Second Report of KSV Advisory Inc. as Liquidator of LWP Capital Inc.

March 10, 2016

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Appendices

Court File No.: CV-16-11242-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE LIQUIDATION OF
LWP CAPITAL INC.
PURSUANT TO SECTION 211 OF THE
***CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED**

and

KSV ADVISORY INC. IN ITS CAPACITY AS LIQUIDATOR
OF LWP CAPITAL INC.

Applicant

SECOND REPORT OF KSV ADVISORY INC. IN ITS CAPACITY AS LIQUIDATOR OF LWP CAPITAL INC.

MARCH 10, 2016

1.0 Introduction

1. At a special meeting of shareholders convened on November 9, 2015 (the "Special Meeting"), the shareholders of LWP Capital Inc. (formerly Legumex Walker Inc.) (the "Company") passed a special resolution (the "Special Resolution") approving, among other things:

   a) A transaction between the Company and The Scoular Company ("Scoular") pursuant to an Asset Purchase Agreement dated September 14, 2015, as amended (the "APA"), whereby the Company sold substantially all of the assets comprising its Special Crops division to Scoular (the "Transaction");

   b) The voluntary liquidation and dissolution of the Company pursuant to the *Canada Business Corporations Act* (the "CBCA") at a time to be determined by the Company's board of directors; and

   c) The plan of liquidation and distribution substantially in the form attached to the Notice of Special Meeting (the "Liquidation Plan").

2. The Liquidation Plan appointed KSV Advisory Inc. ("KSV") as liquidator of the Company (the "Liquidator"). The Liquidation Plan became effective on December 31, 2015 (the "Effective Date").

3. The Liquidation Plan contemplated that the Company's liquidation proceedings would be brought by the Liquidator under the supervision of the Ontario Superior Court of Justice – Commercial List (the "Court"). Pursuant to a Court Order made on January 11, 2016 (the "Liquidation Order"), the Court granted the Liquidator's application. A copy of the Liquidation Order is attached as Appendix "A" (the Liquidation Plan is attached as Schedule A to the Liquidation Order).

4. As set out in Section 4.3(c) of the Liquidation Plan, one of the Liquidator's discretionary powers is to oversee and address any of the Company's obligations under the APA. As discussed further below, the Company and Scoular are disputing the working capital adjustment mechanism in the APA.

5. This report ("Report") has been prepared by KSV in its capacity as Liquidator.

1.1 Defined Terms

1. Unless otherwise defined in this Report, all defined terms shall have the meanings ascribed to them in the APA.

1.2 Purposes of this Report

1. The purposes of this Report are to:

   a) Provide background information on the Company's liquidation proceedings and its present financial position;

   b) Summarize the status of a dispute in the amount of approximately $25 million between the Company and Scoular in connection with the calculation of the Closing Working Capital as set out in an Objection Notice dated February 19, 2016 (the "Objection Notice") delivered by Scoular to the Liquidator (the "Working Capital Dispute");

   c) Summarize the Liquidator's observations on the Working Capital Dispute and the need for this Honourable Court's advice and direction in order to set guidelines and a general framework in an effort to resolve it; and

   d) Recommend that this Honourable Court issue an Order:

      - Declaring that the dispute identified in the Objection Notice is not a valid dispute pursuant to the terms of the APA;

      - Enjoining Scoular from appointing Ernst & Young as Independent Auditor and/or Brian Clancey as valuator of inventory pursuant to the APA in respect of the objections outlined in the Objection Notice; and

- Declaring that any dispute brought by Scoular under the terms of the APA in relation to the valuation of Closing Inventory cannot extend to challenging the methodology employed in relation to the valuation of Closing Inventory for the purpose of calculating the Preliminary Closing Working Capital as agreed to by the parties, but must be limited to the discrepancies in inventory quantity and/or quality as between the Preliminary Closing Working Capital agreed to by Scoular and the Closing Working Capital.

1.3 Restrictions

1. In preparing this Report, KSV has relied upon financial information prepared and provided by the Company's management, the Company's books and records and discussions with its management and advisors. KSV has not performed an audit or other verification of such information.

1.4 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2.0 Background

1. The Company was incorporated on April 20, 2011 under the CBCA. The Company was comprised of two operating segments, being: (a) the "Special Crops" segment, which provided primary processing for special crops[1] received from growers and some secondary processing; and (b) the "Oilseed Processing" segment, which was involved in the processing of Canola oilseed. The Company had operations in Canada, the US and China. Its consolidated annual revenue totalled approximately $468 million in fiscal 2014.

2. The Company's common shares were publicly traded under the symbol "LWP" on the Toronto Stock Exchange ("TSX"). Effective at the close of markets on December 31, 2015, the common shares were delisted from trading on the TSX. The common shares are not traded on any other market. There are presently 16,294,635 common shares issued and outstanding.

2.1 Sale of Special Crops

1. In March, 2015, the Company formed a special committee to consider its strategic alternatives (the "Special Committee"). The Special Committee engaged AltaCorp Capital Inc. ("ACI") as the Company's financial advisor and investment banker. ACI ultimately recommended and carried out a sale process for the Company's business and assets. ACI's sale process resulted in the Transaction with Scoular.

[1] Special crops include sunflower seed, flax, canary seed, dry beans, chick peas, peas and lentils.

2. On September 14, 2015, the Company entered into the APA with Scoular for, among other things, the sale of substantially all of the Company's Special Crops assets to Scoular for gross proceeds of $94 million, less closing and post-closing adjustments, plus Closing Working Capital. The preliminary estimate agreed to by the parties at closing for the amount of Closing Working Capital was $71.5 million. A copy of the APA is attached as Appendix "B".

3. On October 26, 2015, the Company issued a press release which included an estimate that there would be funds available for distribution to the Company's shareholders ranging from $1.69 to $1.98 per common share. The estimate was based, largely, on the Company's calculation of the net proceeds that were to be generated from the Transaction, which assumed there would not be a material positive or negative adjustment to the Closing Working Capital and/or Closing Inventory. A copy of the Company's press release dated October 26, 2015 is attached as Appendix "C".

4. On November 9, 2015, the Transaction was approved by approximately 99.56% of the Company's shareholders who voted at the Special Meeting in person or by proxy. The Company issued a press release on November 9, 2015, a copy of which is attached as Appendix "D".

5. The Transaction closed on November 23, 2015. A copy of the Company's press release dated November 23, 2015 is attached as Appendix "E".

2.2 Financial Position

1. As at the date of this Report, there is cash on deposit in the Company's Canadian and US dollar bank accounts maintained by the Liquidator of approximately $23 million and US$1 million, respectively.

2. The Liquidator is working with the Company's remaining employees to realize on the Company's accounts receivable and sundry prepaid and other assets not acquired by Scoular. As at the date of this Report, the realizable value of these assets is uncertain.

3. The Liquidator is presently administering a claims process pursuant to a Court Order made on January 11, 2016 (the "Claims Procedure Order"). The claims bar date under the Claims Procedure Order is March 15, 2016 (the "Claims Bar Date"). The Liquidator intends to report on the results of the claims process following the Claims Bar Date. As at the date of this Report, there have been limited claims filed (both in number and value).

4. Given the magnitude of the dispute contemplated by the Objection Notice, the Liquidator issued a press release on February 23, 2016 which noted, *inter alia*, "if the Closing Working Capital is not definitively determined in a manner that is favorable to the Company, the funds available for distribution to shareholders may be materially less than the range of CAD$1.69 to CAD$1.98 per share disclosed in the Company's press release dated November 23, 2015". A copy of the press release dated February 23, 2016 is attached as Appendix "F".

3.0 The APA

1. The negotiations in respect of the APA, the events leading up to the closing of the Transaction and the Company's accounting policies and practices are all detailed in the Affidavits of Jeffrey Fallows, a Managing Director of ACI, and Bryan Buss, the Company's Corporate Controller, filed in support of this motion and, accordingly, are not repeated herein.

2. For the purposes of the Objection Notice and this motion, the relevant provisions of the APA include the following:

   a) Section 2.6(1) of the APA provides that subject to sections 2.7, 2.8 … the Purchaser is obligated to pay the Purchase Price at Closing…"by payment to or to the order of the Vendors of $94,000,000 minus the Vendors' Contribution Amount minus the sum of the amounts set forth in clauses (a) and (b) in this Section 2.6(1), plus the amount of the Preliminary Closing Working Capital, determined immediately prior to Closing pursuant to Section 2.7(1)". Working Capital is defined in the APA as, at November 23, 2015 at 12:01am:

      > As of the Closing Date, (a) the sum of (i) Closing Accounts Receivable, (ii) Closing Inventories and (iii) Closing Prepaid Expenses; reduced by (b) the sum of (i) Closing Accounts Payable, (ii) Closing Accrued Liabilities and (iii) the Closing Currency Adjustment, all of which will be calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements.

      A side agreement, dated November 23, 2015, added reductions for "the Environmental Undertaking Amount" and "the Real Property Undertaking Amount" to the definition of Working Capital.

   b) Closing Inventory is defined in the APA as the "value of all raw materials, works-in-progress and finished good commodities that are Inventories as of the Effective Time, as calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with International Financials Reporting Standards ("IFRS") applied on a basis consistent with the preparation of the Financial Statements, but excluding any Excluded Assets". [emphasis added]

   c) Section 1.8 of the APA provides that "In this Agreement, unless specified otherwise, each accounting term has the meaning assigned to it under IFRS".

3. The dispute resolution provisions in the APA are as follows:

   a) Pursuant to section 2.7 (3) of the APA, if Scoular delivers an Objection Notice, the Company and Scoular "shall work expeditiously and in good faith in an attempt to resolve all of the items in dispute within 15 days of receipt of the Objection Notice. If all items in dispute are not resolved within this 15-day period, the Purchaser shall appoint Ernst & Young…to resolve the remaining items in dispute"; and clarifies at section 2.7 (4) that Ernst & Young (defined as the "Independent Auditor"), "shall be acting as an expert and not as an arbitrator and shall not be required to engage in a judicial enquiry worked out in a judicial manner";

   b) According to Schedule G of the APA, if the Company and Scoular are unable to agree on the net realizable value ("NRV") of any Lot of Closing Open Inventory, "the Parties shall jointly engage Brian Clancey, Senior Market Analyst at STAT Communications Ltd., to determine the net realizable value (as the mid-point between bids and offers for similar product for a similar shipment period) for such Lot, and such determination shall be final and binding on the parties"; and

   c) Pursuant to section 12.10 of the APA, "the parties irrevocably and unconditionally atttorn to the exclusive jurisdiction of the courts of the province of Ontario sitting in Toronto in respect of all disputes arising out of, or in connection with, this Agreement,…".

4.0 Working Capital Dispute

1. A table summarizing the Working Capital Dispute is as follows:

($000s)	Preliminary Closing Working Capital	Closing Working Capital (LWP)	Closing Working Capital (Scoular)	Difference in Closing Working Capital
Closing Inventory	64,400	69,900	48,900	21,000
Other working capital items	7,100	6,800	3,200	3,600
Closing Working Capital	71,500	76,700	52,100	24,600
Scoular payment on closing	(71,500)	(71,500)	(71,500)	-
Balance owing / (refund)	-	5,200	(19,400)	24,600

2. As reflected in the table above, according to the Company's Closing Working Capital calculation, the balance owing from Scoular is approximately $5.2 million. Under its Objection Notice, Scoular claims that approximately $19.4 million is owing to it by the Company.

3. The significant difference principally results from the value ascribed to the Closing Inventory. Scoular's figure of approximately $48.9 million is approximately $15.5 million less than the Closing Inventory value of approximately $64.4 million agreed to in the Preliminary Closing Working Capital calculation and approximately $21 million less than the Company's Closing Inventory figure. As detailed herein, the discrepancy is largely attributed to the valuation methodology used by Scoular to determine Closing Inventory for the purposes of its Objection Notice.

4.1 Preliminary Closing Working Capital

1. Section 2.7(1) of the APA states that "For purposes of determining a good faith best estimate of a detailed calculation of the Working Capital as of the Effective Time, not less than five (5) Business Days prior to the Closing Date, the Parent shall, in consultation with the Purchaser, prepare and deliver to the Purchaser the Parent's reasonable estimate of the Closing Working Capital which shall be prepared in the same manner as the Closing Statement".

2. In determining the NRV of Closing Inventory for the Preliminary Closing Working Capital, the Company used:

   a) Inventory figures generated by the inventory count performed on October 31, 2015 (at which Scoular representatives were present); and

   b) The guidelines in the APA, which require compliance with IFRS [2] and consistency with past practice (i.e. consistent with the valuation of inventory in preparation of the Company's annual audited financial statements).

3. In the event that Scoular objected to any of the information set forth in the calculation of the Preliminary Closing Working Capital or the accompanying schedules as presented by the Company, section 2.7(1) of the APA further provided that "the Parties shall negotiate in good faith and agree on appropriate adjustments to the end that such Preliminary Closing Working Capital and the accompanying schedules reflect a good faith best estimate of the Closing Working Capital … The Parent and the Purchaser shall co-operate fully with each other in the calculation and preparation of the Preliminary Closing Working Capital.".

4. Based on the Affidavit of Jeffrey Fallows, the Liquidator understands that: (i) information regarding the calculation of, and valuation methodology for determining, Closing Inventory was provided to Scoular as part of its review of the Company's Preliminary Closing Working Capital calculations; and (ii) at no point did Scoular object to the Company's calculation and valuation methodology in determining Closing Inventory for the Preliminary Closing Working Capital, despite extensive communications throughout the finalization of the Preliminary Closing Working Capital.

5. The Preliminary Closing Working Capital calculation totalling $71.5 million was agreed to by the parties on November 22, 2015. The value ascribed to Closing Inventory was approximately $64.4 million.

[2] Under IFRS, the value of the inventory is calculated as the lower of cost or net realizable value in the ordinary course of business, in the context of that particular business.

