modified by the following:

   i. Supplemental Forbearance Agreement dated for reference September 12, 2022;

   ii. Second Supplemental Forbearance Agreement dated for reference November 7, 2022;

   iii. Third Supplemental Forbearance Agreement dated for reference April 12, 2023; and

   iv. Fourth Supplemental Forbearance Agreement dated for reference July 17, 2023;

   (collectively, the "**Forbearance Agreement**").

B. Pursuant to the terms of the Forbearance Agreement, the Bank agreed to forbear from security enforcement until after August 31, 2023, or such later date as may be agreed to by

the Bank in its sole discretion, in order to provide the Credit Parties with a reasonable period of time to secure refinancing to repay the Indebtedness in full.

C. By letters dated February 8, 2023, the Bank issued formal demand for payment of the Indebtedness to the Credit Parties (the "**Demand**"), together with notices pursuant to Section 21 of the *Farm Debt Mediation Act* and Section 244 of the *Bankruptcy and Insolvency Act* (collectively, the "**FDM/BIA Notice**") to the Borrower.

D. On April 6, 2023, the Borrower and the Bank participated in a mediation (the "Mediation") pursuant to *the Farm Debt Mediation Act*.

E. The Credit Parties have requested that, notwithstanding that the Forbearance Period has expired and the Borrower's ongoing financial difficulties, the Bank continue to make the Credit Facilities available in the short term and not proceed to take steps to enforce the Security, all on the terms and conditions herein, in order to provide the Credit Parties with a further reasonable period of time to repay the Indebtedness in full.

WITNESSES THAT for consideration the Credit Parties and the Bank agree to the following terms and conditions:

1. Certain capitalized words used but not otherwise defined herein (including the Recitals) have the meaning given to them in the Forbearance Agreement.

2. Each of the Credit Parties acknowledge and agree that the recitals to this Agreement above are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.

3. Each of the Credit Parties acknowledge and agree that except as set out herein, the Bank is not under any obligation whatsoever to provide further loans, overdraft facilities or other banking accommodations to the Borrower.

January 26, 2024 [illegible]

Forbearance

4. Subject to the execution and delivery by the Credit Parties of this Agreement, the Bank agrees and covenants that, provided that no further Event of Default occurs, including any default hereunder, it will not enforce the Security until after ~~December 15, 2023~~ (the "**Fifth Extended Forbearance Period**"), or such later date as may be agreed to by the Bank in writing.

5. The Credit Parties acknowledge and agree that the Fifth Extended Forbearance Period is reasonable in the circumstances.

6. Notwithstanding the Credit Parties' obligations set out in this Agreement may contemplate payments and reporting beyond the Fifth Extended Forbearance Period, nothing contained in this Agreement shall be deemed to extend the Fifth Extended Forbearance Period beyond December 15, 2023, or such later date as the Bank may agree to in writing.

Confirmation of Forbearance Agreement, Indebtedness, and Security

7. The Credit Parties acknowledge, represent and agree that the principal balances owing to the Bank on account of the Indebtedness[1] as at October 30, 2023, are as follows:

   (a) $899,056.81 on account of the Operating Loan[2];

   (b) $4,025,074.04 on account of Demand Loan 634;

   (c) $3,059,974.77 on account of Demand Loan 419;

   (d) $1,263,750.67 on account of Demand Loan 711;

   (e) $90,000 on account of CLC 575; and

   (f) $10,000 on account of CLC 954.

8. Each of the Credit Parties acknowledge, represent and agree that the Indebtedness is due and owing by the Borrower to the Bank, and hereby waive any rights any of them may have as at the date of this Agreement to claim any abatement or offset of the amounts whether arising by way of defence or counterclaim.

9. Each of the Credit Parties acknowledge, represent and agree that all of the Security Documents are in full force and effect, and are valid and enforceable in accordance with their terms.

10. Each of the Credit Parties hereby ratify and confirm and/or re-confirm all acknowledgements, representations, warranties, covenants, releases and waivers contained in the Forbearance Agreement.

11. Each of the Credit Parties acknowledge receipt of and hereby agree that the Demand and the FDM/BIA Notice remain in full force and effect through the Fifth Extended Forbearance Period herein or any extensions thereof, and that the Bank has not, and will not be deemed to have waived, varied, altered or withdrawn same.

12. The confirmations and acknowledgments herein by each of the Credit Parties in relation to the Indebtedness and the Security Documents constitute acknowledgments of their respective liability for the Indebtedness and pursuant to the Security as contemplated by the British Columbia *Limitations Act*.

---

[1] Exclusive of:
1) $500,000 Treasury Risk Facility;
2) the MasterCard; and
3) Accrued and unpaid interest for the month of October 2023.

[2] Nil balance with respect to the Operating Loan Bulge.

Monthly Payments

13. The Borrower shall continue making its current monthly payments when due on account of the Indebtedness during the Fifth Extended Forbearance Period herein, with such payments not constituting a waiver of the Demand or the FDM/BIA Notice.

Repayment of the Indebtedness

14. Forthwith upon receipt, the Credit Parties shall provide to the Bank any and all term sheets or commitment letters from a new lender(s) respecting the refinancing and payout of the Indebtedness.

15. On or before December 15, 2023, or such later date as the Bank may agree to in writing, the Borrower shall repay the Indebtedness in full.

Monthly Margin Reporting for the Operating Loan,

16. The Borrower shall continue to provide to the Bank complete and accurate monthly margin reports with respect to the Operating Loan within 10 days of month end in a form satisfactory to the Bank in its sole discretion.

Consultant

17. The Credit Parties acknowledge and agree that the Consultant may, at the Bank's sole discretion and option, continue to act as the Bank's consultant on the terms and conditions set out in the Forbearance Agreement including financial monitoring of the Borrower's business. In the event of further default under the Credit Agreement, as amended by the Forbearance Agreement and this Agreement, the Bank may request the Consultant to conduct a further review respecting the Borrower's business and financial position, business prospects, financial projections and the Bank's security position.

Forbearance Fee

18. The Credit Parties shall forthwith pay to the Bank a further forbearance fee in the amount of $5,000, which fee the Bank may add to the Indebtedness in any manner that the Bank may see fit, and when so added, such fee shall be secured by the Security.

Additional Obligations

19. Each of the Credit Parties covenant and agree that they will not seek any further relief under the *Farm Debt Mediation Act*, or under any statute of similar nature in any other jurisdiction.

General

20. Each of the Credit Parties acknowledge and agree that upon the expiry of the Fifth Extended Forbearance Period herein or upon the happening of an Event of Default under the Forbearance Agreement (other than those past defaults already referenced therein) or

default under this Agreement, then the Bank shall have the immediate right to terminate the remainder of the Fifth Extended Forbearance Period, if any, and proceed to enforce the Security without a further Demand or FDM/BIA Notice.

21. In the event of security enforcement by the Bank in accordance with the preceding paragraph, the Credit Parties irrevocably consent to the appointment of a Receiver or a Receiver-Manager and all of the assets, property and undertakings charged by the Security, with power of sale in favor of such Receiver/Manager. Each of the Credit Parties acknowledge and agree that the Bank may rely on this Agreement together with the Forbearance Agreement, as evidence of the Credit Parties' irrevocable consent to the appointment of a Receiver or a Receiver-Manager in any court application for the appointment of such Receiver or Receiver-Manager.

22. In the event that foreclosure proceedings are initiated by the Bank pursuant to the preceding paragraphs, then the Credit Parties hereby consent to such proceedings being commenced in the Vancouver Registry of the British Columbia Supreme Court.

23. The Bank may, at its option and in its sole discretion, waive in writing any Event of Default, including default hereunder, but such waiver shall not constitute a waiver of any subsequent event which would constitute an Event of Default under the Forbearance Agreement, as amended by this Agreement.

24. The Credit Parties acknowledge and agree that the granting of forbearance as set out in the Forbearance Agreement as amended by this Agreement, together with any payments accepted by the Bank and/or any actions taken by the Bank with respect to the Credit Facilities, the Indebtedness or the Security, shall not constitute as waiver of any event which would constitute an Event of Default.

25. The Credit Parties acknowledge and agree that the Bank does not control the operations or management of the Credit Parties' businesses or affairs generally.

26. Except as set out herein, all other terms and conditions of the Forbearance Agreement shall remain in full force and effect and are hereby ratified and confirmed.

27. Each of the Credit Parties acknowledge and agree that this Agreement shall in all respects be binding upon it, and its respective administrators, successors and assigns.

28. If there is any inconsistency between this Agreement and any other agreement with the Bank concerning the Indebtedness, the provisions of this Agreement shall prevail.

29. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one in the same document. All such counterparts may be delivered by fax or any electronic form.

30. Each of the Credit Parties acknowledge and agree that they have had the opportunity to seek independent legal advice prior to execution of this Agreement.

IN WITNESS WHEREOF the parties have caused these presents to be executed on the day and year first written above.

ACCEPTED, ACKNOWLEDGED AND AGREED: **BANK OF MONTREAL** Per: Authorized Signatory	
ACCEPTED, ACKNOWLEDGED AND AGREED: **STARLINE FOODS INC.** Per: Authorized Signatory,	ACCEPTED, ACKNOWLEDGED AND AGREED: **SURJIT SINGH GILL**
ACCEPTED, ACKNOWLEDGED AND AGREED: **SUKHMINDER SINGH GILL**	ACCEPTED, ACKNOWLEDGED AND AGREED: **GURPREET GREWAL**

This is Exhibit "P" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

SIXTH SUPPLEMENTAL FORBEARANCE AGREEMENT

This Agreement is dated for reference June 6, 2024.

BETWEEN: **BANK OF MONTREAL**, a chartered bank of Canada c/o Mezzanine Level - 595 Burrard Street, Vancouver, British Columbia, V7X 1L7 (the "**Bank**")	
AND: **STARLINE FOODS INC.**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 (the "**Borrower**")	AND: **SURJIT SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Surjit**")
AND: **SUKHMINDER SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Sukhminder**")	AND: **GURINDER GREWAL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Gurinder**" and together with Sukhminder, Surjit and the Borrower, the "**Credit Parties**")

WHEREAS:

A. The Credit Parties and the Bank entered into a Forbearance Agreement dated for reference April 29, 2022, as modified by the following:

   i. Supplemental Forbearance Agreement dated for reference September 12, 2022;

   ii. Second Supplemental Forbearance Agreement dated for reference November 7, 2022;

   iii. Third Supplemental Forbearance Agreement dated for reference April 12, 2023;

   iv. Fourth Supplemental Forbearance Agreement dated for reference July 17, 2023; and

   v. Fifth Supplemental Forbearance Agreement dated for reference November 1, 2023

   (collectively, the "**Forbearance Agreement**").

B. Pursuant to the terms of the Forbearance Agreement, the Bank agreed to forbear from security enforcement until after December 15, 2023, or such later date as may be agreed to by the Bank in its sole discretion, in order to provide the Credit Parties with a reasonable period of time to secure refinancing to repay the Indebtedness in full.

C. By letters dated February 8, 2023, the Bank issued formal demand for payment of the Indebtedness to the Credit Parties (the "**Demand**"), together with notices pursuant to Section 21 of the *Farm Debt Mediation Act* and Section 244 of the *Bankruptcy and Insolvency Act* (collectively, the "**FDM/BIA Notice**") to the Borrower.

D. On April 6, 2023, the Borrower and the Bank participated in a mediation (the "**Mediation**") pursuant to *the Farm Debt Mediation Act*.

