



- (b) extending the stay of proceedings and the period within which CEG is required to file a proposal to its creditors with the Official Receiver from September 28, 2018 to 11:59 p.m. on November 12, 2018; and
- (c) such further and other relief as CEG may request and this Honourable Court may allow.

**Grounds for making this application:**

2. On August 8, 2018, CEG applied for and was granted a Sale Approval, Vesting, and Extension Order (the “SAVO”), approving, among other things, a sale of substantially all of CEG’s business assets to an entity called Section 12 (the “Transaction”).

3. Since the issuance of the SAVO, CEG has worked in good faith and with due diligence to close the Transaction; however, the purchaser subsequently confirmed that it is unable to close the same.

4. With the deadline for CEG to file a proposal approaching on September 28, 2019, CEG requires an extension to provide CEG additional time to:

- (a) determine whether some iteration of the Transaction can be salvaged; or
- (b) alternatively, explore all other available options to maximize the realizable value of its assets.

**Material or evidence to be relied on:**

5. CEG relies on the following materials filed in support of this application:

- (a) this Notice of Application;
- (b) the Affidavits of Jocelyn Harstook sworn August 8, 2018 and September 20, 2018;
- (c) draft order;

- (d) brief of law; and
- (e) the Second Report and Confidential Report of the Proposal Trustee, Deloitte Restructuring Inc.; and
- (f) such further and other material as this Honourable Court may allow.

**Applicable rules:**

6. N/A

**Applicable Acts and Regulations:**

7. The *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, and, in particular, ss. 50.4(9) of the same.

**NOTICE**

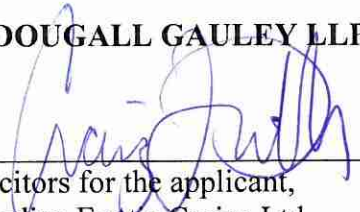
If you wish to oppose the application, you or your lawyer must prepare an affidavit in response, serve a copy at the address for service given at the end of this document, and file it in the court office, with proof of service, at least 7 days before the date set for hearing the application. You or your lawyer must also come to court for the hearing of the application on the date set.

AND FURTHER TAKE NOTICE that if you do not appear at the hearing an order may be made in your absence and enforced against you. YOU WILL NOT RECEIVE FURTHER NOTICE OF THIS APPLICATION.

DATED at Saskatoon, Saskatchewan, this 24<sup>th</sup> day of September, 2018

**McDOUGALL GAULEY LLP**

Per:

  
Solicitors for the applicant,  
Canadian Exotic Grains Ltd.

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