4.2 Closing Working Capital

1. On January 7, 2016, being 45 days after the Closing Date, the Company sent to Scoular the Closing Statement, which, among other things, included a calculation of the Closing Working Capital balance as at November 23, 2015. The Closing Inventory (approximately $69.9 million) on the Closing Statement was based on an inventory count conducted between November 17 and 22, 2015, with representatives of Scoular and the Company's auditors present. The value of Closing Inventory was determined on the same basis as the Preliminary Closing Working Capital (i.e. based on an inventory count at which Scoular representatives were present, and in accordance with IFRS, all of which was consistent with the Company's past practice).

2. As provided for in the APA, Scoular had 45 days to accept or object to, by written notice, the amount of Closing Working Capital as submitted by the Company in its Closing Statement. During this 45 day period, the Company and Scoular, with the assistance of the Liquidator, exchanged accounting and inventory valuation information in an effort to resolve the discrepancy related to the NRV of Closing Inventory.

4.3 Objection Notice

1. On February 19, 2016, Scoular delivered to the Liquidator the Objection Notice, a copy of which is attached as Appendix "G".

2. Given that the NRV of Closing Inventory is the most material discrepancy, the Liquidator and Scoular agreed that the scope of Mr. Clancey's engagement should be settled prior to him being retained jointly by the parties in accordance with the APA.

3. Following a discussion with Scoular and receipt of an initial draft from Scoular of an engagement scope for Mr. Clancey, it became clear to the Liquidator that the NRV issue is the result of a fundamental difference between Scoular's approach to the valuation methodology and the valuation methodology used in the Preliminary Closing Working Capital calculations. The Liquidator is of the view that the Objection Notice does not raise a legitimate objection as the valuation methodology for the Preliminary Closing Working Capital was previously agreed to by Scoular. Accordingly, on March 2, 2016, the Liquidator sent an email to Scoular advising that it intended to bring an application to the Court to seek the Court's assistance in resolving these matters. A copy of the email dated March 2, 2016 is attached as Appendix "H".

5.0 Liquidator's Observations

1. The nature of Scoular's Objection Notice, as it relates to Closing Inventory, challenges the valuation methodology used by the Company to determine Closing Inventory. The Liquidator believes that the Court's advice and direction is required in order to limit the basis on which Scoular can challenge the Company's calculation of Closing Inventory to issues solely involving quantity and/or quality disputes for the following reasons:

    a) The valuation methodology employed by the Company to calculate its value for Closing Inventory is consistent with: (i) the methodology followed to calculate the Preliminary Closing Working Capital[3], which was agreed to by Scoular; and (ii) the APA, including being in compliance with the lower of cost or NRV provisions prescribed by IFRS;

    b) The Liquidator understands that the Company's methodology was consistent with its past practice, including those policies and procedures used to prepare the Company's year-end audited financial statements. Based on the Affidavit of Bryan Buss, commodities the Company could sell for higher than cost were valued at cost, whereas commodities that could only be sold at values below cost were valued at NRV;

    c) Scoular acquired the Special Crops division on a going concern basis and continues to operate that business in the normal course. Its valuation methodology, being essentially to assign a liquidation value (i.e. what is known in the industry as "feed value") to a substantial portion of the Closing Inventory, is not how the Company conducted its business in the normal course prior to the Transaction. Furthermore, the Liquidator has not been advised by Scoular or otherwise that its valuation methodology is consistent with how Scoular has sold, or is continuing to sell, Closing Inventory following completion of the Transaction;

    d) In calculating NRV of Closing Inventory, Scoular valued all inventory "Lots"[4] by utilizing external third party market sources to determine a market price, if one existed, as opposed to international dealer pricing realized by the Company in the normal course of business. If a market price, other than "feed value", was not publicly available, the NRV was assumed by Scoular to be "feed value", being the liquidation value of the inventory. Accordingly, Scoular's valuation methodology appears to apply to selling commodities in large quantities or on an "*en bloc*" liquidation basis. The Company never operated its business this way. Rather, the Company sold inventory in small quantities pursuant to customer purchase orders or contracts made in the ordinary course of business, certain of which extended beyond the Closing Date; and

[3] According to section 2.7(1) of the APA, "the Preliminary Closing Working Capital shall be prepared in the same manner as the Closing Statement under Section 2.7(2) of the APA".

[4] According to Schedule G of the APA, "Closing Inventory shall be divided into "Lots" that are differentiated on the basis of commodity, type, class and grade to facilitate the calculation of quantity, quality and value to be assigned in the calculation of Closing Working Capital".

e) It is the Liquidator's experience that the APA is consistent with the standard practice for parties to agree on a basis for inventory valuation in a preliminary working capital determination and to provide for a customary "true-up" mechanism for quantity and/or quality issues to account for the passage of time between the preliminary and closing working capital calculations.

2. It appears to the Liquidator that the APA and negotiations leading up thereto contemplated that the engagement of Ernst & Young and/or Mr. Clancey as independent parties would be to resolve quantity and/or quality disputes, but not to allow the parties to revisit the Closing Inventory valuation methodology used for the purposes of calculating the Preliminary Closing Working Capital and/or Closing Working Capital.

3. Although Mr. Clancey is to be engaged jointly by the Company and Scoular, Scoular could have contacted and engaged Ernst & Young as Independent Auditor on March 5, 2016 (being 15 days from delivery of the Objection Notice). Accordingly, the Liquidator filed this motion on March 4, 2016 as it is of the view that these matters require the Court's direction prior to the engagement of either Ernst & Young or Mr. Clancey.

4. Should the Court grant the requested relief, the discrepancy between the Closing Working Capital calculation presented by the Company and Scoular would be materially reduced. It would also simplify and streamline the basis on which a discrepancy is to be reconciled, particularly for determining the NRV of Closing Inventory (being the most material disputed item). The Liquidator is hopeful that any remaining discrepancies could be resolved consensually between the parties, failing which, Ernst & Young and/or Mr. Clancey could be engaged in accordance with the APA and the directions of the Court.

5. The Liquidator has consulted with the four inspectors appointed under the Liquidation Plan. The inspectors own in aggregate approximately 31% of the Company's issued and outstanding common shares. Two of the inspectors, being the Company's former Chief Executive Officer and Vice-President of the Bean Division, are intimately familiar with the Company's prior inventory valuation methodologies and practices. The inspectors have unanimously authorized the Liquidator to bring this motion.

6.0 Special Counsel

1. The Liquidator has retained Borden Ladner Gervais LLP ("BLG") as its special counsel for the purposes of this motion. BLG acted as the Company's counsel prior to the liquidation proceedings and, accordingly, is familiar with the terms and provisions of the APA, its dispute resolution mechanisms and other substantive issues presented by the Objection Notice.

7.0 Conclusion and Recommendation

1. Based on the foregoing, the Liquidator respectfully recommends that this Court make an Order granting the relief detailed in Section 1.2(d) of this Report.

* * *

All of which is respectfully submitted,

KSV Advisory Inc.

KSV ADVISORY INC.
IN ITS CAPACITY AS LIQUIDATOR OF
LWP CAPITAL INC.
AND NOT IN ITS PERSONAL CAPACITY

Appendix “A”

Court File No. CV-16-11242-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 11TH DAY
	)	
JUSTICE NEWBOULD	)	OF JANUARY 2016

IN THE MATTER OF THE LIQUIDATION OF LWP CAPITAL INC. PURSUANT TO SECTION 211 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED

and

KSV ADVISORY INC. IN ITS CAPACITY AS LIQUIDATOR OF LWP CAPITAL INC.

Applicant

LIQUIDATION ORDER

THIS APPLICATION, made by KSV Advisory Inc. in its capacity as the liquidator (in such capacity, the "**Liquidator**") of LWP Capital Inc., formerly "Legumex Walker Inc.", pursuant to section 211 of the *Canada Business Corporations Act*, R.S.C. 1989, c. C-44, as amended (the "**CBCA**") to have the voluntary liquidation of LWP Capital Inc. pursuant to the plan of liquidation and distribution approved on November 9, 2015 at a special meeting of the shareholders and adopted by the directors of LWP Capital Inc., effective December 31, 2015, and attached hereto as Schedule "A" (the "**Liquidation Plan**") continued under the supervision of this Court, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Liquidator dated January 4, 2016 (the "**First Report**") and the affidavit of Joel Horn sworn January 6, 2016, and on hearing the submissions of counsel for the Liquidator and counsel for LWP Capital Inc., no one appearing for any other person on the service list although duly served,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

LIQUIDATION PLAN

2. THIS COURT ORDERS AND DECLARES that the Liquidation Plan (and the appointment of the Liquidator thereunder) be and is hereby approved and affirmed.

3. THIS COURT ORDERS that any capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Liquidation Plan.

4. THIS COURT ORDERS that that the liquidation of LWP Capital Inc. shall continue under the supervision of this Court and in accordance with the terms of the Liquidation Plan and any further order of this Court.

5. THIS COURT ORDERS that, for greater certainty, the Liquidator hereby has and shall have all of the powers and authorities as provided to it under the Liquidation Plan and the CBCA and any further order of this Court.

6. THIS COURT ORDERS that in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Liquidation Plan and this Order, the terms, conditions and provisions of this Order shall govern and be paramount, and the Liquidation Plan shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

7. THIS COURT ORDERS that from the date of this Order until further order of this Court (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of LWP Capital Inc., any of its subsidiaries or affiliates (collectively, "**LWP**") or the Liquidator, or affecting any of LWP's current or future assets, undertakings or properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (collectively, the "**Property**"), except with the written consent of the Liquidator, or with leave of this Court, and any and all Proceedings currently under way against or in respect of LWP or affecting the Property are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

8. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of LWP or the Liquidator, or affecting the Property, are hereby stayed and suspended except with the written consent of the Liquidator, or leave of this Court, provided that nothing in this Order shall: (i) empower the Liquidator to carry on any business which LWP is not lawfully entitled to carry on; (ii) exempt the Liquidator from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or re-perfect an existing security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

9. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right,

contract, agreement, lease, sub-lease, licence or permit in favour of or held by LWP, except with the written consent of the Liquidator, or leave of this Court.

CONTINUATION OF SERVICES

10. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with LWP or statutory or regulatory mandates for the supply of goods and/or services, including, without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, employee benefits, transportation services, utility, leasing or other services to LWP, are hereby restrained until further order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Liquidator, and that the Liquidator shall be entitled to the continued use of LWP's current premises, telephone numbers and facsimile numbers, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Liquidator in accordance with normal payment practices of LWP or such other practices as may be agreed upon by the supplier or service provider and the Liquidator, or as may be ordered by this Court.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

11. THIS COURT ORDERS that during the Stay Period, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of LWP with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of LWP whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers of LWP.

THE LIQUIDATOR

12. THIS COURT ORDERS that, in the case of information requests submitted to the Liquidator by creditors or shareholders, if the Liquidator has been advised by LWP or determines in its discretion that the requested information is confidential or otherwise material and non-public, the Liquidator shall not provide such information to creditors or shareholders unless otherwise directed by this Court or on such terms as the Liquidator may agree. The Liquidator shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph.

13. THIS COURT ORDERS that, in addition to the rights and protections afforded the Liquidator under the CBCA and the Liquidation Plan or as an officer of this Court, the Liquidator shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order or the Liquidation Plan, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Liquidator by the CBCA, the Liquidation Plan or any applicable legislation.

14. THIS COURT ORDERS that the Liquidator and its counsel shall be paid their reasonable fees and disbursements incurred both before and after the making of this Order, in each case at their standard rates and charges, by LWP as part of the costs of these proceedings. The Liquidator is hereby authorized and directed to pay its accounts and the accounts of its counsel as and when such accounts are rendered.

15. THIS COURT ORDERS that the Liquidator and its counsel shall pass their accounts from time to time, and for this purpose the accounts of the Liquidator and its counsel are hereby referred to a judge of this Court.

16. THIS COURT ORDERS that the Liquidator and its counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of $200,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Liquidator and its counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall constitute a first charge on the Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

17. THIS COURT ORDERS that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

18. THIS COURT ORDERS that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings; (b) the provisions of any federal or provincial statutes; or (c) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds LWP, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by LWP of any Agreement to which it is a party;

(b) none of the chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and

(c) the payments made by LWP pursuant to this Order and the granting of the Administration Charge do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE LIQUIDATOR

19. THIS COURT ORDERS that all Persons shall forthwith advise the Liquidator of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 19 or in paragraph 20 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Liquidator due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

20. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give

unfettered access to the Liquidator for the purpose of allowing the Liquidator to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Liquidator in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Liquidator. Further, for the purposes of this paragraph, all Persons shall provide the Liquidator with all such assistance in gaining immediate access to the information in the Records as the Liquidator may in its discretion require including providing the Liquidator with instructions on the use of any computer or other system and providing the Liquidator with any and all access codes, account names and account numbers that may be required to gain access to the information.

INSPECTORS

21. THIS COURT ORDERS that the Liquidator shall consult with the Inspectors regarding the business and financial affairs of LWP to the extent necessary to enable the Liquidator to adequately carry out its functions under the Liquidation Plan and any Order of this Court.

22. THIS COURT ORDERS that, notwithstanding anything to the contrary in the Liquidation Plan, the Inspectors are hereby only directed and empowered to:

(a) provide guidance and assistance to the Liquidator to the extent necessary to enable the Liquidator to carry out its functions under the Liquidation Plan, this Order and any claims procedure approved by this Court;

(b) be advised of, and provide input in respect of, material steps taken by the Liquidator pursuant to the Liquidation Plan, this Order and any claims procedure approved by this Court;

(c) consult with the Liquidator in connection with the liquidation of LWP under the Liquidation Plan and this Order;

(d) participate in meetings convened by the Liquidator, as required by the Liquidator, to provide guidance on material developments in the liquidation of LWP; and

(e) perform such other duties as may be required by the Liquidator or this Court from time to time.