E. The Credit Parties have requested that, notwithstanding that the Forbearance Period has expired and the Borrower's continuing default of its obligations to the Bank and ongoing financial difficulties, the Bank continue to make the Credit Facilities available in the short term and not proceed to take steps to enforce the Security, all on the terms and conditions herein, in order to provide the Credit Parties with a further reasonable period of time to repay the Indebtedness in full.

WITNESSES THAT for consideration the Credit Parties and the Bank agree to the following terms and conditions:

1. Certain capitalized words used but not otherwise defined herein (including the Recitals) have the meaning given to them in the Forbearance Agreement.

2. Each of the Credit Parties acknowledge and agree that the recitals to this Agreement above are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.

3. Each of the Credit Parties acknowledge and agree that except as set out herein, the Bank is not under any obligation whatsoever to provide further loans, overdraft facilities or other banking accommodations to the Borrower.

Forbearance

4. Subject to the execution and delivery by the Credit Parties of this Agreement, the Bank agrees and covenants that, provided that no further Event of Default occurs, including any default hereunder, it will not enforce the Security until after **July 31, 2024** (the "**Sixth Extended Forbearance Period**"), or such later date as may be agreed to by the Bank in writing.

5. The Credit Parties acknowledge and agree that the Sixth Extended Forbearance Period is reasonable in the circumstances.

6. Notwithstanding the Credit Parties' obligations set out in this Agreement may contemplate payments and reporting beyond the Sixth Extended Forbearance Period, nothing contained in this Agreement shall be deemed to extend the Sixth Extended

Forbearance Period beyond July 31, 2024, or such later date as the Bank may agree to in writing.

Confirmation of Forbearance Agreement, Indebtedness, and Security

7. The Credit Parties acknowledge, represent and agree that the principal balances owing to the Bank on account of the Indebtedness[1] as at June 5, 2024, are as follows:

   (a) $869,377.86 on account of the Operating Loan[2];

   (b) $3,945,986.04 on account of Demand Loan 634;

   (c) $3,037,312.99 on account of Demand Loan 419;

   (d) $1,263,750.67 on account of Demand Loan 711;

   (e) $90,000 on account of CLC 575; and

   (f) $10,000 on account of CLC 954.

8. Each of the Credit Parties acknowledge, represent and agree that the Indebtedness is due and owing by the Borrower to the Bank, and hereby waive any rights any of them may have as at the date of this Agreement to claim any abatement or offset of the amounts whether arising by way of defence or counterclaim.

9. Each of the Credit Parties acknowledge, represent and agree that all of the Security Documents are in full force and effect, and are valid and enforceable in accordance with their terms.

10. Each of the Credit Parties hereby ratify and confirm and/or re-confirm all acknowledgements, representations, warranties, covenants, releases and waivers contained in the Forbearance Agreement.

11. Each of the Credit Parties acknowledge receipt of and hereby agree that the Demand and the FDM/BIA Notice remain in full force and effect through the Sixth Extended Forbearance Period herein or any extensions thereof, and that the Bank has not, and will not be deemed to have waived, varied, altered or withdrawn same.

12. The confirmations and acknowledgments herein by each of the Credit Parties in relation to the Indebtedness and the Security Documents constitute acknowledgments of their respective liability for the Indebtedness and pursuant to the Security as contemplated by the British Columbia *Limitations Act*.

---

[1] Exclusive of:
1) $500,000 Treasury Risk Facility;
2) the MasterCard; and
3) Accrued and unpaid interest for the month of June 2024, plus accrued interest on account of Demand Loan 711 from March 2024 through May 2024 in the amount of $33,195.89.

[2] Nil balance with respect to the Operating Loan Bulge.

Monthly Payments

13. The Borrower shall continue making its current monthly payments when due on account of the Indebtedness during the Sixth Extended Forbearance Period herein, with such payments not constituting a waiver of the Demand or the FDM/BIA Notice.

Repayment of the Indebtedness

14. Forthwith upon receipt, the Credit Parties shall provide to the Bank any and all term sheets or commitment letters from a new lender(s) respecting the refinancing and payout of the Indebtedness.

15. On or before July 31, 2024, or such later date as the Bank may agree to in writing, the Borrower shall repay the Indebtedness in full.

Monthly Margin Reporting for the Operating Loan,

16. The Borrower shall continue to provide to the Bank complete and accurate monthly margin reports with respect to the Operating Loan within 10 days of month end in a form satisfactory to the Bank in its sole discretion.

Consultant

17. The Credit Parties acknowledge and agree that the Consultant may, at the Bank's sole discretion and option, continue to act as the Bank's consultant on the terms and conditions set out in the Forbearance Agreement including financial monitoring of the Borrower's business. In the event of further default under the Credit Agreement, as amended by the Forbearance Agreement and this Agreement, the Bank may request the Consultant to conduct a further review respecting the Borrower's business and financial position, business prospects, financial projections and the Bank's security position.

Forbearance Fee

18. The Credit Parties shall forthwith pay to the Bank a further forbearance fee in the amount of $5,000, which fee the Bank may add to the Indebtedness in any manner that the Bank may see fit, and when so added, such fee shall be secured by the Security.

Additional Obligations

19. Each of the Credit Parties covenant and agree that they will not seek any further relief under the *Farm Debt Mediation Act*, or under any statute of similar nature in any other jurisdiction.

General

20. Each of the Credit Parties acknowledge and agree that upon the expiry of the Sixth Extended Forbearance Period herein or upon the happening of an Event of Default under the Forbearance Agreement (other than those past defaults already referenced therein) or

default under this Agreement, then the Bank shall have the immediate right to terminate the remainder of the Sixth Extended Forbearance Period, if any, and proceed to enforce the Security without a further Demand or FDM/BIA Notice.

21. In the event of security enforcement by the Bank in accordance with the preceding paragraph, the Credit Parties irrevocably consent to the appointment of a Receiver or a Receiver-Manager and all of the assets, property and undertakings charged by the Security, with power of sale in favor of such Receiver/Manager. Each of the Credit Parties acknowledge and agree that the Bank may rely on this Agreement together with the Forbearance Agreement, as evidence of the Credit Parties' irrevocable consent to the appointment of a Receiver or a Receiver-Manager in any court application for the appointment of such Receiver or Receiver-Manager.

22. In the event that foreclosure proceedings are initiated by the Bank pursuant to the preceding paragraphs, then the Credit Parties hereby consent to such proceedings being commenced in the Vancouver Registry of the British Columbia Supreme Court.

23. The Bank may, at its option and in its sole discretion, waive in writing any Event of Default, including default hereunder, but such waiver shall not constitute a waiver of any subsequent event which would constitute an Event of Default under the Forbearance Agreement, as amended by this Agreement.

24. The Credit Parties acknowledge and agree that the granting of forbearance as set out in the Forbearance Agreement as amended by this Agreement, together with any payments accepted by the Bank and/or any actions taken by the Bank with respect to the Credit Facilities, the Indebtedness or the Security, shall not constitute as waiver of any event which would constitute an Event of Default.

25. The Credit Parties acknowledge and agree that the Bank does not control the operations or management of the Credit Parties' businesses or affairs generally.

26. Except as set out herein, all other terms and conditions of the Forbearance Agreement shall remain in full force and effect and are hereby ratified and confirmed.

27. Each of the Credit Parties acknowledge and agree that this Agreement shall in all respects be binding upon it, and its respective administrators, successors and assigns.

28. If there is any inconsistency between this Agreement and any other agreement with the Bank concerning the Indebtedness, the provisions of this Agreement shall prevail.

29. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one in the same document. All such counterparts may be delivered by fax or any electronic form.

30. Each of the Credit Parties acknowledge and agree that they have had the opportunity to seek independent legal advice prior to execution of this Agreement.

IN WITNESS WHEREOF the parties have caused these presents to be executed on the day and year first written above.

ACCEPTED, ACKNOWLEDGED AND AGREED: **BANK OF MONTREAL** Per: Authorized Signatory	
ACCEPTED, ACKNOWLEDGED AND AGREED: **STARLINE FOODS INC.** Per: Authorized Signatory,	ACCEPTED, ACKNOWLEDGED AND AGREED: **SURJIT SINGH GILL**
ACCEPTED, ACKNOWLEDGED AND AGREED: **SUKHMINDER SINGH GILL**	ACCEPTED, ACKNOWLEDGED AND AGREED: **GURINDER GREWAL**

This is Exhibit "Q" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

LAWSON LUNDELL LLP

Suite 1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2
T: 604.685.3456

November 24, 2025

Bryan C. Gibbons
T: (604) 631-9152
F: (604) 694-2958
bgibbons@lawsonlundell.com

DELIVERED – STRICTLY CONFIDENTIAL

Starline Foods Inc.
c/o 33786 Clayburn Road
Abbotsford, BC V2S 7T7

Attention: Sukhminder Singh Gill and Gurinder Grewal

Re: Your outstanding indebtedness to Bank of Montreal (the "Bank"), payable on demand, secured by, *inter alia,* a General Security Agreement and General Assignment of Debts (the "GSA and GAD"), both dated February 11, 2016, security under Section 427 of the Bank Act (the "Section 427 Security"), and two all-indebtedness mortgages (collectively, the "Mortgages"), dated February 11, 2016 and June 4, 2022, registered against properties at and adjacent to 33786 Clayburn Road, Abbotsford, BC having PID No. 004-178-050 and 004-178-432 (the 'Lands")

We are the solicitors for the Bank with respect to the above-captioned matter.

We are instructed that you are indebted to the Bank, on a demand basis, as follows:

Description	Balance as at November 19, 2025	Interest Rate per annum
Revolving Operating Demand Loan* Account #0709-1996-019	$898,508.78	Prime + 3.25%
Non-Revolving Demand Loan Account #0706-6988-711	$1,379,377.88	Prime + 3.25%
Non-Revolving Demand Loan Account # 0706-6989-634	$3,671,153.97	Prime + 3.25%
Non-Revolving Demand Loan Account #0706-6991-419	$2,922,583.33	Prime + 3.25%
Corporate Mastercard* Account #5264550000007900	$49,514.37	18.4%
Letter of Credit issued in favour of City of Abbotsford Account #0706-6995-575	$90,000.00	N/A
Letter of Credit issued in favour of City of Abbotsford Account #0706-6995-954	$10,000.00	N/A
	$9,021,138.33	

(**Total may fluctuate - updated figures must be obtained prior to paying out this loan.*)

(the "**Indebtedness**").

On behalf of our client, we hereby make formal demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the GSA and GAD, the Section 427 Security, and the Mortgages.

This letter is to advise you that unless payment of the Indebtedness, plus interest to the date of payment as set out above, plus legal costs, is made into this office by certified cheque or bank draft payable to Lawson Lundell LLP, in trust, on or before December 15, 2025, legal proceedings, which may include enforcement of the Bank's security, the appointment of a Receiver or a Receiver Manager and/or the appointment of an agent, as well as foreclosure proceedings with respect to the Mortgage, may be commenced against you without further notice.

