

RICHTER

Notice and Statement of the Receiver
(Subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)

In the Matter of the Receivership of
Thomas Canning (Maidstone) Limited and 692194 Ontario Limited
Of the City of Maidstone
In the Province of Ontario

The Receiver gives notice and declares that:

1. By order (the **"Receivership Order"**) of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (Commercial List) (the **"Court"**) dated June 21, 2017 (the **"Date of Appointment"**), Richter Advisory Group Inc. (**"Richter"**) was appointed receiver (the **"Receiver"**) in respect of all the assets, undertakings and properties (the **"Property"**) of Thomas Canning (Maidstone) Limited (**"TCL"**) and 692194 Ontario Limited (**"692"**), and together with TCL, the **"Company"**), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.
2. The Receivership Order was granted pursuant to an application made by Bridging Finance Inc., as agent for Sprott Bridging Income Fund LP (**"Bridging"**), pursuant to security held by Bridging in the assets, property and undertakings of the Company, including a general security agreement and mortgages, representing a charge over all the Property.
3. On the same date the Court issued the Receivership Order, the Court issued a subsequent order (the **"Approval and Vesting Order"**) approving the sale of substantially all of the Company's business and assets (the **"Sale Transaction"**) to 2581150 Ontario Inc. (the **"Purchaser"**).
4. On the Date of Appointment, the Receiver took possession of certain of the Property as outlined below. According to the Company's most recent internal, unaudited, financial statements as at June 21, 2017, the Property consisted of the following:

Thomas Canning (Maidstone) Limited

<u>Assets</u>	<u>Net Book Value</u> <u>(CAD \$000s)</u>
Cash and Cash Equivalents	3
Accounts Receivable	3,176
Prepaid Expenses	1,143
Deferred Expenses	519
Inventory	11,678
Fixed Assets - Land & Building	3,418
Fixed Assets - Equipment	3,438
Total	23,375

Note: The above amounts represent book values of the Company's assets as detailed in the Company's book and records and do not necessarily represent sale or liquidation values. Additionally, as noted in the Interim Receiver and Monitor's report dated June 15, 2017, the Company's books and records are significantly out of date and certain assets such as inventory and accounts receivable are overstated (~\$2 million and \$800k respectively). Financial statements for 692 were not made available to the Receiver.



5. The following information relates to the receivership:

(a) Address of insolvent persons:

*Thomas Canning
 (Maidstone) Limited
 692194 Ontario Limited
 R.R. #1,
 326 South Talbot Road,
 Maidstone, Ontario, Canada
 N0 1 1 K0*

(b) Principal lines of business:

- 1) TCL - tomato processing and canning operations
- 2) 692 - holding company of TCL shares and certain real estate holdings

(c) Location(s) of business:

*Thomas Canning
 (Maidstone) Limited
 692194 Ontario Limited
 R.R. #1,
 326 South Talbot Road,
 Maidstone, Ontario, Canada
 N0 1 1 K0*

(d) The estimated amounts owed, as at May 31, 2017, by the Company to each creditor who holds security on the Property described above, pursuant to the Company's books and records and a search of the Personal Property Security Registration System (Ontario), is as follows (please note the below amounts are based on the Company's books and records and have not been audited or otherwise verified by the Receiver):

Secured Creditor	Estimated Claim
Bridging Finance Inc., as agent (Note 1)	\$ 21,894,777
Gould Lease Ltd; CLE Leasing Enterprise Ltd; Capmore Financial Services Corporation – in Trust; Bodkin Capital Corporation; and 1419768 Ontario Inc. o/a D&D Leasing (collectively, the " Tote Leases ") (Note 2)	\$ Unknown
John Thomas; Julie Thomas; Robert Thomas; William Thomas (collectively, the " Shareholder Loans ") (Note 3)	\$ 1,181,219
Employees (pursuant to section 81.4 of the BIA)	\$ 23, 315

Note 1: The above amount is based on information provided by Bridging. Please note that any USD denoted obligations have been converted to CAD (FX rate of 1.35). Only Bridging obligations are registered against 692.

Note 2: The Tote Leases relate to specific leased assets used to store and transport tomato product. Bodkin Capital Corporation also has an additional PPSA registration against all of TCL's property. The Tote Leases were all registered against TCL subsequent to Bridging's registration.

Note 3: The Shareholder Loans' registration is against all of TCL's property. The Receiver understands that the Shareholder Loans have been postponed and assigned to Bridging and were all registered subsequent to Bridging's registration.

(e) A consolidated list of the Company's other creditors and the amount owed to each creditor. as per the Company's

books and records, is set out in the attached schedule. Please note that the Receiver has not audited or otherwise verified this information.

- (f) The intended plan of action of the Receiver during the receivership proceedings is to exercise its powers and duties, as set out in the Receivership Order, including to take such steps as necessary to complete the Sale Transaction as authorized and directed by the Court.