SERVICE AND NOTICE

23. THIS COURT ORDERS that the Liquidator be at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to LWP's creditors or other interested parties at their respective addresses as last shown on the records of LWP and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

24. THIS COURT ORDERS that the Liquidator, and any party who has filed a Notice of Appearance, may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, in accordance with the E-filing protocol of the Commercial List to the extent practicable, and the Liquidator may post a copy of any or all such materials on its website at www.ksvadvisory.com.

DISPENSING WITH AUDITED FINANCIAL STATEMENTS

25. THIS COURT ORDERS AND DECLARES that LWP and the Liquidator are not required to produce or place before LWP's shareholders any further audited financial statements as required under subsections 155(1) and 159(1) of the CBCA or otherwise and that LWP and the Liquidator be and are hereby exempt from the requirements of Part XIV of the CBCA regarding the appointment and duties of an auditor.

GENERAL

26. THIS COURT ORDERS that the Liquidator may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Liquidator and its respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Liquidator in any foreign proceeding, or to assist the Liquidator and its respective agents in carrying out the terms of this Order.

28. THIS COURT ORDERS that the Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Liquidator is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

29. THIS COURT ORDERS that any interested party (including the Liquidator) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

30. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Daylight Time on the date of this Order.

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JAN 11 2016

Schedule A – Plan of Liquidation and Distribution

PLAN OF LIQUIDATION AND DISTRIBUTION

LWP CAPITAL INC.

(formerly LEGUMEX WALKER INC.)

PLAN OF LIQUIDATION AND DISTRIBUTION

December 31, 2015

LWP CAPITAL INC.
PLAN OF LIQUIDATION AND DISTRIBUTION

WHEREAS the board of directors of LWP Capital Inc. (formerly "Legumex Walker Inc.") (the "**Board**") has concluded that it is in the best interests of LWP Capital Inc. ("**LWP**" or the "**Company**") to be wound up voluntarily pursuant to the *Canada Business Corporations Act* in accordance with the terms of this Liquidation Plan (as defined below);

AND WHEREAS the Board has passed a resolution authorizing the Company to seek shareholder approval for the liquidation and dissolution of the Company and hold a special meeting of shareholders to consider and vote to require the Company to be wound up voluntarily and, in connection therewith, approve this Liquidation Plan;

NOW THEREFORE THIS Liquidation Plan is adopted by the Board as of the last date set forth below, having the terms and conditions as set out herein.

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Liquidation Plan:

"**Assets**" means all of the property, assets, undertaking and the proceeds thereof of LWP;

"**Board**" has the meaning given to it in the recitals of this Liquidation Plan;

"**Business Day**" means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;

"**Calendar Day**" means any day, including a Saturday, Sunday or statutory holiday in Toronto, Ontario;

"**Canadian Dollars**" or "**CDN$**" means dollars denominated in lawful currency of Canada;

"**CBCA**" means the *Canada Business Corporations Act*;

"**CBCA Director**" means the Director, as defined in and appointed under Section 260 of the CBCA;

"**Claim**" means

(a) any right of any Person against LWP in connection with any indebtedness, liability or obligation of any kind of LWP and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any claim made or asserted against LWP through any affiliate, associate or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future with respect to any matter, action, cause or chose in action; and

(b) any existing or future right of any Person against any one or more of the Directors which arose or arises as a result of such Director's position, supervision, management or involvement as a Director or otherwise in any other capacity in connection with LWP whether such right, or the circumstances giving rise to it, arose before or after the Effective Date and whether enforceable in any civil, administrative or criminal proceeding;

"**Claims Bar Date**" means the date on which a Claim must be filed pursuant to the Claims Process;

"**Claims Process**" means the process established by the Liquidator and approved by the Court for the identification, resolution and barring of certain Claims, including *inter alia* the issuance of a final order of the Court establishing the Claims;

"**Clearance Certificates**" mean:

(a) a certificate issued by the Minister pursuant to subsection 159(2) of the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.) as amended (the "**ITA**"), or any equivalent thereto, certifying that all amounts for which LWP is, or can reasonably be expected to become, liable under the ITA and the *Taxation Act*, 2007, S.O. 2007, c. 11, Sched. A, up to and including the date of distribution have been paid, or that the Minister has otherwise accepted security for payment;

(b) a certificate issued by the Minister pursuant to subsection 23(5) of the *Canada Pension Plan*, R.S.C. 1985, c. C-8 (the "**CPP**"), or any equivalent thereto, certifying that all amounts for which LWP is liable under the CPP up to and including the date of distribution, have been paid or that security for the payment thereof has been accepted by the Minister;

(c) a certificate issued by the Minister pursuant to subsection 86(3) of the *Employment Insurance Act*, S.C. 1996, c. 23 (the "**EIA**"), or any equivalent thereto, certifying the payment, or acceptance by the Minister of security for payment, of all amounts for which LWP is liable under the EIA up to and including the date of distribution;

(d) a certificate issued by the Minister pursuant to subsection 81(1) of the *Excise Tax Act*, R.S.C. 1985, c. E-15 (the "**ETA**"), or any equivalent thereto, certifying that no tax, penalty, interest or other sum under the ETA, chargeable against or payable by the Liquidator or chargeable against or payable in respect of the Assets, remains unpaid or that security for the payment thereof has, in accordance with section 80.1 of the ETA, been accepted by the Minister; and

(e) a certificate issued by the Minister pursuant to subsection 270(3) of the ETA, or any equivalent thereto, certifying that all amounts payable or remittable under Part IX of the ETA by LWP in respect of the reporting period during which the distribution is made or any previous reporting period, and all amounts that are, or can reasonably be expected to become, payable or remittable under Part IX of the ETA by the Liquidator in respect of the reporting period during which the distribution is made, has been paid or that security for the payment thereof has been accepted by the Minister.

"**Common Shares**" means the common shares in the capital of LWP;

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"**Creditor**" means any Person with a Claim;

"**Directors**" means all individuals who were, on or at any time before the Effective Date, directors or officers of LWP, and the term "**Director**" shall mean any one of them;

"**Dissolution Date**" means the date on which the Company is dissolved pursuant to the CBCA or by order of the Court;

"**Effective Date**" means the date to be established by a resolution of the Board upon which the implementation of the Liquidation Plan shall commence, which date shall be no earlier than the date upon which the certificate of intent to dissolve is issued to the Company pursuant to and in accordance with the CBCA.

"**Employees**" means the employees of LWP;

"**Governmental Authority**" means any nation or government, any province, state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government or any Legal Requirement and any corporation or other entity owned or controlled, through capital stock or otherwise by any of the foregoing;

"Inspectors" has the meaning given to it in Section 6.1;

"**Legal Requirement**" means any statute, law, treaty, rule, regulation, order, decree, writ, injunction or determination of any arbitrator, court, Governmental Authority or securities exchange and, with respect to any Person, includes all such Legal Requirements applicable or binding upon such Person, its business or the ownership or use of any of its assets;

"**Liquidation Date**" means the date on which the Shareholders pass the Resolution;

"**Liquidation Plan**" means this plan of liquidation and distribution as it may be amended, modified, supplemented, restated or otherwise modified in accordance with its terms;

"**Liquidator**" means the Person appointed from time to time pursuant to Sections 4.1, 4.5, or 4.6 in its capacity as liquidator of LWP;

"**LWP**" or "**Company**" has the meaning given to it in the recitals of this Liquidation Plan;

"**Minister**" means the Minister of National Revenue;

"**Person**" means any individual, partnership, limited partnership, joint venture, trust, corporation, unincorporated organization, government, agency, regulatory body or instrumentality thereof, legal personal representative or litigation guardian, or any other judicial entity howsoever designated or constituted domiciled;

"**Proven Claim**" means a Claim finally determined or accepted in accordance with the provisions of the Claims Process;

"**Public Trustee**" means the Public Guardian and Trustee pursuant to the *Public Guardian and Trustee Act*, R.S.O. 1990, Chapter P.51;

"**Purchase Agreement**" means the asset purchase agreement dated September 14, 2015, between the Company, Legumex Walker Canada Inc., St. Hilaire Seed Company, Inc., Legumex Walker Sunflower LLC, and The Scoular Company;

"**Purchaser**" means The Scoular Company.

"**Resolution**" means the special resolution of the Shareholders authorizing the voluntary liquidation and dissolution of LWP made in accordance with the CBCA and approving this Liquidation Plan;

"**Shareholders**" means all holders of Common Shares shown from time to time in the registers maintained by or on behalf of LWP by the Transfer Agent in respect of the Common Shares and, unless otherwise specified, includes all beneficial owners of Common Shares;

"**Tax Return**" means any report, return or other information required to be supplied to a taxing authority in connection with (a) all taxes, charges, fees, levies and other assessments (whether federal, provincial, local or foreign), including income, gross receipts, excise, property, sales, use, transfer, license, payroll, franchise, withholding, social security and unemployment taxes, and (b) any interest, penalties and additions related to the foregoing;

"**Transfer Agent**" means Equity Financial Trust Company, as transfer agent for the Common Shares of the Company;

"**Transitional Services Agreement**" means the Transitional Services Agreement to be entered into between the Company and the Purchaser addressing the provision of the transitional services described in Schedule I to the Purchase Agreement;

"**TSX**" means the Toronto Stock Exchange.

1.2 **Certain Rules of Interpretation**

In this Liquidation Plan and the Schedules hereto:

(a) all references to currency are to Canadian Dollars, except as otherwise expressly indicated;

(b) the division of this Liquidation Plan into articles, sections, subsections and clauses and the insertion of headings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Liquidation Plan. The terms "this Liquidation Plan", "hereof", "hereunder", "herein" and similar expressions refer to this Liquidation Plan and not to any particular article, section, subsection or clause and include any plan supplemental hereto. Unless otherwise indicated, any reference in this Liquidation Plan to an article, section, subsection, clause or schedule refers to the specified article, section, subsection, clause or schedule of or to this Liquidation Plan;

(c) the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Liquidation Plan or a schedule hereto to such Person (or Persons) or circumstances as the context otherwise permits;

(d) the words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes without limitation" and "including without limitation", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;

(e) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Toronto, Ontario and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m., on such Business Day. Unless otherwise specified, the time period within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day. Whenever any payment to be made or action to be taken under this Liquidation Plan is required to be made or to be taken on a day other than a Business Day, such payment shall be made or action taken on the next succeeding Business Day;

(f) unless otherwise specified, where any reference to an event occurring within any number of "days" appears in this Liquidation Plan, such reference means Calendar Days and not Business Days; and

(g) unless otherwise provided, any reference to a statute, or other enactment of parliament or a legislature includes all regulations made thereunder, all enactments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation.

ARTICLE 2
PURPOSE OF THE PLAN

2.1 Purpose

The purpose of this Liquidation Plan is to provide for a plan of liquidation and distribution of the Assets, payment or settlement of all Claims and dissolution of the Company.

2.2 Commencement of Liquidation and Dissolution

The voluntary liquidation and dissolution of the Company shall commence on and as of the Effective Date.

2.3 Affected Persons

This Liquidation Plan will be implemented under the CBCA and, as of the Effective Date will be binding on the Company, the Directors, the Inspectors, the Liquidator and the Shareholders in accordance with its terms. On the Liquidation Date, each Shareholder shall be deemed to have consented and agreed to all of the provisions of this Liquidation Plan in their entirety.

ARTICLE 3
EFFECT OF PLAN

3.1 Share Transfers

If not already otherwise halted and/or delisted, on and as of the Effective Date, the Common Shares will be halted and shall cease to trade on the TSX.

3.2 Company to Cease Business

On and as of the Effective Date, the Company shall cease to carry on its undertaking, except in so far as may be required as beneficial for the liquidation and dissolution thereof in the discretion of the Liquidator, but its corporate existence and all its corporate powers, even if it is otherwise provided by its articles or by-laws, shall continue under the control of the Liquidator until its affairs are wound up.

3.3 Resignation of Directors

On and as of the Effective Date, all the powers of the Directors shall cease and the Directors shall be deemed to have resigned.

ARTICLE 4
THE LIQUIDATOR

4.1 Appointment of Liquidator

On and as of the Effective Date, KSV Advisory Inc. is hereby appointed as the liquidator of the estate and effects of the Company (the "**Liquidator**") for the purpose of liquidation and dissolution its business and affairs and distributing its Assets, after satisfying all Claims, all in accordance with the terms of this Liquidation Plan, and who shall serve until removal and replacement in accordance with this Liquidation Plan. The Liquidator shall have the authority to enter into agreements and execute documents for and on behalf of the Company pursuant to the powers and obligations of the Liquidator as contained in this Liquidation Plan or otherwise under the CBCA.