This letter is also to confirm that at the expiry of the demand period herein, the Bank will be at liberty to terminate the Operating Line and the Mastercard Account the Bank's option and without further notice, in which case no further cheques/debits will be honoured.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we are enclosing a Notice of Intention to Enforce Security in the prescribed form, and pursuant to the provisions of the *Farm Debt Mediation Act*, Notices of Intent to Realize on Security.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours very truly,

LAWSON LUNDELL LLP



Bryan C. Gibbons

Pb3/Enc.

cc: Starline Foods Inc.
c/o Registered Office
1 – 2838 Garden Street
Abbotsford, BC V2T 4W7

cc: Bank of Montreal

BANKRUPTCY AND INSOLVENCY ACT

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY
[Subsection 244(1)]

TO: STARLINE FOODS INC. (the "**Debtor**")

Take notice that:

1. BANK OF MONTREAL, a secured creditor, intends to enforce its security on the property of the Debtor described below:

General Security Agreement:

All presently owned or held or after acquired or held personal property and a floating charge on land

General Assignment of Debts

Accounts

Section 427 Security

Inventory

Mortgages and Assignments of Rents

All of the right, title and interest of the Debtor as registered owner in and to real property located in Abbotsford, B.C., legally described as:

PARCEL IDENTIFIER: 004-178-050
LOT 1 EXCEPT: FIRSTLY: PARCEL "B" (REFERENCE PLAN 8236) SECONDLY: PARCEL "C" (REFERENCE PLAN 8237) THIRDLY: PARCEL "A" (REFERENCE PLAN 8255) FOURTHLY: PART SUBDIVIDED BY PLAN 24013, DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT PLAN 4298

PARCEL IDENTIFIER: 004-178-432
PARCEL "E" (EXPLANATORY PLAN 14251) OF PARCEL "D" (REFERENCE PLAN 287) DISTRICT LOT 202 GROUP 2 NEW WESTMINSTER DISTRICT

2. The security that is to be enforced is in the form of a General Security Agreement, a General Assignment of Debts, Security under Section 427 of the Bank Act and two Mortgages with accompanying Assignment of Rents.

3. The total amount of indebtedness secured by the security is $9,021,138.33 as at November 19, 2025.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

Dated at Vancouver, British Columbia, this 24 day of November, 2025.

BANK OF MONTREAL

LAWSON LUNDELL LLP,
solicitors for Bank of Montreal

PROTECTED B
when completed

Agriculture and Agri-Food Canada / Agriculture et Agroalimentaire Canada
Farm Debt Mediation Service / Service de médiation en matière d'endettement agricole

NOTICE OF INTENT BY SECURED CREDITOR

As required under Section 21 of the *Farm Debt Mediation Act*, you are hereby notified that it is the intent of:

Name of creditor
Bank of Montreal (Bryan C. Gibbons, Solicitor)

To enforce a remedy against the property of; or commence a proceeding, action, execution or other proceeding, judicial or extra-judicial, for the recovery of a debt, the realization of the security or the taking of the property of:

Full name of farmer or business name
Starline Foods Inc.

Farmer's address

Unit/Suite/Apt.	Street Number	Number Suffix	Street Name	Street Type
	33786		Clayburn	Road

Street direction	PO Box or Route Number	Municipality (City, Town, etc.)	Province	Postal code
		Abbotsford	British Columbia	V2S 7T7

The security being (type(s) of security)	on (asset(s))
General Security Agreement	All personal property and floating charge on land
General Assignment of Debts	Accounts
Section 427 Bank Act Security	Inventory
Mortgage and Assignment of Rents	Two properties located in Abbotsford, B.C, having
	PID numbers 004-178-050 and 004-178-432

Dated this 24 day of November, 2025 at Vancouver, BC

Starline Foods Inc. per Bryan C. Gibbons, Solicitor
Name of secured creditor or authorized representative (print)

Signature of secured creditor or authorized representative

604-631-9152
Creditor's phone number and ext.

bgibbons@lawsonlundell.com
Email address of secured creditor or authorized representative

604-669-1620
Creditor's fax number

You are hereby notified of your right to make application under Section 5 of the *Farm Debt Mediation Act* for a review of your financial affairs, mediation with your creditors, and to obtain a stay of proceedings against this action. Provided you are:

a) currently engaged in farming for commercial purposes; and

b) insolvent, meaning that you are:
- unable to meet your obligations as they generally become due; or
- have ceased paying your current obligations in the ordinary course of business as they generally become due; or
- the aggregate of your property is not, at fair valuation, sufficient, or if disposed of at a fairly conducted sale under legal process would not be sufficient, to enable payment of all your obligations, due and accruing due.

A secured creditor must wait 15 business days after this notice has been deemed served before beginning action to realize on their security. You may apply for mediation and a stay of proceedings at any time, before, during, or after the 15 business day period, by making an application to the Farm Debt Mediation Service.

The Farm Debt Mediation Service provides qualified farm financial counsellors to conduct a financial review and to prepare a recovery plan for your mediation meeting. Qualified mediators are provided to help you and your creditors reach a mutually satisfactory arrangement.
Application forms and more information about the service can be obtained from:

Farm Debt Mediation Service

agriculture.canada.ca/fdms

Eastern Canada Office
Tel: 1-866-452-5556
Email: aafc.fdms-smmea.aac@agr.gc.ca
Fax: 1-833-902-8388

Western Canada Office
Tel: 1-866-452-5556
Email: aafc.fdms-smmea.aac@agr.gc.ca
Fax: 1-833-902-8388

The information you provide on this document is collected by Agriculture and Agri-Food Canada under the authority of the *Farm Debt Mediation Act* for the purpose of facilitating financial arrangements between farmers and their creditors. Personal information will be protected under the provisions of the *Privacy Act* and will be stored in Personal Information Bank AAFC-PPU-227. Information may be accessible or protected as required under the provisions of the *Access to Information Act*.

A copy of this form must be sent to the FDMS Administrator

Canada

LAWSON LUNDELL LLP

Suite 1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2
T: 604.685.3456

November 24, 2025

Bryan C. Gibbons
T: (604) 631-9152
F: (604) 694-2958
bgibbons@lawsonlundell.com

DELIVERED - CONFIDENTIAL
and BY EMAIL: ggrewal@hotmail.com

Gurinder Grewal
4133 Seldon Road
Abbotsford, BC, V2S 7T4

Re: Your guarantee of the indebtedness of Starline Foods Inc. (the "Company") to Bank of Montreal (the "Bank"), dated February 14, 2020 (the "Guarantee")

We are the solicitors for the Bank with respect to the above-captioned matter. Demand for payment has now been made upon the Company and a copy of our demand letter is enclosed for your reference.

Pursuant to the terms of the Guarantee, you have guaranteed the indebtedness of the Company to the Bank, to a limit of $6,000,000.00, plus interest and costs as set out therein. As at November 19, 2025, the Company was indebted to the Bank for the sum of $9,021,138.33, plus interest thereafter (the "**Indebtedness**").

On behalf of our client, we hereby make formal demand upon you, pursuant to the Guarantee, for payment of the sum of $6,000,000.00, plus interest at the Bank's prime rate of interest plus 3% per annum and costs from and after November 19, 2025, to the date of payment, as set out above.

This letter is to advise you that unless payment of the Indebtedness plus interest to the date of payment as set out above, plus legal costs, is made into this office by certified cheque or bank draft payable to Lawson Lundell LLP, in trust, on or before noon on December 15, 2025, legal proceedings may be commenced against you without further notice.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours very truly,

LAWSON LUNDELL LLP

Bryan C. Gibbons
pb3/Encl.

cc: Bank of Montreal

LAWSON LUNDELL LLP

Suite 1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2
T: 604.685.3456

November 24, 2025

Bryan C. Gibbons
T: (604) 631-9152
F: (604) 694-2958
bgibbons@lawsonlundell.com

DELIVERED - CONFIDENTIAL
and BY EMAIL: amang_24@hotmail.com

Surjit Singh Gill
4623 168 Street
Surrey, BC, V3S 0L2

Re: Your guarantee of the indebtedness of Starline Foods Inc. (the "Company") to Bank of Montreal (the "Bank"), dated February 14, 2020 (the "Guarantee")

We are the solicitors for the Bank with respect to the above-captioned matter. Demand for payment has now been made upon the Company and a copy of our demand letter is enclosed for your reference.

Pursuant to the terms of the Guarantee, you have guaranteed the indebtedness of the Company to the Bank, to a limit of $2,500,000.00, plus interest and costs as set out therein. As at November 19, 2025, the Company was indebted to the Bank for the sum of $9,021,138.33, plus interest thereafter (the "**Indebtedness**").

On behalf of our client, we hereby make formal demand upon you, pursuant to the Guarantee, for payment of the sum of $2,500,000.00, plus interest at the Bank's prime rate of interest plus 3% per annum and costs from and after November 19, 2025, to the date of payment, as set out above.

This letter is to advise you that unless payment of the Indebtedness plus interest to the date of payment as set out above, plus legal costs, is made into this office by certified cheque or bank draft payable to Lawson Lundell LLP, in trust, on or before noon on December 15, 2025, legal proceedings may be commenced against you without further notice.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours very truly,

LAWSON LUNDELL LLP

Bryan C. Gibbons
pb3/Encl.

cc: Bank of Montreal

LAWSON LUNDELL LLP

Suite 1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2
T: 604.685.3456

November 24, 2025

Bryan C. Gibbons
T: (604) 631-9152
F: (604) 694-2958
bgibbons@lawsonlundell.com

DELIVERED - CONFIDENTIAL
and BY EMAIL: joegill@fraservalleypackers.com

Sukhminder (Joe) Gill
32920 Huntingdon Road
Abbotsford, BC, V2S 7Z3

Re: Your guarantee of the indebtedness of Starline Foods Inc. (the "Company") to Bank of Montreal (the "Bank"), dated February 14, 2020 (the "Guarantee")

We are the solicitors for the Bank with respect to the above-captioned matter. Demand for payment has now been made upon the Company and a copy of our demand letter is enclosed for your reference.

Pursuant to the terms of the Guarantee, you have guaranteed the indebtedness of the Company to the Bank, to a limit of $3,750,000.00, plus interest and costs as set out therein. As at November 19, 2025, the Company was indebted to the Bank for the sum of $9,021,138.33, plus interest thereafter (the "**Indebtedness**").

On behalf of our client, we hereby make formal demand upon you, pursuant to the Guarantee, for payment of the sum of $3,750,000.00, plus interest at the Bank's prime rate of interest plus 3% per annum and costs from and after November 19, 2025, to the date of payment, as set out above.

This letter is to advise you that unless payment of the Indebtedness plus interest to the date of payment as set out above, plus legal costs, is made into this office by certified cheque or bank draft payable to Lawson Lundell LLP, in trust, on or before noon on December 15, 2025, legal proceedings may be commenced against you without further notice.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours very truly,

LAWSON LUNDELL LLP

Bryan C. Gibbons
pb3/Encl.

cc: Bank of Montreal

This is Exhibit "R" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

SEVENTH SUPPLEMENTAL FORBEARANCE AGREEMENT

This Agreement is dated for reference December 30, 2025

BETWEEN: **BANK OF MONTREAL**, a chartered bank of Canada c/o Mezzanine Level - 595 Burrard Street, Vancouver, British Columbia, V7X 1L7 (the "**Bank**")	E-MAILED Dgnon Danesh E-Mailed or Name 5 JAN 5, 2026 Date (DD/MM/YY)
AND: **STARLINE FOODS INC.**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 (the "**Borrower**")	AND: **SURJIT SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Surjit**")
AND: **SUKHMINDER SINGH GILL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Sukhminder**")	AND: **GURINDER GREWAL**, c/o 33786 Clayburn Rd., Abbotsford, B.C. V2S 7T7 ("**Gurinder**" and together with Sukhminder, Surjit and the Borrower, the "**Credit Parties**")

WHEREAS:

A. The Credit Parties and the Bank entered into a Forbearance Agreement dated for reference April 29, 2022, as modified by the following:

i. Supplemental Forbearance Agreement dated for reference September 12, 2022;

ii. Second Supplemental Forbearance Agreement dated for reference November 7, 2022;

iii. Third Supplemental Forbearance Agreement dated for reference April 12, 2023;

iv. Fourth Supplemental Forbearance Agreement dated for reference July 17, 2023;

v. Fifth Supplemental Forbearance Agreement dated for reference November 1, 2023; and

vi. Sixth Supplemental Forbearance Agreement dated for reference June 6, 2024.