- (g) Contact person for Receiver:

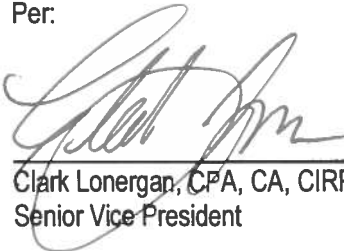
Wajahat Mahmood, CPA, CA, CBV
Telephone: (416) 642-0820
Fax: 416.488.3765
E-mail: claims@richter.ca

6. Further information regarding the receivership proceedings and materials related to the proceedings, including copies of the Receivership Order, may be obtained from the Receiver's website at <http://www.richter.ca/Folder/Insolvency-Cases/T/Thomas-Canning-Limited>

Dated at Toronto, in the Province of Ontario, on June 30, 2017

Richter Advisory Group Inc.
in its capacity as Receiver of
Thomas Canning (Maidstone) Limited and 692194 Ontario Limited

Per:



Clark Lonergan, CPA, CA, CIRP, LIT
Senior Vice President

List of Creditors
Thomas Canning (Maidstone) Limited and 692194 Ontario Limited

1046391 Ontario Inc.	53.53	
2190330 Ontario Inc.	325,000.00	
649963 Ontario Limited - Kevin	183,504.44	Note 2
Aabco Propane (Dowler Karn)	1,426.11	
Advantage Farm Equipment	787.32	
Agricorp-Rmp: Grains And Oilse	763.39	
Amex Freight	1,350.00	
BC Global Resources	673.12	
Bell Canada - Public Access	169.50	
Bell Canada - Public Access	169.50	
Bell Mobility	642.73	
Butcher Engineering Enterpris	42,127.23	
CanAg Travel Services Ltd.	unknown	Note 3
Carther Plants Ltd.	20,748.11	
Charron Transport Ltd.	707.15	
Chep Canada Inc.	7,011.70	
CN Revenue Management	6,311.52	
Coxon's Sales And Rentals Ltd.	6,328.00	
Curtis-JK Printing Ltd.	10,881.95	
Domino Printing Solutions Inc.	371.07	
F.A.R.M.S.	2,135.70	
FP Gushue And Associates Inc.	673.86	
Frank Lafferty Ltd.	4,754.02	
Felix Transport Ltd	1,900.00	
Global Time Recorders Inc.	155.94	
Global Freight Services	1,465.72	
Great-West Life	949.51	
GS1 Canada	2,712.00	
Heinzseed	15,925.00	
Home Hardware	40.66	
Hotham Building Materials	187.94	
HUB International Ontario Limi	1,702.00	
Hydro - One Networks Inc.	3,059.76	
Hymark Farm	170.00	
Intelecom Solutions Inc.	28.09	
Jack Thomas	220.35	
J. T. Mechanical	22,333.31	
Livingston International Inc.	10.46	
Lsi Supply Inc.	91.74	
Lycoland Farms Ltd.	203,241.74	Note 2
Marsham International Food Bro	18,979.32	
Mcgeachy Farms Ltd.	175,077.45	Note 2
Merchants Paper Co	129.14	
Minotaur Software Ltd.	8,726.99	
My Office Incorporated	unknown	Note 3

List of Creditors
Thomas Canning (Maidstone) Limited and 692194 Ontario Limited

Nebs Business Products Limited	unknown	Note 3
1636488 Ontario Limited	960.50	
Orkin Canada	146.90	
Oxley Wridge Farms Ltd.	217,858.14	Note 2
Petro-Canada	57.22	
Praxair Distribution	255.83	
Purolator Courier Ltd.	748.73	
Rebel Packaging Inc.	1,883.21	
Rogers	359.22	
Rol-Land Farms And Greenhouses	43,154.97	
Safe N Save Logistics Inc.	6,652.35	
Samuel Strapping Systems	2,772.14	
Saskatchewan Finance	unknown	Note 3
Seana International	21,789.58	
Settingington'S Fertilizer Ltd	1,778.81	
Desjardins Fcdq	48.50	
Staples Advantage	410.21	
Thompsons Limited	27,055.50	
Thomas Lager & Singer Inc.	15,488.25	
Town Of Lakeshore (Water)	695.57	
Tomato Solutions	28,444.20	
Town Of Lakeshore	11,163.70	
TST Overland Express	3,254.14	
Union Gas Ltd.	3,334.77	
United Parcel Service	134.87	
Waddick Fuels - SX	1,702.97	
W.E. Killam Enterprises	158.09	
Windsor Factory Supply Ltd.	unknown	Note 3
Windsor Disposal Services Ltd.	6,416.55	
Xpress Canada	24,556.30	
Applied Products, Inc.	1,270.51	Note 1
Ball Corporation	344,779.88	Note 1
Can Corporation Of America,Inc	149,295.62	Note 1
CB Services, LLC	25,186.27	Note 1
DHL Global Forwarding	1,449.79	Note 1
Great Lakes Transport Solution	765.33	Note 1
Georgia-Pacific Corrugated LLC	15,219.01	Note 1
Seedling Incorporated	48,400.31	Note 1
SPS Commerce, Inc	613.06	Note 1
Zhang Na	931.70	Note 1
Brian Devries Farms Inc.	252,235.80	Note 2
Konecny Farms	287,640.85	Note 2
Robert Mckerrall Farms	284,904.70	Note 2
Jon-Ern Farms Ltd.	286,043.70	Note 2

List of Creditors
Thomas Canning (Maidstone) Limited and 692194 Ontario Limited

Stan Gillier Farms	194,634.70	Note 2
Tri-Lan Farms (1473534 Ontario Ltd.)	278,380.10	Note 2
Triple P Farms	205,751.74	Note 2
Tony De Nijs (959699 Ontario Inc.)	221,817.55	Note 2
T. Van Dellan (J&J Farms)	92,120.49	Note 2
Eva Mozes	2,500.00	
Donald Johnson	20,241.52	
Mary Andres	556.82	
Ministry Of Agriculture And Food ("Ontario")	unknown	Note 3
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	4,209,717.75	
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Note:

- (1) USD amount translated to CAD at June 21, 2017 Bank of Canada rate - \$1.3310
- (2) Include amounts related an ongoing litigation the Company.
- (3) This amount is unknown as of this date.