4.2 Mandatory Obligations of the Liquidator

The Liquidator is expressly directed, empowered and authorized to, and shall:

(a) deposit all money that the Liquidator has belonging to the Company in any bank of Canada listed in Schedule I or II to the *Bank Act* (Canada) or in any trust corporation or loan corporation that is registered under the *Loan and Trust Corporations Act* or in any other depository approved by the Court, and as approved by the Inspectors, which deposit shall not be made in the name of the Liquidator individually, but shall be a separate deposit account in the Liquidator's name as Liquidator of the Company, and such money shall be withdrawn for payment of Claims or fees and expenses incurred in connection with the implementation of the Liquidation Plan and signed in accordance with such signing authorities as may be determined by the Liquidator in consultation with the Inspectors;

(b) at every meeting of the Shareholders, produce a pass-book, or statement of account showing the amount of the deposits, the dates at which they were made, the amounts withdrawn and the dates of withdrawal, and mention of such production shall be made in the minutes of the meeting, and the absence of such mention shall be admissible in evidence as proof, in the absence of evidence to the contrary, that the pass-book or statement of account was not produced at the meeting;

(c) forthwith after the Effective Date, make an application to the Court under Section 211(8) of the CBCA to have the liquidation of the Company supervised by the Court if the Liquidator considers such an application advisable under the circumstances then existing;

(d) establish and implement a Claims Process;

(e) following the Effective Date and following the delisting of the Common Shares from the TSX, if applicable, pursuant to the CBCA, all transfers of Common Shares thereafter shall be void unless made with the explicit sanction of the Liquidator;

(f) pay or otherwise satisfy all Proven Claims from the Assets in accordance with the Claims Process;

(g) after satisfying all Proven Claims and in accordance with the provisions of the CBCA and any order of the Court, distribute the remaining Assets rateably among the registered Shareholders according to their rights and interests in the Company;

(h) cause to be filed with the appropriate Governmental Authority all Tax Returns required to be filed by LWP, its subsidiaries and, if necessary, any trusts or special purpose entities for which LWP continues to have responsibility under applicable Legal Requirements;

(i) remit all taxes required to be remitted by LWP in accordance with all applicable statutes, all outstanding CPP contributions and EIA premiums, including any associated interest and penalties and obtain the Clearance Certificates;

(j) cause to be filed with the appropriate Governmental Authority all financial statements and reports required to be filed by LWP subject to amendments or exclusions which may be obtained by Court Order during the liquidation proceedings;

(k) maintain the continuous disclosure requirements applicable to the Company under all applicable securities laws, subject to amendments or exclusions which may be obtained by Court Order during the liquidation proceedings;

(l) meet with the Inspectors regularly and shall call such meetings by providing at least two days written notice to the Inspectors which notice period may be waived by such Inspectors in their discretion; and

(m) make up an account showing the manner in which the liquidation and dissolution has been conducted and the Assets disposed of, and thereupon shall call a meeting of the Shareholders for the purpose of having the account laid before them and hearing any explanation that may be given

by the Liquidator, and the meeting shall be called in the manner prescribed by the articles or by-laws of the Company or, in default thereof, in the manner prescribed by the CBCA for the calling of meetings of shareholders, and within ten days after the meeting is held file a notice in the prescribed form under the CBCA with the CBCA Director stating that the meeting was held and the date thereof and shall forthwith publish the notice in The Ontario Gazette.

4.3 **Discretionary Powers of the Liquidator**

The Liquidator is expressly empowered and authorized, but not obligated, to do any of the following:

(a) with the prior approval of the Inspectors, bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the Company;

(b) carry on the business of the Company so far as may be required as beneficial for the liquidation and dissolution of the Company;

(c) oversee and address any of the Company's obligations under the Purchase Agreement and/or the Transitional Services Agreement with the Purchaser;

(d) engage any former employee of the Company on a "term and task" basis to assist with the Liquidator's administration and implementation of the Liquidation Plan;

(e) sell any of the Assets by public auction or private sale or, where applicable, through a stock exchange, and receive payment of the purchase price either in cash or otherwise;

(f) do all acts and execute, in the name and on behalf of the Company, all documents, and for that purpose use the seal of the Company, if any;

(g) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the Company;

(h) raise upon the security of the Assets any requisite money;

(i) call meetings of the Shareholders for any purpose the Liquidator thinks fit;

(j) in accordance with the Claims Process or any further order of the Court and with the approval of the Shareholders or the Inspectors, make such compromise or other arrangement as the Liquidator thinks expedient with any creditor or person claiming to be a creditor or having or alleging that he, she or it has a Claim whereby the Company may be rendered liable;

(k) in accordance with the Claims Process or any further order of the Court and with the approval of the Shareholders or the Inspectors, compromise all debts and liabilities capable of resulting in debts, and all Claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the Company and any contributory, alleged contributory or other debtor or person who may be liable to the Company and all questions in any way relating to or affecting the Assets, or the liquidation and dissolution of the Company, upon the receipt of such sums payable at such times and generally upon such terms as are agreed, and the Liquidator may take any security for the discharge of such debts or liabilities and give a complete discharge in respect thereof;

(l) at any time after the affairs of the Company have been fully wound up, make an application to the Court for an order dissolving the Company;

(m) in accordance with the provisions of the CBCA and any order of the Court, make or cause to be made, from time to time, any interim distributions or distributions in kind of portions of the Assets

to the registered Shareholders rateably among the registered Shareholders according to their rights and interests in the Company, as considered appropriate and approved by the Inspectors, and while maintaining such reserves as are reasonably necessary to provide for all Claims;

(n) at any time after the Effective Date and following the delisting of the Common Shares from the TSX, request the Transfer Agent to refrain from making any changes to the registers maintained by the Transfer Agent in respect of the Common Shares, except with the explicit sanction of the Liquidator;

(o) liquidate or dissolve subsidiaries of the Company; and

(p) do and execute all such other things as are necessary for the liquidation and dissolution of the business and affairs of the Company and distributing the Assets.

4.4 **Reporting Obligations**

The Liquidator shall report to the Inspectors and Shareholders at such times and intervals as the Liquidator may deem appropriate with respect to matters relating to the Assets, LWP and such other matters as may be relevant to this Liquidation Plan.

4.5 **Removal of the Liquidator**

The Liquidator may be removed by order of the Court pursuant to a motion brought following either:

(a) a resolution of the majority of the Inspectors;

(b) a determination by the Liquidator, in its discretion, to be discharged by the Court; or

(c) ordinary resolution of the Shareholders at a meeting called for the purpose of removing the Liquidator,

but only if such order of the Court appoints another liquidator in the Liquidator's stead which successor liquidator shall become the Liquidator under this Liquidation Plan.

4.6 **Resignation of the Liquidator and Filling Vacancy**

If the Liquidator resigns or is discharged by order of the Court, then a successor liquidator shall be appointed by resolution of the majority of Inspectors, by ordinary resolution of the Shareholders at a meeting called for the purpose of appointing a successor liquidator, or by order of the Court, and such successor liquidator shall become the Liquidator under this Liquidation Plan.

4.7 **Fees of the Liquidator and its counsel**

The Liquidator and its counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, from the Assets as and when the Liquidator or its counsel renders an account to the Company and such account is approved by the Inspectors. Pursuant to Section 223(1) of the CBCA, the costs, charges and expenses of the liquidation and dissolution, including the remuneration of the Liquidator and its counsel, are payable out of the Assets in priority to all other Claims. In the event of a dispute between the Liquidator and Inspectors with respect to the Liquidator's fees and disbursements, including the fees of its counsel, the Liquidator may apply to the Court.

4.8 **Indemnity**

The Company hereby releases, holds harmless, and indemnifies the Liquidator from and against all liabilities, claims and costs of any nature arising from the Liquidator's execution of this Liquidation Plan, save and

except any such liabilities, claims or costs arising as a result of the Liquidator's fraud, gross negligence or wilful misconduct.

ARTICLE 5
TERMINATION OF EMPLOYEES

5.1 Termination of Employment

All Employees shall be terminated on the Effective Date, other than those Employees who are requested by the Liquidator to remain in service and assist in the implementation of this Liquidation Plan and agree to do so which Employees shall remain Employees of the Company.

5.2 Employment Agreements

In connection with the termination of all Employees, LWP will comply with all existing agreements with such Employees, if any.

ARTICLE 6
INSPECTORS

6.1 Appointment of Inspectors

On and as of the Effective Date, Joel Horn, Ivan Sabourin, Jay Lubinsky and Mick Fleming are hereby appointed as inspectors of the Company's liquidation pursuant to Section 217 of the CBCA (the "**Inspectors**").

6.2 Approval of Inspectors

For any action or inaction which requires the approval of the Inspectors under this Liquidation Plan, by order of the Court or pursuant to the CBCA, such approval shall exist if a majority of the Inspectors approve of the action or inaction by vote at a meeting of Inspectors or otherwise by written resolution signed by a majority of the Inspectors.

6.3 Meetings of Inspectors

The Liquidator or any one of the Inspectors may call a meeting of Inspectors by providing all of the Inspectors with two days written notice of such meeting, which notice may be waived by the Inspectors in their discretion. Such meetings may be held by teleconference. Quorum for any meeting of Inspectors shall be a majority of the Inspectors. Each of the Inspectors shall have one vote at any such meetings. The Liquidator shall have no vote at such meetings but may chair such meetings with the approval of a majority of the Inspectors.

6.4 Removal of Inspectors

An Inspector may be removed by:

(a) order of the Court; or

(b) ordinary resolution of the Shareholders at a meeting called for the purpose of removing an Inspector.

6.5 Filing Vacancies of Inspectors

There shall always be at least one Inspector and not more than four Inspectors at any time. Any vacancy in the number of permissible Inspectors may be filled by election by the majority of remaining Inspectors.

6.6 **Remuneration of Inspectors**

The compensation paid to Inspectors shall be $5,000.00 per Inspector per year, plus $100.00 per Inspector per day on which meetings of Inspectors are held for attendance at such meetings in person or, if attended by conference call, $50.00 per Inspector per day.

6.7 **Indemnity**

The Company hereby releases, holds harmless, and indemnifies the Inspectors from and against all liabilities, claims and costs of any nature arising from the Inspector's actions as an Inspector under the Liquidation Plan and pursuant to the CBCA, save and except any such liabilities, claims or costs arising as a result of the Inspector's fraud, gross negligence or wilful misconduct.

ARTICLE 7
DISTRIBUTIONS

7.1 **Delivery of Distribution to Shareholders**

Unless otherwise directed, distributions to registered Shareholders shall be made by the Liquidator at the addresses set forth in the registers maintained by the Transfer Agent in respect of the Common Shares as at the date of any such distribution, or if applicable, and to the extent differing from the foregoing, at the address of such registered Shareholder's respective legal representatives, in trust for such registered Shareholder. Beneficial holders of Common Shares shall be entitled to receive distributions only through the applicable registered Shareholder on the registers maintained by the Transfer Agent in respect of the Common Shares.

7.2 **Undeliverable Distributions to Shareholders**

Where the Liquidator is unable to distribute rateably the Assets among the registered Shareholders because a registered Shareholder is unknown or a registered Shareholder's whereabouts is unknown, the share of the Assets of such registered Shareholder may, by agreement with the Public Trustee or as otherwise ordered by the Court, be delivered or conveyed by the Liquidator to the Public Trustee or such other party as ordered by the Court to be held in trust for the registered Shareholder, and such delivery or conveyance shall be deemed to be a distribution to that registered Shareholder of his, her or its rateable share for the purpose of this Liquidation Plan.

7.3 **Interim Distributions**

Any distributions to registered Shareholders (other than any final distribution on the cancellation of the Common Shares) shall be either as a reduction of stated capital, subject to satisfying the applicable solvency tests in the CBCA, or as a dividend. Subject to applicable law, the determination as to whether or not to make any such interim distribution and whether or not any such interim distribution is made as a reduction of stated capital or as a dividend shall be made by the Inspectors.

ARTICLE 8
COMPLETION OF THE LIQUIDATION PLAN

8.1 **Discharge of Liquidator and Inspectors**

At the Dissolution Date, the Liquidator and Inspectors shall be discharged and shall have no further obligations or responsibilities, except only with respect to any remaining duties or power required to implement and give effect to the terms of this Liquidation Plan.

ARTICLE 9
GENERAL PROVISIONS

9.1 Liquidation Plan Amendment

(a) The Liquidator and Inspectors may, at any time prior to the Dissolution Date, agree to amend, modify and/or supplement this Liquidation Plan without the approval of the Shareholders, (i) in order to correct any clerical or typographical error, (ii) as required to maintain the validity or effectiveness of this Liquidation Plan as a result of any change in any Legal Requirement, or (iii) in order to make any change that in the opinion of the Liquidator and the Inspectors is administrative in nature and does not materially change the terms of this Liquidation Plan.

(b) Subject to the ability of the Liquidator and Inspectors to agree to amend, modify and/or supplement or amend this Liquidation Plan without the approval of the Shareholders as provided in Section 9.1(a), the Liquidator and Inspectors reserve the right, at any time prior to the Dissolution Date, to amend, modify and/or supplement this Liquidation Plan, provided that any such amendment, modification or supplement shall not be effective until approved by a special resolution of the Shareholders at a meeting of Shareholders called for the purposes of approving such amendment, modification or supplement.

9.2 Severability

In the event that any provision in this Liquidation Plan is held by the Court to be invalid, void or unenforceable, the Court shall have the power to alter and interpret such term or provision to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered and interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Liquidation Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

9.3 Paramountcy

From and after the Liquidation Date, any conflict between: (A) this Liquidation Plan; and (B) any information summary in respect of this Liquidation Plan, or the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, document or agreement, written or oral, and any and all amendments and supplements thereto existing between LWP and any of the Shareholders, Directors, Liquidator, and Inspectors as at the Liquidation Date, will be deemed to be governed by the terms, conditions and provisions of this Liquidation Plan, which shall take precedence and priority.

9.4 Responsibilities of the Liquidator

The Liquidator will have only those powers granted to it by this Liquidation Plan, by the CBCA and by any order of the Court.

9.5 Notices

Any notice or communication to be delivered hereunder shall be in writing and shall reference this Liquidation Plan and may, subject as hereinafter provided, be made or given by personal delivery, by fax, courier or e-mail addressed to the respective parties as follows:

(i) if to a Shareholder:

at the addresses set forth in the securities register kept at the Transfer Agent;

(ii) if to a Creditor:

at the addresses set forth in the books and records of the Company or the proofs of claim filed by such Creditor in accordance with the Claims Process

(iii) if to the Company or the Liquidator:

KSV Advisory Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9

Attention: David Sieradzki
Fax: 416-932-6266
E-mail: dsieradzki@ksvadvisory.com

with a copy to (which shall not constitute notice):

Osler Hoskin & Harcourt
1 First Canadian Place
Toronto, ON M5X 1B8

Attention: Marc Wasserman
Fax: 416-862-6666
E-mail: mwasserman@osler.com

and

Borden Ladner Gervais LLP
Scotia Plaza
40 King Street West, 44th Floor
Toronto, ON M5H 3Y4

Attention: Edmond Lamek
Fax: 416-361-2436
E-mail: elamek@blg.com

(iv) if to the Inspectors:

c/o Borden Ladner Gervais LLP
Scotia Plaza
40 King Street West, 44th Floor
Toronto, ON M5H 3Y4

Attention: Edmond Lamek
Fax: 416-361-2436
E-mail: elamek@blg.com

or to such other address as any party may from time to time notify the others in accordance with this Section 9.5. All such notices and communications which are delivered shall be deemed to have been received on the date of delivery. Any such notices and communications which are faxed shall be deemed to be received on the date faxed if sent before 5:00 p.m. Eastern Standard Time on a Business Day and otherwise shall be deemed to be received on the Business Day next following the day upon which such fax was sent. Any notice or other communication sent by mail shall be deemed to have been received on the fifth Business Day after the date of mailing. The unintentional failure by the Liquidator to give a notice contemplated hereunder shall not invalidate any action taken by any Person pursuant to this Liquidation Plan.