(collectively, the "**Forbearance Agreement**").

B. Pursuant to the terms of the Forbearance Agreement, the Bank agreed to forbear from security enforcement in order to provide the Credit Parties with a reasonable period of time to secure refinancing to repay the Indebtedness in full.

C. By letters dated November 24, 2025, the Bank issued formal demand for payment of the Indebtedness to the Credit Parties (the "**Demand**"), together with notices pursuant to Section 21 of the *Farm Debt Mediation Act* and Section 244 of the *Bankruptcy and Insolvency Act* (collectively, the "**FDM/BIA Notice**") to the Borrower.

D. The Credit Parties have requested that, notwithstanding that the Forbearance Period has expired and the Borrower's continuing default of its obligations to the Bank and ongoing financial difficulties, the Bank continue to make the Credit Facilities available in the short term and not proceed to take steps to enforce the Security, all on the terms and conditions herein, in order to provide the Credit Parties with a further reasonable period of time to repay the Indebtedness in full.

WITNESSES THAT for consideration the Credit Parties and the Bank agree to the following terms and conditions:

1. Certain capitalized words used but not otherwise defined herein (including the Recitals) have the meaning given to them in the Forbearance Agreement.

2. Each of the Credit Parties acknowledge and agree that the recitals to this Agreement above are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.

3. Each of the Credit Parties acknowledge and agree that except as set out herein, the Bank is not under any obligation whatsoever to provide further loans, overdraft facilities or other banking accommodations to the Borrower.

Forbearance

4. Subject to the execution and delivery by the Credit Parties of this Agreement, the Bank agrees and covenants that, provided that no further Event of Default occurs, including any default hereunder, it will not enforce the Security until after **February 15, 2026** (the "**Seventh Extended Forbearance Period**"), or such later date as may be agreed to by the Bank in writing.

5. The Credit Parties acknowledge and agree that the Seventh Extended Forbearance Period is reasonable in the circumstances.

6. Notwithstanding the Credit Parties' obligations set out in this Agreement may contemplate payments and reporting beyond the Seventh Extended Forbearance Period, nothing contained in this Agreement shall be deemed to extend the Seventh Extended Forbearance Period beyond February 15, 2026, or such later date as the Bank may agree to in writing.

Confirmation of Forbearance Agreement, Indebtedness, and Security

7. The Credit Parties acknowledge, represent and agree that the principal balances owing to the Bank on account of the Indebtedness[1] as at December 17, 2025, are as follows:

   (a) $898,559.11 on account of the Operating Loan;

   (b) $3,649,931.89 on account of Demand Loan 634;

   (c) $2,910,312.97 on account of Demand Loan 419;

   (d) $1,369,139.97 on account of Demand Loan 711;

   (e) $48,506.02 on account of the MasterCard;

   (f) $90,000 on account of CLC 575; and

   (g) $10,000 on account of CLC 954.

8. Each of the Credit Parties acknowledge, represent and agree that the Indebtedness is due and owing by the Borrower to the Bank, and hereby waive any rights any of them may have as at the date of this Agreement to claim any abatement or offset of the amounts whether arising by way of defence or counterclaim.

9. Each of the Credit Parties acknowledge, represent and agree that all of the Security Documents are in full force and effect, and are valid and enforceable in accordance with their terms.

10. Each of the Credit Parties hereby ratify and confirm and/or re-confirm all acknowledgements, representations, warranties, covenants, releases and waivers contained in the Forbearance Agreement.

11. Each of the Credit Parties acknowledge receipt of and hereby agree that the Demand and the FDM/BIA Notice remain in full force and effect through the Seventh Extended Forbearance Period herein or any extensions thereof, and that the Bank has not, and will not be deemed to have waived, varied, altered or withdrawn same.

12. The confirmations and acknowledgments herein by each of the Credit Parties in relation to the Indebtedness and the Security Documents constitute acknowledgments of their respective liability for the Indebtedness and pursuant to the Security as contemplated by the British Columbia *Limitations Act*.

Monthly Payments

13. The Borrower shall continue making its current monthly payments when due on account of the Indebtedness during the Seventh Extended Forbearance Period herein, with such payments not constituting a waiver of the Demand or the FDM/BIA Notice.

---

[1] Exclusive of:
1) $500,000 Treasury Risk Facility; and
2) Accrued and unpaid interest for the month of December 2025.

Refinancing and Payout

14. On or before January ~~20~~ 27, 2026, the Credit Parties shall provide to the Bank a term sheet or commitment letter from a new lender(s), satisfactory to the Bank in its sole discretion, respecting the refinancing and payout of the Indebtedness.

15. On or before February ~~15~~ 23, 2026, or such later date as the Bank may agree to in writing, the Borrower shall repay the Indebtedness in full.

Forbearance Fee

16. The Credit Parties shall forthwith pay to the Bank a further forbearance fee in the amount of ~~$10,000~~ $5,000, which fee the Bank may add to the Indebtedness in any manner that the Bank may see fit, and when so added, such fee shall be secured by the Security.

Additional Obligations

17. Each of the Credit Parties (to the extent the following statutes may apply), covenant and agree that they will not seek any relief under *the Companies Creditors' Arrangement Act, Bankruptcy & Insolvency Act, Farm Debt Mediation Act, the B.C. Personal Property Security Act, the B.C. Law and Equity Act,* or under any statute of similar nature in any other jurisdiction.

General

18. Each of the Credit Parties acknowledge and agree that upon the expiry of the Seventh Extended Forbearance Period herein or upon the happening of an Event of Default under the Forbearance Agreement (other than those past defaults already referenced therein) or default under this Agreement, then the Bank shall have the immediate right to terminate the remainder of the Seventh Extended Forbearance Period, if any, and proceed to enforce the Security without a further Demand or FDM/BIA Notice.

19. In the event of security enforcement by the Bank in accordance with the preceding paragraph, the Credit Parties irrevocably consent to the appointment of a Receiver or a Receiver-Manager and all of the assets, property and undertakings charged by the Security, with power of sale in favor of such Receiver/Manager. Each of the Credit Parties acknowledge and agree that the Bank may rely on this Agreement together with the Forbearance Agreement, as evidence of the Credit Parties' irrevocable consent to the appointment of a Receiver or a Receiver-Manager in any court application for the appointment of such Receiver or Receiver-Manager.

20. In the event that foreclosure proceedings are initiated by the Bank pursuant to the preceding paragraphs, then the Credit Parties hereby consent to such proceedings being commenced in the Vancouver Registry of the British Columbia Supreme Court.

21. The Bank may, at its option and in its sole discretion, waive in writing any Event of Default, including default hereunder, but such waiver shall not constitute a waiver of any subsequent event which would constitute an Event of Default under the Forbearance Agreement, as amended by this Agreement.

22. The Credit Parties acknowledge and agree that the granting of forbearance as set out in the Forbearance Agreement as amended by this Agreement, together with any payments accepted by the Bank and/or any actions taken by the Bank with respect to the Credit Facilities, the Indebtedness or the Security, shall not constitute as waiver of any event which would constitute an Event of Default.

23. The Credit Parties acknowledge and agree that the Bank does not control the operations or management of the Credit Parties' businesses or affairs generally.

24. Except as set out herein, all other terms and conditions of the Forbearance Agreement shall remain in full force and effect and are hereby ratified and confirmed.

25. Each of the Credit Parties acknowledge and agree that this Agreement shall in all respects be binding upon it, and its respective administrators, successors and assigns.

26. If there is any inconsistency between this Agreement and any other agreement with the Bank concerning the Indebtedness, the provisions of this Agreement shall prevail.

27. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one in the same document. All such counterparts may be delivered by fax or any electronic form.

28. Each of the Credit Parties acknowledge and agree that they have had the opportunity to seek independent legal advice prior to execution of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF the parties have caused these presents to be executed on the day and year first written above.

ACCEPTED, ACKNOWLEDGED AND AGREED: **BANK OF MONTREAL** Per: Danon Danesh Digitally signed by Danon Danesh Date: 2026.01.05 15:28:12 -08'00' Authorized Signatory	
ACCEPTED, ACKNOWLEDGED AND AGREED: **STARLINE FOODS INC.** Per: Authorized Signatory,	ACCEPTED, ACKNOWLEDGED AND AGREED: **SURJIT SINGH GILL**
ACCEPTED, ACKNOWLEDGED AND AGREED: **SUKHMINDER SINGH GILL**	ACCEPTED, ACKNOWLEDGED AND AGREED: **GURINDER GREWAL**

This is Exhibit "S" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

Starline Foods Inc.

Financial Statements

For the Year Ended May 31, 2025

Starline Foods Inc.
Index to Financial Statements
For the Year Ended May 31, 2025

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Independent Practitioner's Review Engagement Report	1
Financial Statements	
Balance Sheet	2
Statement of Income and Retained Earnings	3 - 4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 13

AFFINITY ACCOUNTANTS
CHARTERED PROFESSIONAL ACCOUNTANTS

SUITE 212, 5500 - 152 STREET
SURREY, BC V3S 5J9
T: 604-951-9891
F: 604-951-9892

Independent Practitioner's Review Engagement Report

To the Shareholders of Starline Foods Inc.

We have reviewed the accompanying financial statements of Starline Foods Inc. (the Company) that comprise the balance sheet as at May 31, 2025, the statements of income and retained earnings and cash flows for the year then ended, a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises (ASPE), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Starline Foods Inc. as at May 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASPE.

Affinity Accountants LLP

Chartered Professional Accountants

Surrey, British Columbia
December 4, 2025

CPA CHARTERED PROFESSIONAL ACCOUNTANTS BRITISH COLUMBIA

Starline Foods Inc.
Balance Sheet
May 31, 2025

	2025	2024
Assets		
Current		
Accounts receivable *(Note 3)*	$ 1,100,087	$ 1,206,460
Inventory *(Note 4)*	986,150	1,206,970
Prepaid expenses	6,219	37,326
Security / tender deposits	25,494	25,494
	2,117,950	2,476,250
Property, plant and equipment *(Note 5)*	9,615,465	9,850,502
Due from related parties *(Note 6)*	3,737,801	4,067,411
	$ 15,471,216	$ 16,394,163
Liabilities and Shareholders' Equity		
Current		
Bank indebtedness *(Note 8)*	$ 279,982	$ 976,135
Accounts payable *(Note 9)*	2,964,341	3,727,609
Short-term debt *(Note 10)*	965,640	963,309
Callable debt *(Note 11)*	7,957,730	8,247,051
	12,167,693	13,914,104
Due to related parties *(Note 6)*	1,784,648	35,000
Due to shareholders *(Note 12)*	741,217	2,814,709
	14,693,558	16,763,813
Shareholders' equity		
Share capital *(Note 13)*	1	1
Retained earnings (deficit)	777,657	(369,651)
	777,658	(369,650)
	$ 15,471,216	$ 16,394,163

Approved by the Director

Director

The accompanying notes are an integral part of these financial statements

Starline Foods Inc.
Statement of Income and Retained Earnings
For the Year Ended May 31, 2025

	2025	2024
Revenues		
Blueberries	$ 11,276,189	$ 4,551,245
Custom work	-	6,569
IQF custom freezing	692,554	189,040
Other income	31,378	58,645
	12,000,121	4,805,499
Cost of sales		
Opening Inventory	1,206,970	738,290
Blueberries	6,575,793	1,924,444
Cold storage	96,365	3,989
Contracted services and wages	285,890	361,925
Freight	1,140,156	496,212
Other costs	87,534	19,481
Packaging materials	110,756	106,936
Selling commissions	27,933	38,468
	9,531,397	3,689,745
Closing Inventory	(986,150)	(1,206,970)
	8,545,247	2,482,775
Gross profit	3,454,874	2,322,724
Expenses		
Advertising and promotion	2,964	18,414
Amortization	476,686	499,901
Business taxes, licenses and memberships	2,361	2,338
Equipment rentals	85,779	15,814
Insurance	71,480	65,664
Interest and bank charges	185,575	203,766
Interest on callable debt	741,226	868,959
Office	53,001	50,957
Professional fees	6,984	7,919
Property taxes	42	6,505
Repairs and maintenance	305,507	129,130
Supplies	16,832	7,878
Telephone	5,746	7,127
Travel	3,958	3,648
Utilities	228,036	181,870
Vehicle	41,183	43,560
	2,227,360	2,113,450
Income from operations	1,227,514	209,274

(continues)

The accompanying notes are an integral part of these financial statements

Starline Foods Inc.

Statement of Income and Retained Earnings *(continued)*

For the Year Ended May 31, 2025

	2025	2024
Other expenses		
CRA interest and penalties	**17,332**	62,007
ESDC administrative penalty	**17,609**	-
Loan application fee	**-**	47,000
Loss on foreign exchange	**38,742**	11,835
Special credit expenses	**6,523**	19,205
	80,206	140,047
Net income	**1,147,308**	69,227
Deficit - beginning of year	**(369,651)**	(438,878)
Retained earnings (deficit) - end of year	**$ 777,657**	$ (369,651)

The accompanying notes are an integral part of these financial statements

Starline Foods Inc.
Statement of Cash Flows
For the Year Ended May 31, 2025

	2025	2024
Operating activities		
Net income	$ 1,147,308	$ 69,227
Item not affecting cash:		
Amortization of property, plant and equipment	476,686	499,901
	1,623,994	569,128
Changes in non-cash working capital:		
Accounts receivable	106,373	(225,082)
Inventory	220,820	(468,680)
Prepaid expenses	31,107	(3,580)
Accounts payable	(763,269)	773,484
	(404,969)	76,142
Cash flow from operating activities	1,219,025	645,270
Investing activity		
Purchase of property, plant and equipment	(241,649)	(48,983)
Financing activities		
Advances from short-term debt	2,331	25,455
Repayment of callable debt	(289,320)	(188,331)
Advances from (to) related parties	2,079,258	(137,021)
Repayment to shareholders	(2,073,492)	(360,114)
Cash flow used by financing activities	(281,223)	(660,011)
Increase (decrease) in cash flow	696,153	(63,724)
Deficiency - beginning of year	(976,135)	(912,411)
Deficiency - end of year	$ (279,982)	$ (976,135)

The accompanying notes are an integral part of these financial statements

1. Description of business

Starline Foods Inc. (the "Company") was incorporated provincially under the Business Corporations Act of British Columbia on November 19, 2015. The Company's principal business activity is operating a berry processing plant.

2. Summary of significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for private enterprises (ASPE) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Inventory

Inventory is measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventory includes all costs to purchase, convert, and bring the inventories to their present location and condition.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Blueberry plants	15 years	straight-line method
Buildings	4%	declining balance method
Computer equipment	15%	declining balance method
Equipment	10%	declining balance method
Flats, lugs and totes	7%	declining balance method
Forklifts and tractors	15%	declining balance method
Pavement	5%	declining balance method
Processing equipment	10%	declining balance method
Refrigeration equipment	5%	declining balance method

The Company regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Income taxes

The Company uses the income taxes payable method of accounting for income taxes. Under this method, the Company reports as an expense (income) of the period only the cost (benefit) of current income taxes determined in accordance with the rules established by taxation authorities.

Callable debt

The Company's demand loans are classified as current liabilities because the lender has the right to demand repayment within one year.

(continues)

2. **Summary of significant accounting policies *(continued)***

Revenue recognition

The Company recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are shipped to customers;
- there is clear evidence that an arrangement exists;
- amounts are fixed or can be determined;
- the ability to collect is reasonably assured.

Impairment

The Company tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the Company's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of property, plant and equipment.
- the estimated useful lives of assets;
- the allowance for doubtful accounts;
- the allowance for inventory obsolescence;
- the recoverability of tangible assets;
- the recoverability of long-term investments;

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. Accounts receivable

	2025	2024
GST receivable	$ 28,083	$ 10,053
Trade receivable	1,072,004	1,196,407
	$ 1,100,087	$ 1,206,460

4. Inventory

	2025	2024
Inventory - frozen blueberries	$ 936,150	$ 1,091,970
Inventory - packaging	50,000	115,000
	$ 986,150	$ 1,206,970

5. Property, plant and equipment

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Blueberry plants	$ 46,440	$ 32,436	$ 14,004	$ 17,100
Buildings	4,996,074	1,331,751	3,664,323	3,768,923
Computer equipment	113,579	79,755	33,824	49,864
Equipment	351,486	94,664	256,822	83,908
Flats, lugs and totes	423,698	150,158	273,540	294,129
Forklifts and tractors	280,005	207,743	72,262	85,015
Land	2,088,379	-	2,088,379	2,088,379
Pavement	551,549	162,459	389,090	409,569
Processing equipment	3,656,870	2,018,957	1,637,913	1,805,922
Refrigeration equipment	1,775,566	590,258	1,185,308	1,247,693
	$ 14,283,646	$ 4,668,181	$ 9,615,465	$ 9,850,502

6. Due from / to related parties

	2025	2024
Long-term portion due from related parties		
Due from Fraser Valley Packers Inc. - entity under significant influence from a shareholder of the Company	$ 3,504,801	$ 3,834,411
Due from 15283523 Canada Inc. - entity under significant influence from management of the Company	233,000	233,000
	$ 3,737,801	$ 4,067,411

(continues)

6. Due from / to related parties *(continued)*

	2025	2024
Long-term portion due to related party		
Due to Vision Agro Products Ltd. - entity under significant influence from management of the Company	$ 1,784,648	$ 35,000

Advances are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed by the related parties. The amounts are non-interest bearing and have no set repayment terms. The related parties have waived the right to demand repayment and, accordingly, the advances have been classified as long-term.

7. Related party transactions

The following is a summary of the Company's related party transactions:

	2025	2024
Fraser Valley Packers Inc.		
Revenues	$ 4,410,211	$ 750,661
Cost of sales - blueberries	477,476	213,401
Cost of sales - contracted services and wages	206,820	8,100
Pashaura Enterprises Ltd.		
entity is a shareholder of the Company		
Cost of sales - blueberries	$ 362,538	$ 500,000
Vision Agro Products Ltd.		
Cost of sales - blueberries	$ 2,386,573	$ 35,000
Cost of sales - contracted services and wages	-	3,500

Accounts payable for the Company include related party balances payable of $430,966 (2024 - $748,529).

8. Credit facility

The Company has an agreement with the Bank of Montreal ("BMO") under which it has the following facilities:

- A operating demand loan with an authorized amount of $900,000 (2024 - $900,000), bearing interest at the BMO prime rate plus 3.25% per annum. As at May 31, 2025, the amount utilized was $279,982 (2024 - $976,135).
- Non-revolving loan, payable on demand, bearing interest at the BMO prime rate plus 3.25% per annum, with an outstanding principal balance owing of $2,987,987 (2024 - $3,037,314).
- Non-revolving loan, payable on demand, bearing interest at the BMO prime rate plus 3.25% per annum, with an outstanding principal balance owing of $3,804,290 (2024 - $3,945,986).
- Non-revolving loan, payable on demand, bearing interest at the BMO prime rate plus 3.25% per annum, with an outstanding principal balance owing of $1,165,453 (2024 - $1,263,751).
- Commerical letter of credit in the authorized amount of $90,000, in favour of the City of Abbotsford.

(continues)

8. **Credit facility *(continued)***

- Commercial letter of credit in the authorized amount of $10,000, in favour of the City of Abbotsford.
- Credit card, payable on demand, with an authorized amount of $50,000.

The above credit facilities are secured by:

- All indebtedness, 1st collateral mortgage over 33786 Clayburn Road, Abbotsford;
- Assignment of fire insurance;
- Personal guarantees for $12,250,000 by Sukhminder Gill, Gurinder Grewal and Surjit Singh Gill;
- General security agreement by the Company;
- General assignment of book debts by the Company;
- Section 427 security over inventory by the Company;
- Subordination of shareholder loans signed by all shareholders;
- Farm mortgage commitment letter and promissory notes;
- Operating loan agreement; and
- Satisfactory letter of opinion from solicitor as to the validity and enforceability of the security.

The credit facilities with BMO are subject to certain financial covenants. As at May 31, 2025 the Company was not in compliance with these financial covenants.

9. **Accounts payable**

	2025	2024
Government remittances payable	$ **2,210**	$ 398,244
Interest payable	**907,623**	445,410
Trade payables	**2,054,508**	2,883,955
	$ **2,964,341**	$ 3,727,609

10. **Short-term debt**

	2025	2024
California Giant loans bearing interest at USA prime plus 4% per annum, with no set repayment terms.	$ **340,640**	$ 282,309
Loans bearing interest at 0% per annum, with no set repayment terms. Amount was repaid during the year.	**-**	91,000
Loan bearing interest at 8% per annum, with no set repayment terms.	**625,000**	625,000
	$ **965,640**	$ 998,309

11. Callable debt

	2025	2024
Bank of Montreal loan bearing interest at prime plus 3.25% per annum, repayable in monthly blended payments of $29,431. This is a demand loan and is secured by land, building and equipment which have a carrying value of $9,615,465.	$ 2,987,987	$ 3,037,314
Bank of Montreal loan bearing interest at prime plus 3.25% per annum, repayable in monthly blended payments of $45,611. This is a demand loan and is secured by land, building and equipment which have a carrying value of $9,615,465.	3,804,290	3,945,986
Bank of Montreal loan bearing interest at prime plus 3.25% per annum, repayable in annual blended payments of $130,354. This is a demand loan and is secured by land, building and equipment which have a carrying value of $9,615,465.	1,165,453	1,263,751
	$ 7,957,730	$ 8,247,051

12. Due to shareholders

The amounts due to shareholders are non-interest bearing, have no set repayment terms and are secured by promissory notes. The shareholders have postponed repayment in favour of the bank. Accordingly, the advances from shareholders have been classified as a long term liability.

13. Share capital

Authorized

Unlimited Class A voting common shares without par value
Unlimited Class B voting common shares with a par value of $1
Unlimited Class C non-voting common shares without par value
Unlimited Class D non-voting common shares with a par value of $1
Unlimited Class E non-voting preferred shares with a par value of $100

Issued

		2025	2024
120	Class A voting common shares	$ 1	$ 1

14. Income taxes

The income tax provision recorded differs from the income tax obtained by applying the statutory income tax rate of 27.00% (2024 - 27.00%) to the income for the year and is reconciled as follows:

	2025	2024
Income before	$ 1,147,308	$ 69,227
Income tax expense at the combined basic federal and provincial tax rate:	$ 309,773	$ 18,691
Increase (decrease) resulting from:		
Small business deduction	(183,569)	(11,076)
Capital cost allowance claimed in excess of amortization	4,774	4,450
Deduction under 20(1)(e)	(1,034)	(1,037)
Financing fees deducted in books	-	5,171
Interest and penalties on taxes	3,844	6,821
Meals and entertainment	70	111
Unrealized foreign exchange loss	4,262	-
Non-capital loss carried forward	(138,120)	(23,131)
Income tax expense	$ -	$ -

As at May 31, 2025, the Company has $1,818,895 (2024 - $3,074,516) in non-capital losses carried forward to apply to future taxable income.