9.6 **Governing Law**

This Liquidation Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to conflict of laws. All questions as to the interpretation or application of this Liquidation Plan and all proceedings taken in connection with this Liquidation Plan and its provisions shall be subject to the exclusive jurisdiction of the Court.

The foregoing Liquidation Plan being adopted by the Board as of this 31st day of December, 2015.

BY ORDER OF THE BOARD

by _____

Name: Bruce A. Scherr
Title: Chairman

IN THE MATTER OF THE LIQUIDATION OF LWP CAPITAL INC. PURSUANT TO SECTION 211 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED

and

KSV ADVISORY INC. IN ITS CAPACITY AS LIQUIDATOR OF LWP CAPITAL INC.

Applicant

Court File No: CV-16-11242-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
Commercial List

Proceeding commenced at TORONTO

LIQUIDATION ORDER

OSLER, HOSKIN & HARCOURT LLP
Box 50, 1 First Canadian Place
Toronto, Canada M5X 1B8

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Tel: 416.862.5661
Fax: 416.862.6666

Lawyers for the Liquidator, KSV Advisory Inc.

Appendix “B”

LEGUMEX WALKER CANADA INC.

ST. HILAIRE SEED COMPANY, INC.

LEGUMEX WALKER SUNFLOWER LLC

As Vendors

- and -

LEGUMEX WALKER INC.

As Parent

- and -

THE SCOULAR COMPANY

As Purchaser

ASSET PURCHASE AGREEMENT

September 14, 2015

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ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT, dated September 14, 2015, is entered into by and among: (i) Legumex Walker Canada Inc., a corporation incorporated under the Laws of Canada; (ii) St. Hilaire Seed Company, Inc., a corporation incorporated under the Laws of the State of Minnesota; (iii) Legumex Walker Sunflower LLC, a limited liability company organized under the Laws of the State of Minnesota; (iv) if Legumex Walker Canada Inc. is amalgamated with the Parent prior to Closing, the Parent (the entities identified in clauses (i) through (iv) inclusive are individually referred to herein as a "**Vendor**" and collectively referred to herein as the "**Vendors**"); (v) Legumex Walker Inc., a corporation incorporated under the federal Laws of Canada (the "**Parent**"); and (vi) The Scoular Company, a corporation incorporated under the Laws of the State of Nebraska (the "**Purchaser**").

RECITALS:

A. The Vendors and the Acquired Subsidiaries (as such term is defined herein) collectively carry on the Business, and are the only entities within Parent's consolidated group of companies that operate the Business.

B. The Parent directly or indirectly owns 100% of the outstanding capital stock or member interests, as applicable, and, therefore, controls each of the Vendors and the Acquired Subsidiaries.

C. The Vendors wish to sell, and the Purchaser wishes to purchase, all (except as otherwise set forth herein) of the assets used in, relating to or otherwise comprising the Business, on the terms and subject to the conditions set forth in this Agreement. The conveyance to the Purchaser of all such assets held by Legumex Walker Canada Inc. (other than the Hong Kong Shares (as such term is defined herein)), St. Hilaire Seed Company, Inc. and Legumex Walker Sunflower LLC shall be made directly by the sale of assets. The conveyance to the Purchaser of all such assets held by Legumex Walker China Limited, a corporation incorporated under the Laws of Hong Kong Special Administrative Region of China ("**Hong Kong SAR**") and Legumex Walker (Tianjin) International Trading Ltd., a corporation incorporated under the Laws of Mainland China (each an "**Acquired Subsidiary**" and collectively referred to herein as the "**Acquired Subsidiaries**") shall be made indirectly by the transfer by Legumex Walker Canada Inc. of the Hong Kong Shares (as such term is defined herein).

D. As a condition and inducement to the Purchaser entering into this Agreement, concurrently with the execution and delivery of this Agreement, the Parent is delivering to the Purchaser support agreements in the form attached hereto as Schedule D, executed by each officer and director of the Parent and certain Shareholders.

E. The Parent and the Vendors propose to voluntarily wind up their operations and liquidate and dissolve following the Closing Date and distribute their assets, including the net proceeds of the sale contemplated by the Transactions, in accordance with the terms of the "Plan of Liquidation and Distribution" substantially in the form to be attached to the Circular (the "**Liquidation and Dissolution**").

THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1
INTERPRETATION

1.1. Definitions. In this Agreement, including the Recitals to this Agreement, unless the context otherwise requires:

(1) "**Acceptable Confidentiality Agreement**" means a confidentiality agreement containing confidentiality and standstill terms that are no less favorable, in the aggregate, to Parent or any subsidiary, as the case may be, than those contained in the Confidentiality Agreement.

(2) "**Accounts Receivable**" means all accounts receivable, trade accounts receivable, notes receivable, book debts and other debts due or accruing due to the Vendors or the Acquired Subsidiaries, and the full benefit of any related security.

(3) "**Acquired Subsidiary**" or "**Acquired Subsidiaries**" have the meanings attributed to such terms in the Recitals.

(4) "**Acquisition Proposal**" means, other than the Transactions contemplated by this Agreement, any offer, proposal or inquiry from any Person or group of Persons other than the Purchaser (or any Affiliate of the Purchaser) relating to or which could reasonably be expected to lead to: (a) any direct or indirect sale, disposition, alliance or joint venture (or any lease, long term supply agreement or other arrangement having the same economic effect as a sale), in a single transaction or a series of related transactions, of (i) any assets of Parent, including the assets of any of the Vendors or the Acquired Subsidiaries, other than sales of inventory or other products by the Vendors or the Acquired Subsidiaries in the Ordinary Course of Business of such entities or (ii) any of the voting, equity or other securities of Parent or any of the Vendors or the Acquired Subsidiaries (or rights or interests therein or thereto); (b) any plan of arrangement, merger, amalgamation, consolidation, share exchange, take-over bid, issuer bid, tender offer, exchange offer, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving Parent or any of the Vendors or the Acquired Subsidiaries; (c) any other similar transaction or series of transactions involving Parent, any of the Vendors or the Acquired Subsidiaries or the Purchased Assets or (d) any combination of the transactions described in clauses (a)-(c) above; provided, however, that an offer, proposal or inquiry related solely to the sale by Parent in respect of Parent's interests in or relating solely to any of the assets, undertakings or membership interests of Pacific Coast Canola, LLC or with respect to a transfer of the shares of any Vendor by the Parent following Closing which transfer does not impact on the Vendors' ability to complete the Transactions, shall be deemed not to be an Acquisition Proposal.

(5) "**Action**" means any claim, action, cause of action, demand, lawsuit, audit, notice of violation, litigation, citation, summons, subpoena, inquiry, proceeding, complaint, suit, grievance, arbitration, alternative dispute resolution process, administrative proceeding or

investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at Law or in equity.

(6) "**Additional Environmental Investigation**" has the meaning attributed to that term in Section 6.8(1).

(7) "**Advance Ruling Certificate**" means an advance ruling certificate issued by the Commissioner pursuant to section 102 of the Competition Act with respect to the Transactions.

(8) "**Affiliate**" means an affiliated body corporate within the meaning of the following:

(a) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same Person; and

(b) if two bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other.

For purposes of this definition, a body corporate is controlled by a Person or by two or more bodies corporate if (i) securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate, are held, other than by way of security only, by or for the benefit of that Person or by or for the benefit of those bodies corporate; and (ii) the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate. For the purposes of this definition, a body corporate is a subsidiary of another body corporate if (i) it is controlled by (A) that other body corporate, (B) that other body corporate and one or more bodies corporate each of which is controlled by that other body corporate, or (C) two or more bodies corporate each of which is controlled by that other body corporate; or (ii) it is a subsidiary of a body corporate that is a subsidiary of that other body corporate.

(9) "**Agreement**" means this asset purchase agreement, including all Schedules, Appendices and Exhibits to this asset purchase agreement, as amended, supplemented, restated and replaced from time to time in accordance with its provisions.

(10) "**Alternative Acquisition Agreement**" has the meaning ascribed thereto in Section 7.3(1)(c).

(11) "**Applicable Privacy Laws**" means any and all applicable Laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including but not limited to the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial Law.

(12) "**Approvals**" means franchises, licenses, qualifications, authorizations, consents, certificates, registrations, exemptions, waivers, filings, grants, notifications, privileges, rights, orders, judgments, rulings, directives, Permits, and other permits and approvals.

(13) "**Appurtenances**" means, with respect to any real property:

(a) all buildings, structures, fixtures, improvements and appurtenances located on or forming part of that real property, including those under construction;

(b) all rights of way, licenses, rights of occupation, easements or other similar rights appurtenant to and for the benefit of that real property; and

(c) all mineral, oil and gas rights, subsurface rights and other rights, if any, forming part of such real property.

(14) "**Associate**", in respect of a relation with a Person, means:

(a) a body corporate of which that Person beneficially owns or controls, directly or indirectly, shares or securities currently convertible into shares carrying more than 10% of the voting rights under all circumstances or by reason of the occurrence of an event that has occurred and is continuing, or a currently exercisable option or right to purchase those shares or those convertible shares;

(b) a partner of that Person acting on behalf of the partnership of which they are partners;

(c) a trust or estate in which that Person has a substantial beneficial interest or in respect of which that Person serves as a trustee or liquidator of the succession or in a similar capacity;

(d) a spouse of that Person or an individual who is cohabiting with that Person in a conjugal relationship, having so cohabited for a period of at least one year;

(e) a child of that Person or of the spouse or individual referred to in Section 1.1(14)(d); and

(f) a relative of that Person or of the spouse or individual referred to in Section 1.1(14)(d), if that relative has the same residence as that Person.

(15) "**Assumed Liabilities**" has the meaning attributed to that term in Section 2.3(1).

(16) "**Assumption Agreement**" means the form of Assignment and Assumption Agreement to be entered into between each Vendor and the Purchaser substantially in the form of Schedule E.

(17) "**Audited Financial Statements**" means the audited financial statements of the Parent as at and for the financial years ended December 31, 2013 and December 31, 2014, consisting of a consolidated statement of financial position, consolidated statements of comprehensive loss, consolidated statements of changes in equity, consolidated statement of cash flows and all notes thereto and the report thereon of the Parent's auditor.

(18) "**Bill of Sale**" means the form of Bill of Sale and Conveyance Agreement to be entered into between each Vendor and the Purchaser substantially in the form of Schedule F.

(19) "**Board**" means the board of directors of the Parent as constituted from time to time.

(20) "**Board Recommendation**" has the meaning attributed to that term in Paragraph (2) of Schedule B.

(21) "**Bonus Plan**" means the 2015 Bonus Plan (also referred to as the Short Term Incentive Plan) maintained by the Parent and the Vendors.

(22) "**Books and Records**" means all books, records, files and papers of the Vendors, the Acquired Subsidiaries and the Parent relating to the Business, including title documentation, computer programs (including source codes and software programs), computer manuals, computer data, financial and Tax working papers, financial and Tax books and records, business reports, business plans and projections, sales and advertising materials, sales and purchases records and correspondence, trade association files, research and development records, lists of present and former customers and suppliers, personnel and employment records of the Transferred Employees, minute and share certificate books, all other documents and data (technical or otherwise) relating to the Business.

(23) "**Breaching Party**" has the meaning ascribed thereto in Section 6.10(3).

(24) "**Business**" means any or all of the following: the global sourcing, merchandising, Processing, marketing and distributing of, and managing transportation and logistics for, Special Crops and associated branded and non-branded food and feed ingredients and products for customers located throughout the world, and for greater certainty, does not include the business and operations of Pacific Coast Canola LLC.

(25) "**Business Day**" means any day, except Saturdays and Sundays, on which banks are generally open for non-automated business:

(a) for purposes of Section 12.12, in the place specified in that Section; and

(b) for all other purposes in this Agreement, in Toronto, Ontario, Winnipeg, Manitoba and Minneapolis, Minnesota.

(26) "**Canadian Real Property**" means the Real Property or the Leased Property located in Canada.

(27) "**Change in Recommendation**" has the meaning ascribed thereto in Section 7.3(1)(b).

(28) "**Circular**" means the management information circular to be provided to the Shareholders in respect of the Company Meeting.

(29) "**Claims Notice Period**" has the meaning ascribed thereto in Section 5.3(3).

(30) "**Closing**" means the completion of the Transactions on the Closing Date in accordance with this Agreement.

(31) "**Closing Accounts Payable**" means the accounts payable of the Business as of the Effective Time, calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements, but excluding any Excluded Liabilities.

(32) "**Closing Accounts Receivable**" means the Accounts Receivable as of the Effective Time, calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements, but excluding any Excluded Assets.

(33) "**Closing Accrued Liabilities**" means the accrued liabilities of the Business as of the Effective Time, calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements, but excluding any Excluded Liabilities.

(34) "**Closing Currency Adjustment**" means the currency adjustment of the Business as of the Effective Time, as calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements, but excluding any Excluded Liabilities.

(35) "**Closing Date**" means the second Business Day after all conditions to the Closing set forth in Article 3 have been satisfied or waived (other than those conditions intended to be satisfied at the Closing), or such other date as agreed to by the Parties in writing.