15. Economic dependence

During the year, approximately 79% (2024 - 60%) of the Company's revenue was earned from two customers. Should either of these customers substantially change their dealings with the Company, management is of the opinion that operations would be significantly impacted.

16. Financial instruments

The Company is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Company's risk exposure and concentration as of May 31, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Company is exposed to credit risk from customers. In order to reduce its credit risk, the Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is, $Nil (2024 - $Nil), established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Company has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to this risk mainly in respect of its bank indebtedness, accounts payable, short-term debt and callable debt. There has been no change to the risk exposure from the prior year.

(continues)

16. Financial instruments *(continued)*

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Company is mainly exposed to interest rate risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through its variable interest rate credit facility.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to other price risk through its investments.

Currency risk

Currency risk is the risk to the Company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company is exposed to foreign currency exchange risk on cash, accounts receivable, accounts payable and short-term debt held in U.S. dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

	2025	2024
Cash	$ **297,309**	$ 48,645
Accounts receivable	**1,068,224**	1,177,390
Accounts payable	**1,138,688**	1,385,150
Short-term debt	**340,640**	282,309
	$ **2,844,861**	$ 2,893,494

17. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.

This is Exhibit "T" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

8:55 PM
02/26/26
Accrual Basis

STARLINE FOODS INC.
Balance Sheet
As of January 31, 2026

	Jan 31, 26	
ASSETS		
Current Assets		
Chequing/Savings		
1-1000 · Cash CDN$		
1-1010 · BMO Bank #1996-019 CDN$	-866,147.27	
1-1041 · Petty Cash Tony	-3,762.77	
1-1042 · Tony's Personal Debit	-6,523.58	
Total 1-1000 · Cash CDN$		-876,433.62
1-1050 · Cash USD$		
1-1070 · BMO Bank #4789-428 USD$	2,207.27	
1-1090 · Dummy Bank FVP USD$	4,181.73	
Total 1-1050 · Cash USD$		6,389.00
Total Chequing/Savings		-870,044.62
Accounts Receivable		
1-1100 · Accounts Receivable CDN$		110,076.69
1-1120 · Accounts Receivable USD$		2,413,743.36
Total Accounts Receivable		2,523,820.05
Other Current Assets		
1-1170 · Other receivables		15,653.30
1-1190 · TD Option Stock account		42,728.00
1-1200 · Loans receivable		
1-1205 · Loan Barkat Farm	5,000.00	
Total 1-1200 · Loans receivable		5,000.00
1-2000 · Inventory		
1-2005 · Inventory frozen blueberries	919,020.00	
1-2020 · Inventory packaging	90,000.00	
Total 1-2000 · Inventory		1,009,020.00
1-3100 · Prepaid expenses and deposits		
1-2150 · Refundable deposits City ofAbby	25,494.16	
1-3110 · Prepaid insurance	78,274.87	
Total 1-3100 · Prepaid expenses and deposits		103,769.03
Total Other Current Assets		1,176,170.33
Total Current Assets		2,829,945.76
Fixed Assets		
1-5100 · Land		2,088,378.87
1-5200 · Buildings		5,011,073.68
1-5300 · Blueberry plants		55,964.29
1-5400 · Computer hardware & software		113,718.74
1-5500 · Equipment all other		186,080.77
1-5550 · Farm equipment		165,404.88
1-5599 · Accum Amort - Farm equipment		-8,270.24
1-5600 · Flats, lugs and totes		500,200.96
1-5700 · Pavement, driveways and fencing		569,449.35
1-5800 · Processing equipment		3,656,869.85
1-5810 · Processing equipment Fresh		-133,171.00
1-5830 · Processing equipment FR & PR		137,890.00
1-5900 · Refrigeration equipment		1,775,565.85
1-5950 · Trucks, trailers and forklifts		299,504.58
1-6199 · Accum Amort - Buildings		-1,331,750.59
1-6299 · Accum Amort -Computer equipment		-79,754.64
1-6399 · Accum Amort - Flats, lugs&totes		-150,157.63
1-6499 · Accum Amort - Pavement		-162,458.71
1-6599 · Accum Amort - Processing equip		-2,018,956.77
1-6699 · Accum Amort-Refrigeration equip		-590,257.77
1-6799 · Accum Amort-Forklifts &tractors		-207,742.60

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02/26/26
Accrual Basis

STARLINE FOODS INC.
Balance Sheet
As of January 31, 2026

	Jan 31, 26	
1-6899 · Accum Amort - Blueberry plants		-29,675.92
1-6998 · Proceeds capital assets sold		-112,946.80
1-6999 · Accum amort - Equipment		-86,393.68
Total Fixed Assets		9,648,565.47
Other Assets		
1-7100 · Loan Fraser Valley Packers Inc.		3,505,851.04
1-7200 · Loan 15283523 Canada Inc.		233,000.00
Total Other Assets		3,738,851.04
TOTAL ASSETS		16,217,362.27
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2-0100 · Accounts Payable CDN$		1,254,368.32
2-0200 · Accounts Payable USD$		1,070,531.45
Total Accounts Payable		2,324,899.77
Credit Cards		
2-1000 · Credit card payable		
2-1005 · SFI MasterCard #7900/0308	38,948.06	
2-1010 · Joe's Personal MasterCard #0596	-1,235.38	
2-1011 · FVP VISA Malkit Dhesi **** 9745	21,300.40	
2-1014 · FVP VISA Daljit Dhesi *****66	10,028.43	
Total 2-1000 · Credit card payable		69,041.51
Total Credit Cards		69,041.51
Other Current Liabilities		
2-3200 · Accounting accrual		6,000.00
2-3300 · Accrued interest		
2-3325 · Accrued interest #0706 6988-711	110,135.82	
Total 2-3300 · Accrued interest		110,135.82
2-4100 · Payroll Liabilities Current Yr		1,668.35
2-5000 · GST Collected & Paid		-4,290.04
2-6000 · Loans short term		
2-6020 · Loan California Giant, Inc.	218,049.68	
2-6025 · Loan CalGiant Packaging #2BUNZL	9,314.86	
2-6031 · Loan Fraser Valley Packers Inc.		
2-6042 · Loan FVP	358,087.17	
2-6044 · Loan FVP VISA credit card	2,439.00	
Total 2-6031 · Loan Fraser Valley Packers Inc.	360,526.17	
2-6085 · Loan Vision Agro Products/GERI.	1,967,755.78	
2-6087 · Loan Vision Agro Products Ltd	49,950.42	
2-8090 · Loan Sukhvir Gill/Mohan Heer 8%	1,116,380.37	
Total 2-6000 · Loans short term		3,721,977.28
Total Other Current Liabilities		3,835,491.41
Total Current Liabilities		6,229,432.69
Long Term Liabilities		
2-7000 · Mortgages and loans		
2-7010 · BMO mortgage #0709200875	1.00	
2-7035 · BMO loan # 0706 6991-419	2,890,053.95	
2-7037 · BMO loan # 0706 6989-634	3,615,822.09	
2-7038 · BMO loan # 0706 6988-711	1,263,740.67	
Total 2-7000 · Mortgages and loans		7,769,617.71

8:55 PM
02/26/26
Accrual Basis

STARLINE FOODS INC.
Balance Sheet
As of January 31, 2026

	Jan 31, 26	
2-8000 · Shareholder loans		
2-8001 · S/H loan Joe Gill		
2-8010 · S/H loan Joe Gill CDN$	1,403,735.34	
Total 2-8001 · S/H loan Joe Gill		1,403,735.34
2-8002 · S/H loan Gurinder Grewal		
2-8020 · S/H loan G Grewal CDN$	-1,546,221.32	
2-8025 · S/H loan G Grewal USD$	-15,324.41	
2-8070 · S/H loan G Grewal (personal)	-14.55	
2-8095 · S/H loan Ryan K (personal)	-21.28	
2-8101 · S/H loan freezer 4133 Seldon Rd	-6,000.00	
Total 2-8002 · S/H loan Gurinder Grewal		-1,567,581.56
2-8200 · S/H loan Pashaura Enterprises		
2-8210 · S/H loan Pashaura Enterprises	1,208,284.69	
Total 2-8200 · S/H loan Pashaura Enterprises		1,208,284.69
Total 2-8000 · Shareholder loans		1,044,438.47
Total Long Term Liabilities		8,814,056.18
Total Liabilities		15,043,488.87
Equity		
3-1000 · Share capital		
3-1100 · Class A Voting Common Shares	1.20	
Total 3-1000 · Share capital		1.20
3-2000 · Retained earnings, opening		777,657.52
Net Income		396,214.68
Total Equity		1,173,873.40
TOTAL LIABILITIES & EQUITY		**16,217,362.27**

8:56 PM
02/26/26
Accrual Basis

STARLINE FOODS INC.
Profit & Loss
June 2025 through January 2026

	Jun '25 - Jan 26	
Ordinary Income/Expense		
Income		
4-1000 · Blueberry sales		
4-1100 · Blueberry sales fresh		
4-1120 · Blueberry sales fresh Cal Giant	130,143.97	
4-1180 · Blueberry sales fresh	227,542.14	
Total 4-1100 · Blueberry sales fresh		357,686.11
4-1200 · Blueberry sales frozen		
4-1210 · Blueberry sales process	7,338,454.39	
4-1220 · Blueberry sales juice stock	247,085.31	
Total 4-1200 · Blueberry sales frozen		7,585,539.70
Total 4-1000 · Blueberry sales		7,943,225.81
4-1365 · Blackberry Sales		13,469.55
4-1370 · IQF custom freezing revenue		574,824.94
4-1450 · Cold storage charge income		37,842.89
Total Income		8,569,363.19
Cost of Goods Sold		
5-5001 · Cost of blueberries		
5-5002 · Inventory blueberry, opening	936,150.00	
5-5005 · Blueberry purchases growers2025	2,382,393.77	
5-5022 · Blueberry purchases Tony K (L)	174,884.48	
5-5023 · Blueberry purchase from packers	759,236.98	
5-5036 · Blueberry purchases 2024	10,000.00	
5-5037 · Blueberry purchase Vision Agro	1,970,189.23	
5-5038 · Inventory blueberry, ending	-919,020.00	
Total 5-5001 · Cost of blueberries		5,313,834.46
5-5040 · Packaging		
5-5041 · Inventory packaging, opening	50,000.00	
5-5042 · Packaging case/tote/drum liners	30,784.82	
5-5044 · Packaging all other	63,740.28	
5-5048 · Packaging clamshells fresh	9,444.49	
5-5049 · Packaging clamshells fresh CG	17,946.06	
5-5051 · Packaging costs CG	4,140.78	
5-5061 · Packaging trays, other fresh CG	3,309.85	
5-5063 · Packaging corrugated box fresh	107,293.28	
5-5065 · Inventory packaging, ending	-90,000.00	
Total 5-5040 · Packaging		196,659.56
5-5100 · Wages and benefits		
5-5110 · Wages T4	174,938.64	
5-5120 · Vacation pay 4%	6,997.54	
5-5140 · CPP employer portion	9,733.46	
5-5145 · EI employer portion	4,176.82	
5-5187 · Wages missed on T4	5,373.50	
Total 5-5100 · Wages and benefits		201,219.96
5-5192 · Selling commission		
5-5195 · Selling commission Cal Giant 8%	10,411.52	
5-5196 · Selling commission Process	49,359.29	
Total 5-5192 · Selling commission		59,770.81

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Accrual Basis

STARLINE FOODS INC.
Profit & Loss
June 2025 through January 2026

	Jun '25 - Jan 26	
5-5200 · Contract work		
5-5250 · Casual wages	13,500.00	
5-5260 · Custom processing other packers	5,343.92	
5-5270 · IQF operator fees	23,800.00	
5-5340 · Labour contractor	67,619.05	
Total 5-5200 · Contract work		110,262.97
5-5300 · Pallets		27,607.25
5-5400 · IQF custom freezing		22,190.67
5-5420 · Cold storage charges		121,472.21
5-5425 · CalGiant Cooling and Handling		0.00
5-6000 · Levies		
5-6200 · BC blueberry levy, net		
5-6210 · BC blue levy deduct from grower	-20,031.54	
5-6220 · BC blueberry levy paid to BCBC	12,000.00	
Total 5-6200 · BC blueberry levy, net	-8,031.54	
5-6400 · USHBC blueberry levy, net		
5-6410 · USHBC fee paid fresh loads	5,040.65	
5-6420 · USHBC fee paid frozen loads	52,052.00	
Total 5-6400 · USHBC blueberry levy, net	57,092.65	
Total 5-6000 · Levies		49,061.11
5-6500 · Trucking, net of recoveries		696,626.86
5-6600 · Customs brokerage fees		7,150.73
Total COGS		6,805,856.59
Gross Profit		1,763,506.60
Expense		
6-0200 · Advertising and promotion		
6-0210 · Advertising and promotion	5,902.30	
Total 6-0200 · Advertising and promotion		5,902.30
6-0300 · Automotive		
6-0310 · Automotive fuel		
6-0316 · Semi-truck fuel diesel	7,984.52	
6-0318 · Forkift fuel propane	8,072.15	
6-0321 · Fuel Expenses	312.99	
Total 6-0310 · Automotive fuel	16,369.66	
6-0320 · Automotive insurance	2,731.20	
6-0330 · Automotive repairs &maintenance	8,644.24	
Total 6-0300 · Automotive		27,745.10
6-0500 · Bank charges		
6-0510 · Bank service charges	1,329.99	
6-0512 · Bank charges NSF	786.92	
6-0513 · Bank certified cheque fees	40.00	
6-0520 · Bank fees all other	3,255.96	
6-0580 · Credit Card Charges	99.00	
Total 6-0500 · Bank charges		5,511.87
6-0600 · Equipment repairs & maintenance		
6-0610 · Equipment repairs & maintenance	165,372.15	
6-0620 · Computer repairs & maintenance	28,942.19	
6-0635 · Forklift repairs	4,910.33	
Total 6-0600 · Equipment repairs & maintenance		199,224.67

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Accrual Basis

STARLINE FOODS INC.
Profit & Loss
June 2025 through January 2026

	Jun '25 - Jan 26	
6-0700 · Equipment leases and rentals		
6-0710 · Equipment rentals	16,607.27	
6-0720 · Rental color/soft sorter	34,267.50	
6-0740 · Lease BerryTek softcolor sorter	178,711.63	
6-0755 · Lease forklifts	12,299.79	
Total 6-0700 · Equipment leases and rentals		241,886.19
6-0800 · Food safety programs		
6-0825 · SQF audit all other costs	28,000.00	
6-0830 · Laboratary testing	4,484.47	
6-0840 · Pest control	2,773.00	
6-0860 · Kosher certificate	1,274.14	
Total 6-0800 · Food safety programs		36,531.61
6-0900 · Insurance		
6-0910 · Insurance building & equipment	34,624.98	
6-0915 · Insurance finance charge	3,430.61	
Total 6-0900 · Insurance		38,055.59
6-1000 · Interest on short term debt		
6-1010 · Interest BMO #1996-019 CDN$	45,691.01	
6-1020 · Interest BMO #4789-428 USD$	119.62	
6-1030 · Interest expense all other	22.24	
6-1045 · Interest Sukhvir Heer	29,166.67	
6-1065 · Interest CalGiant loans	6,456.68	
Total 6-1000 · Interest on short term debt		81,456.22
6-1050 · Interest on long-term debt		
6-1055 · Interest BMO mtg #0706 6991419	137,516.48	
6-1077 · Interest BMO mtg #0706 6989-634	173,559.70	
6-1078 · Interest BMO loan #07066988-711	61,850.42	
Total 6-1050 · Interest on long-term debt		372,926.60
6-1100 · Licenses, fees and permits		
6-1120 · Licenses and permits	710.00	
Total 6-1100 · Licenses, fees and permits		710.00
6-1200 · Meals and entertainment		
6-1210 · Meals & Ent. 50%	1,154.14	
Total 6-1200 · Meals and entertainment		1,154.14
6-1300 · Office and miscellaneous		
6-1310 · Office supplies	2,707.09	
6-1315 · Software	202.43	
6-1320 · Courier charges	37.73	
6-1330 · Miscellaneous expenses	62,662.42	
6-1335 · Late payment charges	2,917.51	
6-1356 · Dues and subscriptions	1,418.34	
Total 6-1300 · Office and miscellaneous		69,945.52
6-1400 · Professional fees		
6-1410 · Accounting fees	11,238.10	
6-1420 · Legal fees	3,915.13	
6-1460 · Professional fees other	3,163.72	
6-1470 · Consulting fee	51.50	
Total 6-1400 · Professional fees		18,368.45
6-1500 · Property taxes		4,824.89

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Accrual Basis

STARLINE FOODS INC.
Profit & Loss
June 2025 through January 2026

	Jun '25 - Jan 26	
6-1700 · Plant repairs and maintenance		
6-1710 · Plant repairs and maintenance	17,628.18	
6-1730 · Refrigeration repairs	28,311.43	
Total 6-1700 · Plant repairs and maintenance		45,939.61
6-1800 · Supplies plant		
6-1820 · Supplies uniforms	6,106.59	
6-1830 · Supplies all other	13,910.97	
6-1835 · Supplies plant bleach	2,436.00	
Total 6-1800 · Supplies plant		22,453.56
6-1900 · Telecommunications		
6-1910 · Cellular (Tony Kondolay)	1,766.76	
6-1920 · Internet and telephone charges	1,676.26	
Total 6-1900 · Telecommunications		3,443.02
6-2000 · Travel and conventions		28.87
6-2100 · Utilities		
6-2110 · Electricity Clayburn plant	175,562.17	
Total 6-2100 · Utilities		175,562.17
6-2200 · Waste disposal		20,212.09
6-6000 · Payroll Expenses		0.00
6-6510 · Equipment Expenses		1,407.00
Total Expense		1,373,289.47
Net Ordinary Income		390,217.13
Other Income/Expense		
Other Income		
7-2000 · Rental income		
7-2200 · Parking Rental Income	10,000.00	
Total 7-2000 · Rental income		10,000.00
7-2080 · Other Income		
7-2082 · Miscellaneous income	2,271.47	
7-2087 · IAF Traceability Adoption Progr	18,507.30	
Total 7-2080 · Other Income		20,778.77
Total Other Income		30,778.77
Other Expense		
8-3000 · BMO special credit costs		
8-3020 · Legal fees Lawson Lundell	2,734.19	
Total 8-3000 · BMO special credit costs		2,734.19
9-1000 · Foreign exchange gains/losses		
9-1100 · Exchange gains/losses	25,952.08	
Total 9-1000 · Foreign exchange gains/losses		25,952.08
9-9800 · Suspense In/Out		0.00
9-9994 · Cheques returned NSF		-3,905.05
Total Other Expense		24,781.22
Net Other Income		5,997.55
Net Income		**396,214.68**

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STARLINE FOODS INC.
A/R Aging Summary (Values in Home Currency)
As of January 31, 2026

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Fraser Valley Packers Inc USD$	0.00	165,800.10	133,881.66	690,578.04	0.00	990,259.80
Fraser Valley Packers Inc. CDN$	0.00	0.00	0.00	0.00	106,296.69	106,296.69
GERI PARTNERSHIP USD$	0.00	0.00	118,594.14	0.00	0.00	118,594.14
Meduri Farms Inc. USD$	0.00	302,734.87	277,295.40	0.00	0.00	580,030.27
Pacific Coast Fruit Products Ltd. USD$	0.00	0.00	-4,973.36	0.00	0.00	-4,973.36
Raiwal Agro Tech Foods Ltd. CDN$	0.00	0.00	0.00	0.00	3,780.00	3,780.00
SHORELINE FRUIT, LLC USD$	0.00	653,416.47	0.00	0.00	0.00	653,416.47
Valley Select Foods Inc. USD$	0.00	76,440.96	-372,129.36	0.00	371,499.06	75,810.66
TOTAL	0.00	1,198,392.40	152,668.48	690,578.04	481,575.75	2,523,214.67

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STARLINE FOODS INC.
A/P Aging Summary (Values in Home Currency)
As of January 31, 2026