(36) "**Closing Inventories**" means the value of all raw materials, works-in-progress and finished good commodities that are Inventories as of the Effective Time, as calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements, but excluding any Excluded Assets.

(37) "**Closing Prepaid Expenses**" means the prepaid expenses of the Business as of the Effective Time, as calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements, but excluding any Excluded Liabilities.

(38) "**Closing Statement**" has the meaning attributed to that term in Section 2.7(2).

(39) "**Closing Working Capital**" has the meaning attributed to that term in Section 2.7(2)(a).

(40) "**Code**" means the United States Internal Revenue Code of 1986.

(41) "**Commissioner**" means the Commissioner of Competition appointed under the Competition Act or any person duly authorized to perform duties on behalf of the Commissioner of Competition.

(42) "**Company Meeting**" means the special meeting of Shareholders called to consider the Special Resolution to be held on or before November 13, 2015 and any adjournment or postponement thereof.

(43) "**Competition Act**" means the *Competition Act* (Canada).

(44) "**Competition Act Approval**" means:

(a) the issuance of an Advance Ruling Certificate and that Advance Ruling Certificate has not been rescinded prior to Closing; or

(b) the Parent and the Purchaser have given notice required under section 114 of the Competition Act with respect to the Transactions and the applicable waiting period under section 123 of the Competition Act has expired or has been terminated in accordance with the Competition Act; or

(c) the obligation to give the requisite notice has been waived pursuant to paragraph 113(c) of the Competition Act;

and, in the case of Sections 1.1(44)(b) and 1.1(44)(c), the Purchaser has been advised in writing by the Commissioner that the Commissioner is of the view that sufficient grounds at that time do not exist to initiate Proceedings before the Competition Tribunal under the merger provisions of the Competition Act with respect to the Transactions.

(45) "**Constating Documents**" means, with respect to any Person, its articles or certificate of incorporation, amendment, amalgamation or continuance, memorandum and articles of association, letters patent, supplementary letters patent, by-laws, partnership agreement, limited liability company agreement or other similar document, and all unanimous shareholder agreements, other shareholder agreements, voting trusts, pooling agreements and similar Contracts, arrangements and understandings applicable to the Person's equity interests, all as amended, supplemented, restated and replaced from time to time.

(46) "**Confidentiality Agreement**" means the confidentiality agreement dated March 31, 2015 between the Parent and the Purchaser.

(47) "**Contract**" means any agreement, contract, indenture, lease, occupancy agreement, deed of trust, license, option, undertaking, promise or any other commitment, obligation or understanding of any nature, other than a Permit, relating to the Business or the Purchased Assets and to which any of the Vendors, the Acquired Subsidiaries or the Parent is a party or under which any of the Vendors, the Acquired Subsidiaries or the Parent is bound, has, or will have, unfulfilled obligations, including maintenance or support obligations, or any contingent liability or is, or will be, owed unfulfilled

obligations, whether asserted or not, entered into, given, issued or agreed to, in any case whether written or oral, express or implied, including quotations, orders or tenders which remain open for acceptance.

(48) "**Counterparty**" means a Person, other than a Vendor or any Affiliate, who is a party to a Purchased Contract which is not assignable or assumable in whole or in part without the Approval of such Person.

(49) "**CRA**" means the Canada Revenue Agency or any successor agency.

(50) "**Debenture**" has the meaning attributed to that term in Section 2.6(1)(a).

(51) "**Disclosed Personal Information**" has the meaning attributed to that term in Section 11.1(1).

(52) "**Disclosure Letter**" means the disclosure letter dated the date of this Agreement and delivered by the Vendors and the Parent to the Purchaser in connection with this Agreement.

(53) "**Effective Time**" 12:01 a.m. on the Closing Date.

(54) "**Employee Plans**" means all health, welfare, fringe benefit, supplemental unemployment benefit, bonus, profit sharing, option, insurance, incentive, incentive compensation, deferred compensation, share purchase, share compensation, life, accident, disability, severance, termination, retention, change in control, pension or supplemental retirement plans and other employee or director employment, compensation or benefit plans, policies, trusts, funds, policies, arrangements, Contracts or other agreements (whether written or unwritten, including all "employee benefit plans" as defined in Section 3(3) of ERISA, whether or not subject to ERISA) for the benefit of current or former directors of the Vendors or the Acquired Subsidiaries, current or former Employees, or current or former independent contractors, which are maintained by or binding upon the Parent, the Acquired Subsidiaries or the Vendors or in respect of which the Vendors or the Acquired Subsidiaries have any actual or potential liability, but excluding statutory benefit plans including the Canada Pension Plan and plans administered pursuant to applicable health Tax, workplace safety insurance and employment insurance legislation.

(55) "**Employees**" means all employees of the Vendors and the Acquired Subsidiaries who are employed in the Business immediately prior to Effective Time, whether full-time, part-time, salaried, hourly, unionized or non-unionized.

(56) "**Employment Contracts**" means all employment contracts between any Vendor or Acquired Subsidiary (or the Parent) and any Employee, if any, together with any agreement (oral or written), understanding, communication or practice relating to such Employees which imposes any obligation on the Vendors or the Acquired Subsidiaries, the Business or the Purchased Assets.

(57) "**Encumbrance**" means any encumbrance, lien, charge, hypothecation, pledge, mortgage, title retention agreement, security interest of any nature, prior claim, adverse claim,

exception, reservation, restrictive covenant, agreement, easement, lease, license, right of occupation, option, right of use, right of first refusal, right of pre-emption, privilege or any matter capable of registration against title or any Contract to create any of the foregoing.

(58) "**Environmental Adjustment Amount**" has the meaning attributed to that term in Section 6.8(3).

(59) "**Environmental Expert**" has the meaning attributed to that term in Section 6.8(3).

(60) "**Environmental Laws**" means all Laws relating to the protection of the natural environment (including ambient air, indoor air, soil, surface water or groundwater, subsurface strata, sediment, and wildlife), human health, pollution, reclamation or the generation, production, installation, use, storage, treatment, transportation, Release or threatened Release of Hazardous Substances, including civil responsibility for acts or omissions with respect to the environment, and all Permits issued pursuant to such Laws.

(61) "**Environmental Permits**" means any Permit which is issued under, or pursuant to any Environmental Law.

(62) "**ERISA**" means the United States Employee Retirement Income Security Act of 1974.

(63) "**ETA**" means the Excise Tax Act (Canada).

(64) "**Excluded Assets**" has the meaning attributed to that term in Section 2.2.

(65) "**Excluded Liabilities**" has the meaning attributed to that term in Section 2.3(2).

(66) "**FDA**" means the United States Food and Drug Administration.

(67) "**FFDC Act**" means the United States Federal Food, Drug and Cosmetic Act.

(68) "**Financing Source**" has the meaning attributed to that term in Section 8.12.

(69) "**Financial Statements**" means the Audited Financial Statements and the Interim Financial Statements.

(70) "**Food and Agricultural Law**" means any Law or order which relates to food safety, including, but not limited to, Laws and regulations promulgated by the FDA and the USDA.

(71) "**Foreign Government Entity**" has the meaning attributed to that term in paragraph (9)(a) of Schedule C.

(72) "**Fraud Exception**" has the meaning ascribed to such term in Section 5.3(4).

(73) "**Fundamental Representations**" means the following representations, all as set forth in Schedule B: Paragraphs (1) *[Organization and Qualification]*, (2) *[Corporate Authorization]*, (3) *[Execution and Binding Obligation]*, (18)(a) *[Title to Real Property]*,

(19) *[Title to the Purchased Assets]*, (20) *Sufficiency of the Purchased Assets]*, (33) *[Employee Plans]*, (37) *[Taxes]*, (39) *[No Finder's Fee]* and (41) *[No Options]*.

(74) "**Governmental Entity**" means (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (b) any subdivision or authority of any of the above, (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, (d) the securities regulatory authorities in each of the Provinces and Territories of Canada, or (e) any stock exchange, including the TSX.

(75) "**Grafton Property**" means that certain real property located at 14852 Highway 17, Grafton, ND 58237, legally described on Section 16 of the Disclosure Letter, and leased by St. Hilaire Seed Company, Inc. pursuant to that certain Master Lease Agreement No. STH3360, dated as of December 30, 2010.

(76) "**GST/HST**" means all Taxes payable under Part IX of the ETA (including where applicable both the federal and provincial portion of those Taxes).

(77) "**Handling**" has the meaning ascribed to that term in Paragraph (34)(a) of Schedule B.

(78) "**Hazardous Substance**" means any substance (whether in solid, liquid or gaseous form), which is defined, judicially interpreted or identified under applicable Environmental Laws as a toxic, pollutant, contaminant, waste of any nature (including hazardous waste), hazardous material, hazardous substance, dangerous substance or dangerous good, including fuel, oil, petroleum and any petroleum products, asbestos or asbestos containing materials, urea formaldehyde, lead, radon gas, glycol, polychlorinated biphenyls, and any substance which is explosive, corrosive, flammable, infectious or radioactive.

(79) "**Hong Kong SAR**" has the meaning attributed to that term in the Recitals.

(80) "**Hong Kong Shares**" means 100% of the equity interests of the Hong Kong Subsidiary.

(81) "**Hong Kong Subsidiary**" means Legumex Walker China Limited.

(82) "**IFRS**" means International Financial Reporting Standards as set out in Part I of the Canadian Institute of Chartered Accountants Handbook – Accounting, as applicable to the Parent on a consolidated basis, at the relevant time, applied on a consistent basis.

(83) "**Inactive Employee**" has the meaning ascribed to that term in Section 6.11(1).

(84) "**Independent Auditor**" has the meaning ascribed to that term in Section 2.7(3).

(85) "**Independent Contractors**" has the meaning ascribed to that term in Paragraph (31)(a) of Schedule B.

(86) "**Information Technologies**" means:

(a) all computer equipment, including desktop and laptop computers, servers, peripheral devices, storage media, networking equipment and other hardware; and

(b) all computer software, including operating systems, applications, and other software including any custom developed software;

that is owned, leased, licensed or used by the Vendors, the Acquired Subsidiaries or the Parent in connection with the Business.

(87) "**Intellectual Property**" means, individually and collectively, howsoever created and wherever located:

(a) all domestic and foreign patents and applications thereof and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof;

(b) all inventions (whether patentable or not), invention disclosures, improvements, trade secrets, proprietary information, know-how, technology, technical data, schematics and customer lists, and all documentation relating to any of the foregoing;

(c) all copyrights, copyright registrations and applications thereof, and all other rights corresponding thereto throughout the world;

(d) all trade names (including the "Legumex Walker" name and all derivatives thereof, which includes both English and traditional/simplified Chinese names, *e.g.* "沃加", "沃加国际", "沃加国际贸易（天津）有限公司" and "沃加国际有限公司"), domain names, social media accounts, corporate names, trade dress, logos, common Law trade-marks, trade-mark registrations and applications thereof, and all goodwill associated therewith;

(e) all computer programs, applications and software (both in source code and object code form) and any proprietary rights in those computer programs, applications and software, including documentation and other materials related thereto;

(f) all income, royalties, damages and payments now and hereafter due and/or payable with respect to any of the foregoing, including without limitation, damages and payments for past or future infringements or misappropriations thereof; and

(g) all rights to sue for past, present and future infringements or misappropriations of any of the foregoing.

(88) "**Intellectual Property Agreements**" means:

(a) all licenses of Intellectual Property by the Vendors, the Acquired Subsidiaries or the Parent to any third party;

(b) all licenses of Intellectual Property by any third party to the Vendors, the Acquired Subsidiaries or the Parent;

(c) all agreements between the Vendors, the Acquired Subsidiaries or the Parent and any third party relating to the development or use of Intellectual Property, the development or transmission of data, or the use, modification, framing, linking, advertisement, or other practices with respect to Internet Web sites; and

(d) all consents, settlements, decrees, orders, injunctions, judgments, or rulings governing the use, validity, or enforcement of the Intellectual Property;

in each case, that are owned or used by the Vendors or the Acquired Subsidiaries in connection with the Business or are otherwise necessary for the operation of the Business as presently conducted by the Vendors and the Acquired Subsidiaries.

(89) "**Interim Financial Statements**" means the unaudited financial statements of the Parent as at and for the six (6) months ended June 30, 2015, consisting of a consolidated statement of financial position, consolidated statements of comprehensive loss, consolidated statements of changes in equity, consolidated statement of cash flows and all notes, schedules and exhibits thereto, copies of which financial statements have been made available to the Purchaser.

(90) "**Interim Period**" means the period from the date of this Agreement to the Closing Date.

(91) "**Inventories**" means inventories, including all finished goods, raw materials, works-in-progress, as well as packaging materials and all other materials and supplies, to be used or consumed by the Vendors or the Acquired Subsidiaries in connection with the Business.

(92) "**Key Employees**" means Anthony Kulbacki, Grant Fehr, Bruce Wiebe and Tania Hawat.

(93) "**Key Employee Contracts**" means the employment agreements to be entered into between the Purchaser and each of the Key Employees as of or prior to the date hereof, to be effective as of the Effective Time.

(94) "**Key Regulatory Approvals**" means the Competition Act Approval, the Manitoba Farm Land Approval and the Saskatchewan Farm Land Approval.

(95) "**Knowledge**" has the meaning attributed to that term in Section 1.4.

(96) "**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, instrument, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended (unless expressly specified otherwise herein).

(97) "**Leased Property**" has the meaning attributed to that term in Paragraph (16) of Schedule B.

(98) "**Leases**" has the meaning attributed to that term in Paragraph (17)(a) of Schedule B.

(99) "**Licensed Intellectual Property**" means all Intellectual Property licensed to the Vendors, the Acquired Subsidiaries or the Parent pursuant to Intellectual Property Agreements.

(100) "**Liquidation and Dissolution**" has the meaning ascribed to it in the Recitals.

(101) "**Losses**" has the meaning attributed to that term in Section 8.1(6).

(102) "**Manitoba Farm Land Approval**" means the issuance of an order issued by, and/or approval of an application by the Purchaser to, the Manitoba Farm Industry Board permitting the acquisition by the Purchaser of any interest in the Real Property or Leased Property which constitutes farm land in Manitoba, as applicable pursuant to the *Farm Lands Ownership Act* (Manitoba).

(103) "**Material Adverse Effect**" means any fact or state of facts, circumstance, change, effect, occurrence or event that, individually or in the aggregate, is material and adverse to (a) the condition (financial or otherwise) of the Business, or to the assets, business or operations of the Vendors and the Acquired Subsidiaries, taken as a whole, or (b) the ability of the Parent or the Vendors or the Acquired Subsidiaries to consummate the Transactions without material delay or impairment, except, in the case of clause (a), to the extent of any fact or state of facts, circumstance, change, effect, occurrence or event resulting from: (i) any actions taken (or omitted to be taken) by the Vendors or the Acquired Subsidiaries at the written request of the Purchaser; (ii) the announcement of this Agreement or the Transactions contemplated hereby; (iii) any changes affecting the pulse, specialty crop processing and merchandising industries in Canada, the United States or any other jurisdiction in which the Business is conducted or otherwise where product or merchandise is sold by the Vendors or the Acquired Subsidiaries, which do not have a disproportionate effect on the Vendors or the Acquired Subsidiaries taken as a whole, compared to their industry peers; (iv) general economic, financial, currency exchange or securities conditions in Canada, the United States or any other jurisdiction in which the Business is conducted or otherwise where product or merchandise is sold by the Vendors or the Acquired Subsidiaries, which do not have a disproportionate effect on the Vendors or the Acquired Subsidiaries taken as a whole, compared to their industry peers; (v) the commencement or continuation of any war, armed hostilities or acts of terrorism; or (vi) any failure to meet any internal or publicly disclosed projections, forecasts or estimates of, or guidance relating to, revenue, earnings, cash flow or other financial metrics of the Vendors and the Acquired Subsidiaries, whether made by or attributed to the Vendors or the Acquired Subsidiaries or any financial analyst or other Person; provided, that, the underlying facts, circumstances, changes, effects, occurrences or events resulting in such failure may be taken into consideration in determining the existence of a Material Adverse Effect.

(104) "**Material Contract**" means any Contract: (a) that if terminated or modified or if it ceased to be in effect, individually or in the aggregate, would reasonably be expected to materially impact the Business; (b) any partnership agreement, limited liability company agreement, joint venture agreement or similar agreement or arrangement relating to the formation, creation or operation of any partnership, limited liability company or joint venture; (c) relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness (currently outstanding or which may become outstanding) for borrowed money; (d) restricting the incurrence of indebtedness by the Vendors or the Acquired Subsidiaries or (including by requiring the granting of an equal and rateable Encumbrance) the incurrence of any Encumbrances on any properties or assets of the Vendors or the Acquired Subsidiaries; (e) under which the Vendors or the Acquired Subsidiaries are obligated to make or expects to receive payments on an annual basis in excess of $100,000 or in excess of $250,000 over the remaining term; (f) that creates an exclusive dealing arrangement or right of first offer or refusal; (g) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds $100,000; (h) that limits or restricts in any material respect (i) the ability of the Vendors or the Acquired Subsidiaries to carry on business in any geographic area, or (ii) the scope of Persons to whom the Vendors or the Acquired Subsidiaries may contract with; (i) which is terminable by the other party or parties thereto upon a change in control of the Business; or (j) that is otherwise material to the Business.

(105) "**Material Permit**" has the meaning attributed to that term in Paragraph (13)(a) of Schedule B.

(106) "**Mirror Trade Purchase**" has the meaning attributed to that term in Section 10.2(1).

(107) "**Mirror Trade Sale**" has the meaning attributed to that term in Section 10.2(2).

(108) "**MI 61-101**" means Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions.

(109) "**Notice of Superior Proposal**" has the meaning ascribed thereto in Section 7.4(1)(b).

(110) "**Objection Notice**" has the meaning attributed to that term in Section 2.7(3).

(111) "**Ordinary Course**" means, with respect to an action taken by the Parent, Vendors or the Acquired Subsidiaries in respect of the Business, that such action is consistent with the past practices of the Parent, the Vendors and the Acquired Subsidiaries, and is taken in the ordinary course of the normal day-to-day operations of the Business.

(112) "**Other Agreements**" has the meaning ascribed thereto in Section 12.5.

(113) "**Outside Date**" means March 14, 2016.

(114) "**Owned Intellectual Property**" means all Intellectual Property owned by Vendors, the Acquired Subsidiaries or the Parent in connection with the Business.

(115) "**Parent**" has the meaning ascribed to it in the first paragraph hereof.

(116) "**Parties**" means collectively, the Purchaser, the Vendors, the Acquired Subsidiaries and the Parent, and "**Party**" means any of them.

(117) "**Paying Party**" has the meaning ascribed thereto in Section 12.2(6).

(118) "**Payoff Letters**" shall mean letters from each holder of indebtedness for money borrowed by the Parent, the Vendors or the Acquired Subsidiaries that affects the Business in any manner, regardless of the form of indebtedness, which letters evidence the aggregate amount of such indebtedness (including any interest accrued thereon and any prepayment or similar penalties and expenses associated with the prepayment of such indebtedness on the Closing Date) owed to such holder, and indicating in each such letter that, upon payment of a specified amount, the amount of such indebtedness owed or owing to such holder shall be fully paid and discharged, with no further obligations or liabilities of the Business in respect thereof, and that all Liens in respect of such indebtedness shall be released upon payment of the amount set forth in such letter.

(119) "**Permits**" means franchises, licenses, qualifications, authorizations, consents, certificates, certificates of authorization, decrees, orders-in-council, registrations, exemptions, consents, variances, waivers, filings, grants, notifications, privileges, rights, orders, judgments, rulings, directives, permits and other approvals, obtained from, issued by or required by a Governmental Entity.

(120) "**Permitted Encumbrance**" means:

(a) servitudes, easements, restrictions, rights-of-way and other similar rights in real property or any interest therein; provided, that those servitudes, easements, restrictions, rights-of-way and other similar rights are not of such a nature, individually or in the aggregate, as to materially adversely affect the current use or current value of the property subject thereto;

(b) undetermined or inchoate liens, charges and privileges incidental to current construction or current operations (except for liens, charges and privileges related to Taxes), which are not, individually or in the aggregate, material to the Business and are not of such a nature as to materially adversely affect the use or value of the property subject thereto;

(c) statutory liens, charges, adverse claims, security interests or Encumbrances of any nature whatsoever claimed or held by any Governmental Entity that have not at the time been filed or registered against the title to the asset or served on the Vendors or the Acquired Subsidiaries pursuant to applicable Law or that relate to obligations not due or delinquent, except for statutory liens, charges, adverse claims, security interests or Encumbrances related to Taxes to the extent included as Closing Accrued Liabilities in the Closing Statement;

(d) assignments of insurance provided to landlords or their mortgagees or hypothecary creditors pursuant to the terms of any lease and liens, security

interests, or rights reserved in or granted pursuant to any lease as security for payment of rent or for compliance with the terms of that lease;

(e) unperfected security given in the Ordinary Course of the Business to any public utility or Governmental Entity in connection with the operations of the Business, other than security for borrowed money;

(f) with respect to the Canadian Real Property, the reservations in any original grants from the Crown of any real property or interest therein and statutory exceptions to title that do not materially detract from the value of the real property concerned or materially impair its use in the operation of the Business;

(g) any mortgages or charges in respect of any Real Property that will be discharged prior to or at Closing; and

(h) the Permitted Encumbrances described in Schedule 1.1(120).

(121) "**Person**" is to be broadly interpreted and includes an individual, a corporation, a partnership, a joint venture, a trust, an association, a syndicate, an unincorporated organization, a Governmental Entity, an executor or administrator or other legal or personal representative, or any other juridical entity.

(122) "**Personal Information**" means information about an identifiable individual but excludes an individual's name, position name or title, business telephone number, business address, business e-mail, business fax number and other similar business information collected, used or disclosed to contact an individual in their capacity as an official or employee of an organization.

(123) "**Personal Property**" has the meaning attributed to that term in Paragraph (22) of Schedule B.

(124) "**Personal Property Leases**" has the meaning attributed to that term in Paragraph (23) of Schedule B.

(125) "**Pre-Closing Tax Period**" means any taxable period ending on or before the Closing Date, including the portion of any Straddle Period ending on the Closing Date.

(126) "**Preliminary Closing Working Capital**" has the meaning attributed to that term in Section 2.7(1).

(127) "**Privacy Policies**" has the meaning attributed to that term in Paragraph (34) of Schedule B.

(128) "**Proceeding**" means:

(a) any suit, action, dispute, investigation, claim, arbitration, order, summons, citation, directive, charge, demand or prosecution, whether legal or administrative;

(b) any other proceeding; or

(c) any appeal or application for review;

at Law or in equity or before or by any Governmental Entity.

(129) "**Processing**" means and includes Primary Processing, Value-Added Processing and Specialty / Ingredient Processing, and where:

(a) "**Primary Processing**" means receiving, cleaning, sorting and blending;

(b) "**Value-Added Processing**" means (i) colour sorting, splitting, de-hulling, milling and packaging; (ii) canning; (iii) roasting; (iv) processing pulses and other Special Crops such as flax into components such as fiber, gluten free flour, starch, omega 3s and protein concentrates for use as ingredients in other consumer products (*e.g.*, extraction, fractionation, etc.); (v) blends sterilization; (vi) processing and packaging as feed mixtures for pet and wild birds; and (vii) dry packaging, and the production of soup mixes, dehydrated products, precooked and individually quick frozen products, soups, stews, and snack food; and

(c) "**Specialty / Ingredient Processing**" means Primary Processing and/or Value-Added Processing for a niche market (*e.g.*, identity preserved products, non-GMO products, organic products, etc.).

(130) "**Purchase Price**" has the meaning attributed to that term in Section 2.5(1).

(131) "**Purchased Assets**" has the meaning attributed to that term in Section 2.1(1).

(132) "**Purchased Contracts**" has the meaning attributed to that term in Section 2.1(1)(l).

(133) "**Purchaser**" has the meaning attributed to that term in the first paragraph hereof. In the event that, pursuant to Section 12.13, Purchaser assigns to any subsidiary or subsidiaries all or any portion of its rights and/or obligations under this Agreement, references to "Purchaser" shall be deemed to include such subsidiary or subsidiaries as the context requires; provided, that any such assignment shall not relieve the Purchaser's obligations under this Agreement.

(134) "**Real Property**" has the meaning attributed to that term in Paragraph (16) of Schedule B.

(135) "**Receiving Party**" has the meaning ascribed thereto in Section 12.2(6).

(136) "**Regulatory Approvals**" means, any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case required in connection with the Transactions,

including the Key Regulatory Approvals, all as listed in Section 4 of the Disclosure Letter.

(137) "**Reimbursement Amount**" has the meaning ascribed thereto in Section 12.2(5).

(138) "**Release**" means any release, spill, leak, emission, discharge, leach, dumping, migration, pumping, pouring, emitting, emptying, injecting, spraying, burying, abandoning, incinerating, seeping, escape, disposal or similar or analogous act.

(139) "**Representatives**" means, with respect to any Party, its Affiliates and, if applicable, its and their respective directors, officers, employees, agents, Associates and other representatives and advisors.

(140) "**Restricted Period**" has the meaning ascribed thereto in Section 6.12(1).

(141) "**Reverse Termination Fee**" has the meaning ascribed thereto in Section 12.2(3).

(142) "**Reverse Termination Fee Event**" has the meaning ascribed thereto in Section 12.2(3).

(143) "**R/W Policy**" has the meaning ascribed thereto in Section 8.11.

(144) "**Saskatchewan Farm Land Approval**" means the consent from or approval by the Saskatchewan Farm Security Board to the acquisition by the Purchaser of any interest in the Real Property or Leased Property which constitutes farm land in Saskatchewan, as applicable pursuant to the *Saskatchewan Farm Security Act* (Saskatchewan).

(145) "**Scheduled Employee**" has the meaning ascribed to that term in Section 6.11(1).

(146) "**Share Purchase Agreement**" means the equity transfer agreement between the Purchaser and Legumex Walker Canada Inc., as sole shareholder of the Hong Kong Subsidiary, in the form attached as Schedule H, pursuant to which Legumex Walker Canada Inc. will sell the Hong Kong Shares to the Purchaser.

(147) "**Shareholders**" means the holders of common shares in the capital of the Parent.

(148) "**Significant Environmental Issue**" means any environmental facts or state of facts, circumstance, change, effect, occurrence or event discovered at a location subject to Additional Environmental Investigation that could reasonably be expected to result in the Business or Purchased Assets incurring losses, liabilities, obligations, damages, costs, expenses, charges, fines, penalties or assessments (including (a) lawyers', experts' and consultants' fees and expenses and (b) the estimated costs associated with remediating or otherwise addressing the fact, circumstance, change, effect, occurrence or event and (c) incidental and consequential damages related thereto) in excess of $5,000,000.

(149) "**Special Crops**" means a diverse group of crops which are not included in major grains and oilseeds, or horticultural crops, and are generally categorized as (a) pulses (e.g., lentils, peas, beans, chickpeas, etc.); and (b) other special crops (e.g., flax, sunflower

seed, mustard seed, canary seed, canola seed (for birdseed), oat groats, millet, course chips, fine chips, safflower, red milo, corn, niger seed, etc.).

(150) "**Special Resolution**" means the special resolution approving the Transactions to be considered at the Company Meeting substantially in the form set out in Schedule A.