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
001 - WASHINGTON BERRIES INC.	0.00	0.00	-5,746.96	0.00	43,017.48	37,270.52
002 - MD FARM	0.00	0.00	0.00	0.00	52,701.82	52,701.82
016 - MAHIL FARMS LTD.	0.00	0.00	0.00	0.00	2,839.15	2,839.15
039 - 1025669 BC LTD. (A.TOOR)	0.00	0.00	0.00	0.00	1,328.47	1,328.47
045 - RSB FARMING LTD.	0.00	0.00	0.00	0.00	18,998.63	18,998.63
046 - Eagle Mountain Farm Ltd.	0.00	0.00	0.00	0.00	50,141.02	50,141.02
098 - KANG FARM	0.00	0.00	0.00	0.00	8,939.10	8,939.10
1020 - GAGAN BLUEBERRY GROWERS	0.00	-3,905.05	0.00	0.00	0.00	-3,905.05
118 - 1198819 BC Ltd. (Sudhir Sadana)	0.00	0.00	0.00	0.00	5,574.05	5,574.05
129 - Western Fruit Packers Inc.(Dhami)	0.00	0.00	0.00	0.00	51,905.82	51,905.82
142 - 0776724 BC LTD (HEER/BANWAIT) CDN$	0.00	0.00	0.00	0.00	169,560.77	169,560.77
172 - EVERGREEN FUTURE INVESTMENTS 2016 I	0.00	0.00	0.00	0.00	25,218.83	25,218.83
172 - Rockroad LLC	0.00	0.00	0.00	0.00	1,106.38	1,106.38
1908 - RUBIN GILL	0.00	0.00	0.00	0.00	16,709.68	16,709.68
229 - W.J. Blueberry Farm Ltd.	0.00	0.00	0.00	0.00	10,764.65	10,764.65
254 - HARJINDER DHANDA	0.00	0.00	0.00	0.00	14,778.17	14,778.17
2612 - Kindhra Construction Ltd.	0.00	0.00	0.00	0.00	3,036.66	3,036.66
3081 - BINNING FARMS	0.00	0.00	0.00	0.00	266,810.69	266,810.69
315 - GARY'S BLUEBERRY FARM LTD.	0.00	0.00	0.00	-75,000.00	89,989.48	14,989.48
366 - 1117320 BC LTD.	0.00	0.00	0.00	0.00	1,349.85	1,349.85
421 - King Road Farm	0.00	0.00	0.00	0.00	11,396.96	11,396.96
430 - Farwest Farms	0.00	0.00	0.00	0.00	7,206.87	7,206.87
507 - YSY International Investments Ltd.	0.00	0.00	0.00	0.00	19,164.78	19,164.78
622 - SBS Berry Farms (Balbir Sidhu)	0.00	0.00	0.00	0.00	8,177.47	8,177.47
700 - Kuldip Gill	0.00	0.00	0.00	0.00	1,866.37	1,866.37
A & B Packing Equipment Inc. USD$	0.00	0.00	0.00	0.00	11,881.68	11,881.68
AFFINITY ACCOUNTANTS LLP	0.00	0.00	0.00	250.00	0.00	250.00
Aggressive Auto Towing Ltd.	0.00	672.53	476.44	0.00	0.00	1,148.97
AIRPLUS Industrial Corp.	0.00	376.01	0.00	0.00	0.00	376.01
Ajmer Transport Ltd	0.00	0.00	10,897.89	0.00	5,536.13	16,434.02
All Gold Imports Inc.	0.00	13,324.06	0.00	10,060.25	0.00	23,384.31
Amcco Carrier Ltd. USD$	0.00	0.00	0.00	0.00	15,220.56	15,220.56
Anhui Vsee Optoelectronic Technology Co.	0.00	122,588.43	0.00	0.00	0.00	122,588.43
Avdic Enterprises Inc.	0.00	0.00	0.00	0.00	11,189.00	11,189.00
Avon Pest Control	0.00	236.25	236.25	236.25	1,525.65	2,234.40
B. C. FROZEN FOODS LTD.	0.00	34,946.55	0.00	0.00	0.00	34,946.55
Basic Bins Ltd.	0.00	1,969.54	0.00	2,479.84	3,252.22	7,701.60
BC Blueberry Council	0.00	0.00	0.00	0.00	29,400.00	29,400.00
BC Hydro #1 0208 250 Clayburn Plant	0.00	10,062.10	11,604.26	0.00	0.00	21,666.36
BC Pallets Inc.	0.00	0.00	0.00	0.00	913.50	913.50
BKS Transport Inc. USD$	0.00	0.00	0.00	0.00	5,309.00	5,309.00
BUNZL Industrial USD$	0.00	0.00	0.00	0.00	16,699.56	16,699.56
Canada Border Service Agency (CARM)	0.00	0.00	0.00	391.28	0.00	391.28
Canadian Empire Recycling & Disposal	0.00	0.00	0.00	0.00	1,984.64	1,984.64
Central Valley Blueberry Farms LLC USD$	0.00	0.00	0.00	0.00	45,837.07	45,837.07
Clearway Car & Truck Rentals	0.00	0.00	0.00	0.00	4,843.03	4,843.03
COMFY LOGISTICS	0.00	0.00	0.00	0.00	676.70	676.70
Cooper Equipment Rentals Limited	0.00	0.00	0.00	1,122.33	2,831.31	3,953.64
De Lage Landen Financial Services Canada	0.00	1,221.15	0.00	0.00	0.00	1,221.15
Enviro Pallet Recovery Buy & Sell (2004)	0.00	0.00	0.00	0.00	6,751.50	6,751.50
FedEx	0.00	0.00	37.73	0.00	0.00	37.73
First Insurance of Canada	0.00	63,122.40	0.00	0.00	0.00	63,122.40
Fraser Valley Packers Inc. USD$	0.00	0.00	0.00	0.00	37,168.47	37,168.47
Fraser Valley Refrigeration Ltd (STA7302)	0.00	1,249.07	1,062.80	26,400.33	971.25	29,683.45
Gautam & Associates Law Corparation	0.00	0.00	0.00	-3,500.00	-4,202.87	-7,702.87
Genista Biosciences	0.00	0.00	0.00	0.00	2,895.85	2,895.85
GO Fresh Foods Ltd.	0.00	48,000.00	0.00	0.00	0.00	48,000.00
Gurinder Grewal	0.00	0.00	-20.82	0.00	49,106.00	49,085.18
Hayer Blueberry Farms Ltd.	0.00	0.00	0.00	0.00	10,000.00	10,000.00
International Paper Company	0.00	0.00	0.00	0.00	83,974.04	83,974.04
IPS Supplies Inc.	0.00	0.00	6,724.94	1,205.67	0.00	7,930.61
JS Companies LLC.	0.00	0.00	0.00	0.00	26,592.05	26,592.05
Khanna Transport Ltd USD$	0.00	5,799.42	5,339.24	0.00	8,993.87	20,132.53
Lang Structural Engineering Inc.	0.00	0.00	0.00	0.00	1,160.25	1,160.25
LYRA ELECTRIC INC.	0.00	0.00	0.00	0.00	1,444.25	1,444.25
M.J.A Refrigeration	0.00	0.00	0.00	0.00	32,087.50	32,087.50
Ministry of Finance.	0.00	0.00	0.00	0.00	5,242.00	5,242.00
Nhang Singh Trucking Ltd. USD$	0.00	0.00	0.00	0.00	8,784.14	8,784.14
OBC Packing LLC USD$	0.00	0.00	0.00	0.00	34,739.35	34,739.35
Pacific Customs Brokers Ltd. USD$	0.00	603.97	0.00	0.00	0.00	603.97
PACIFIC INJECTION MOLDING LTD.	0.00	0.00	0.00	0.00	80,327.59	80,327.59
Pacific Northwest Packers USD$	0.00	0.00	0.00	0.00	37,150.20	37,150.20
Peerless Logistics Inc. USD$	0.00	69,419.67	4,312.57	26,073.03	82,314.79	182,120.06
Primus Auditing Ops Santa Maria CA	0.00	0.00	2,150.00	0.00	0.00	2,150.00
QINGDAO NEW SOURCE IMPORT AND EXPORT CO.,	0.00	79,992.08	80,730.39	0.00	0.00	160,722.47
R S G LAW	0.00	0.00	0.00	0.00	275.00	275.00
Rogers	0.00	0.00	0.00	215.30	491.63	706.93
Sahota Law Office	0.00	0.00	0.00	0.00	-2,247.55	-2,247.55
Silliker Canada Co. Ltd. CDN$	0.00	468.15	0.00	1,647.00	453.51	2,568.66
Superior Propane	0.00	233.76	249.31	0.00	0.00	483.07
Valley Select Fabricators	0.00	91.84	0.00	0.00	15,047.20	15,139.04
VISION AGRO PRODUCTS/GERI USD$ 1	0.00	0.00	-1,065,318.46	465,929.17	599,383.62	-5.67
Walker Berry Brothers LLC USD$	0.00	0.00	0.00	0.00	150,958.98	150,958.98
West Coast Blueberry Farms Ltd.	0.00	0.00	0.00	0.00	46,639.98	46,639.98
WorkSafe BC	0.00	0.00	0.00	0.00	2,862.34	2,862.34
TOTAL	**0.00**	**450,471.93**	**-947,264.42**	**457,510.45**	**2,359,048.14**	**2,319,766.10**

STARLINE FOODS INC.
INVENTORY
As at JANUARY 31, 2026

Line Item #	Cases/Totes/ Drums	Description	Grade A, B, C, Juice	Size	Lbs per Tote / Case / Drum	Count	Total Lbs	Cost/LB (Includes Storage Charges) CDN$	Selling Price USD$	Exchange Rate 1.3562 January 31, 2026	Lower of Cost and Market CDN$	Market Price (information only)	Unrealized Profit
1	Totes	Alam Juice	Juice	Unsized	1,500	16	24,000	$ 0.38	$ 0.38	1.3562	$ 9,120.00	$ 12,368.54	$ 3,248.54
2	Totes	Large B Not Graded	B	Large	1,500	22	33,000	$ 0.90	$ 1.00	1.3562	$ 29,700.00	$ 44,754.60	$ 15,054.60
3	Totes	Juice Stock	Juice	Unsized	1,500	23	34,500	$ 0.38	$ 0.38	1.3562	$ 13,110.00	$ 17,779.78	$ 4,669.78
4	Totes	Grade C	C	Unsized	1,500	90	135,000	$ 0.70	$ 0.80	1.3562	$ 94,500.00	$ 146,469.60	$ 51,969.60
5	Totes	Grade B final	B	Small	1,500	27	40,500	$ 0.90	$ 1.08	1.3562	$ 36,450.00	$ 59,320.19	$ 22,870.19
6	Totes	Grade C final	C	Unsized	1,500	54	81,000	$ 0.70	$ 0.80	1.3562	$ 56,700.00	$ 87,881.76	$ 31,181.76
7	Totes	Grade B Final	B	Large	1,500	27	40,500	$ 0.90	$ 1.08	1.3562	$ 36,450.00	$ 59,320.19	$ 22,870.19
8	Totes	Grade A Medium	A	Medium	1,500	14	21,000	$ 0.90	$ 1.10	1.3562	$ 18,900.00	$ 31,328.22	$ 12,428.22
9	Totes	Grade B Small rerun	B	Small	1,500	10	15,000	$ 0.90	$ 1.10	1.3562	$ 13,500.00	$ 22,377.30	$ 8,877.30
10	Totes	Juice Stock	Juice	Unsized	1,500	22	33,000	$ 0.38	$ 1.10	1.3562	$ 12,540.00	$ 49,230.06	$ 36,690.06
11	Totes	Juice Stock	Juice	Unsized	1,500	50	75,000	$ 0.38	$ 0.38	1.3562	$ 28,500.00	$ 38,651.70	$ 10,151.70
12	Totes	Grade B large final	B	Large	1,500	170	255,000	$ 0.90	$ 1.08	1.3562	$ 229,500.00	$ 373,497.48	$ 143,997.48
13	Totes	Grade C	C	Unsized	1,500	130	195,000	$ 0.90	$ 0.80	1.3562	$ 175,500.00	$ 211,567.20	$ 36,067.20
14	Totes	Juice Stock with mold	Juice	Unsized	1,500	19	28,500	$ 0.38	$ 0.38	1.3562	$ 10,830.00	$ 14,687.65	$ 3,857.65
15	Totes	Juice stock	Juice	Unsized	1,500	26	39,000	$ 0.38	$ 0.38	1.3562	$ 14,820.00	$ 20,098.88	$ 5,278.88
16	Totes	Grade C	C	Unsized	1,500	50	75,000	$ 0.70	$ 0.80	1.3562	$ 52,500.00	$ 81,372.00	$ 28,872.00
17	Totes	GERI, Pitt Meadows, BC	A & B	Unsized	1,500	64	96,000	$ 0.90	$ 1.08	1.3562	$ 86,400.00	$ 140,610.82	$ 54,210.82
		Frozen BlueBerry Inventory				814	1,221,000	$ 0.753			$ 919,020.00	$ 1,411,315.97	$ 492,295.97
		Packaging Inventory (Clamshells, corrugated cases, liners, etc)									$ 90,000.00	$ 90,000.00	$ -
										TOTAL INVENTORY	$ 1,009,020.00	$ 1,501,315.97	$ 492,295.97

This is Exhibit "U" referred to in the affidavit of .....Danon Danesh..... made before me on April 22, 2026.

.....

A Commissioner for taking Affidavits
within British Columbia

April 16, 2026

Lawson Lundell LLP
#1600-925 W. Georgia St
Vancouver, B.C. V6C 3L2

Attention: Bryan Gibbons

Re: Receivership of Starline Foods Inc. (the Company)

We confirm that Deloitte Restructuring Inc. is prepared to act as Receiver and Manager of all of the assets, undertakings, and property of the Company, including real property, and will comply with any Order issued by the Supreme Court of British Columbia.

Yours very truly,

DELOITTE RESTRUCTURING INC.

Per: _____
Authorized Signatory