(151) "**Straddle Period**" means any taxable period beginning before and ending after the Closing Date. In the case of any Straddle Period: (a) Taxes imposed on a periodic basis shall be apportioned between the portion of such Straddle Period ending on the Closing Date and the portion of such Straddle Period beginning after the Closing Date on a daily pro-rata basis, and (b) all other Taxes shall be apportioned between the portion of such Straddle Period ending on the Closing Date and the portion of such Straddle Period beginning after the Closing Date on a closing-of-the-books basis.

(152) "**Superior Proposal**" means an unsolicited bona fide written Acquisition Proposal from a Person who is an arm's length third party made after the date of this Agreement: (a) to acquire (i) not less than 50% of the outstanding common shares in the capital of the Parent or (ii) all or substantially all of the assets of the Parent on a consolidated basis (which, so long as the Parent holds an indirect interest in Pacific Coast Canola LLC, shall be deemed to include such interest in Pacific Coast Canola LLC); (b) that did not result from a breach of this Agreement and complies with all applicable Laws; (c) is not subject to any financing contingency; (d) is not subject to any due diligence condition; and (e) in respect of which the Board and any relevant committee thereof determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal (including any regulatory, financing, consent and other issues that may delay or restrict the consummation of such Acquisition Proposal), would, if consummated in accordance with its terms, but without assuming away the risk of non completion, result in a transaction which is more favourable, from a financial point of view, to Shareholders than the Transactions.

(153) "**Survey**" means, (a) with respect to the U.S. Real Property, a current survey or surveys of the Real Property certified to the Purchaser and the Title Company, prepared by a licensed surveyor and conforming to 2011 ALTA Minimum Detail Requirements for Land Title Surveys, disclosing the location of all improvements, easements, party walls, sidewalks, roadways, utility lines, set back lines and other matters shown customarily on such surveys, and showing access affirmatively to public streets and roads, and (b) with respect to the Canadian Real Property, a survey or surveys prepared by a qualified provincial land surveyor confirming the boundaries, area and dimensions of the subject Canadian Real Property, the location of the improvements to the subject Canadian Real Property and the location of any encroachments, easements or rights of way on the subject Canadian Real Property, together with evidence of compliance from the appropriate municipal authority confirming compliance with all rules, regulations and Laws relating to setbacks, zoning, building height and other municipal bylaws.

(154) "**Tax Act**" or any reference to a specific provision thereof means the *Income Tax Act* (Canada) and legislation of any legislature of any province or territory of Canada

(including the *Taxation Act* (Québec)) and any regulations thereunder in force of like or similar effect.

(155) "**Tax Clearance Certificate**" has the meaning specified in Section 2.11.

(156) "**Tax Returns**" means all returns, declarations, designations, forms, schedules, reports, elections, notices, filings, statements (including withholding Tax returns and reports, and information Tax returns and reports) and other documents of every nature whatsoever filed or required to be filed with any Governmental Entity with respect to any Taxes, together with all amendments and supplements thereto.

(157) "**Taxes**" means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Entity, including all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof, and shall include any transferee, successor or secondary liability for Tax (including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, gains, capital stock, production, gift, wealth, environment, net worth, utility, sales, goods and services, harmonized sales, use, consumption, valued-added, excise, stamp, withholding, premium, business, franchising, property, employer health, payroll, employment, health, social services, education and social security taxes, surtaxes, customs duties and import and export taxes, development, occupancy, social services, license, franchise and registration fees and employment insurance, health insurance and Canada, Québec and other government pension plan premiums or contributions), and "**Tax**" has a corresponding meaning.

(158) "**Terminating Party**" has the meaning specified in Section 6.10(3).

(159) "**Termination Fee**" has the meaning specified in Section 12.2(2).

(160) "**Termination Fee Event**" has the meaning specified in Section 12.2(2).

(161) "**Termination Notice**" has the meaning specified in Section 6.10(3).

(162) "**Title Commitment**" means a commitment to issue a Title Policy delivered by the Title Company, including copies of all exception documents listed in such commitment.

(163) "**Title Company**" means First American Title Insurance Company.

(164) "**Title Objection Date**" has the meaning specified in Section 6.3(2).

(165) "**Title Policy**" means, (a) with respect to the U.S. Real Property, an irrevocable American Land Title Association (ALTA) 2006 Owner's Title Insurance Policy (deleting the arbitration clause) for the U.S. Real Property issued by the Title Company in the amount specified by the Purchaser, subject only to the Permitted Encumbrances, covering title to the U.S. Real Property and all appurtenant easements, showing the Purchaser as owner of the U.S. Real Property, and providing for full extended coverage over all general title exceptions contained in such policies and the following special endorsements if required by the Purchaser: zoning (including parking), access, restrictions, utility, comprehensive,

survey, tax parcel, contiguity, subdivision, location and other endorsements reasonably requested by the Purchaser, and (b) with respect to the Canadian Real Property, an owner's title insurance policy issued by the Title Company in the amount specified by the Purchaser, subject only to the Permitted Encumbrances, covering title to or a leasehold interest in, as applicable, the Canadian Real Property, showing the Purchaser as owner or lessee, as applicable, of the Canadian Real Property, and providing for full extended coverage over all general title exceptions contained in such policies and such endorsements as may be reasonably requested by the Purchaser.

(166) "**Trade Contract**" means each Contract for the purchase or sale of products of the Business in the Ordinary Course; provided, that (a) such Contract contains obligations for future performance, (b) no counterparty to such Contract is in default under the terms of the Contract as of the Effective Time or has provided notice to the applicable Vendor or Acquired Subsidiary of any intention not to perform, or any excuse for performance, under the Contract, and (c) such Contract is valid, binding and enforceable in accordance with its terms.

(167) "**Trade Purchase**" means a Trade Contract pursuant to which a Vendor is the buyer.

(168) "**Trade Sale**" means a Trade Contract pursuant to which a Vendor is the seller.

(169) "**Transaction Documents**" means each Bill of Sale, Assumption Agreement, the Transitional Services Agreement, the Share Purchase Agreement, U.S. Deed or other deed, and all Other Agreements, certificates, documents and other instruments delivered or given pursuant to this Agreement.

(170) "**Transactions**" means the purchase and sale of the Purchased Assets and all other transactions contemplated by this Agreement.

(171) "**Transferred Employee**" has the meaning ascribed to that term in Section 6.11(1).

(172) "**Transitional Services Agreement**" means the Transitional Services Agreement to be entered into among the Vendors, the Parent and the Purchaser addressing the provision of the transitional services described in Schedule I.

(173) "**Transmission**" has the meaning attributed to that term in Section 12.12(1).

(174) "**TSX**" means the Toronto Stock Exchange.

(175) "**Unassignable Contracts**" means any Purchased Contract, other than a Trade Contract, which is not assignable or assumable in whole or in part without the Approval of the Counterparty, unless such Approval has been obtained prior to the Closing Date.

(176) "**Unassignable Trade Contract**" means any Trade Contract which does not expressly permit the relevant Vendor to assign all of its rights and obligations under such Contract to any third party without Approval, unless the Approval of the Counterparty thereto has been obtained prior to the Closing Date.

(177) "**USDA**" means the United States Department of Agriculture.

(178) "**U.S. Deed**" means a limited warranty deed (or its equivalent) pursuant to which the U.S. Real Property will be conveyed to the Purchaser.

(179) "**U.S. Employee**" has the meaning attributed to that term in Section 6.11(7)(b).

(180) "**U.S. Real Property**" means the Real Property located in the United States.

(181) "**Vendor**" or "**Vendors**" have the meanings attributed to such terms in the first paragraph hereof.

(182) "**Vendors' Contribution Amount**" means an amount equal to $1,000,000.

(183) "**Vendors' Counsel**" means Borden Ladner Gervais LLP.

(184) "**WARN Act**" has the meaning attributed to that term in Paragraph (32)(f) of Schedule B.

(185) "**Wilful Breach**" means a breach of this Agreement that is a consequence of an act or omission undertaken by the Breaching Party with the actual knowledge that the taking of such act would, or would be reasonably expected to, cause a breach of this Agreement.

(186) "**Working Capital**" means, as of the Closing Date, (a) the sum of (i) Closing Accounts Receivable, (ii) Closing Inventories and (iii) Closing Prepaid Expenses; reduced by (b) the sum of (i) Closing Accounts Payable, (ii) Closing Accrued Liabilities and (iii) the Closing Currency Adjustment, all of which will be calculated in accordance with the calculation guidelines set forth on Schedule G and, except as otherwise expressly contemplated by Schedule G, in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements.

1.2. Construction. This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party does not apply to the construction or interpretation of this Agreement.

1.3. Certain Rules of Interpretation. In this Agreement:

(1) the division into Articles and Sections and the insertion of headings and the Table of Contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement;

(2) the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular portion of this Agreement; and

(3) unless specified otherwise or the context otherwise requires:

(a) references to any Article, Section or Schedule are references to the Article or Section of, or Schedule to, this Agreement;

(b) "including" or "includes" means "including (or includes) but is not limited to" and is not to be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it;

(c) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of";

(d) references to Contracts are deemed to include all amendments, supplements, restatements and replacements to those Contracts;

(e) "collective agreement" is used interchangeably with "collective bargaining agreement";

(f) references to any legislation, statutory instrument or regulation or a section thereof are references to the legislation, statutory instrument, regulation or section as amended, re-enacted, consolidated or replaced from time to time; and

(g) words in the singular include the plural and vice-versa and words in one gender include all genders.

(4) The term "made available" means, in each case, prior to the date hereof, (a) copies of the subject materials were included in the data room maintained by Alta Corp Capital on behalf of the Parent or (b) copies of the subject materials were provided to the Purchaser.

1.4. Knowledge. In this Agreement, where any representation or warranty is expressly qualified by reference to the knowledge of the Parent, it is deemed to refer to the actual knowledge, after due inquiry, of Joel Horn, Anthony Kulbacki, Greg Misenar, Kevin Raymond, Myrna McIvor and Tania Hawat, in their respective capacities as directors, officers, and/or employees of the Parent or the respective Vendor or Acquired Subsidiary.

1.5. Computation of Time. In this Agreement, unless specified otherwise or the context otherwise requires:

(1) a reference to a period of days is deemed to begin on the first day after the event that started the period and to end at 5:00 p.m. on the last day of the period, but if the last day of the period does not fall on a Business Day, the period ends at 5:00 p.m. on the next succeeding Business Day;

(2) all references to specific dates mean 11:59 p.m. on the dates;

(3) all references to specific times are references to Eastern Time; and

(4) with respect to the calculation of any period of time, references to "from" mean "from and excluding" and references to "to" or "until" mean "to and including".

1.6. Performance on Business Days. If any action is required to be taken pursuant to this Agreement on or by a specified date that is not a Business Day, the action is valid if taken on or by the next succeeding Business Day.

1.7. Currency and Payment. In this Agreement, unless specified otherwise:

(1) references to dollar amounts or "$" are to Canadian dollars;

(2) any payment is to be made by an official bank draft drawn on a Canadian chartered bank, wire transfer or any other method (other than cash payment) that provides immediately available funds; and

(3) except in the case of any payment due on the Closing Date, any payment due on a particular day must be received and available by 2:00 p.m. on the due date and any payment received and available after that time is deemed to have been made and received on the next succeeding Business Day.

1.8. Accounting Terms. In this Agreement, unless specified otherwise, each accounting term has the meaning assigned to it under IFRS.

1.9. Schedules. The Schedules listed in Schedule 1.9 are attached to and form part of this Agreement.

ARTICLE 2
PURCHASE AND SALE

2.1. Agreement to Purchase and Sell.

(1) Subject to the terms and conditions of this Agreement and pursuant to the Bills of Sale, as of the Effective Time, each Vendor shall sell, transfer, convey and assign to the Purchaser or as the Purchaser may direct, and the Purchaser shall purchase and acquire from each Vendor, free and clear of all Encumbrances other than Permitted Encumbrances, all of each Vendor's right, title and interest in and to all of each Vendor's property and assets (other than the Excluded Assets), whether real or personal, tangible or intangible, of every kind and description and wheresoever situate that relate to, are used in or are owned, leased or held, or are necessary for use in the Business (collectively, the "**Purchased Assets**"), including the following:

(a) the Real Property;

(b) subject to Section 6.13, the Leases;

(c) the Personal Property;

(d) subject to Section 6.13, the Personal Property Leases;

(e) the Inventories;

(f) the Closing Prepaid Expenses;

(g) the Closing Accounts Receivable;

(h) the Intellectual Property;

(i) the Information Technologies;

(j) the full benefit of all insurance policies in respect of the Business, but excluding the actual insurance policies and indemnity bonds which are not transferrable by the Vendors;

(k) all insurance agreements, letter of credit obligations or other security arrangements related to the Closing Accounts Receivable or any customers of the Business;

(l) subject to Section 2.4, all rights under the Trade Contracts and any other Contracts and all outstanding offers or solicitations made by or to a Vendor to enter into any Contract, as set out in Schedule 2.1(1)(l) (collectively, the "**Purchased Contracts**");

(m) all Permits and all pending applications for, and renewals of, Permits, in each case to the extent transferable to the Purchaser;

(n) all Books and Records (except, in the case of those required by applicable Law to be retained by a Vendor, copies thereof), including all customer lists, sales records, price lists and catalogues, sales literature, advertising material, manufacturing data, production records and correspondence files;

(o) the Hong Kong Shares; and

(p) all goodwill or other intangibles of the Business, together with the exclusive right of the Purchaser to represent itself as carrying on the Business in succession to the Vendors, as well as the exclusive right to use any words indicating that the Business is so carried on, together with the rights to all telephone numbers, facsimile numbers, websites, e-mail addresses and domain names used in connection with the Business.

(2) In the event that (a) the pre-Closing reorganization contemplated by Section 6.6 has not occurred prior to the Closing and (b) at the Closing, the Parent holds any property and assets (other than the Excluded Assets), whether real or personal, tangible or intangible, of every kind and description and wheresoever situate that relate to, are used in or are owned, leased or held, or are necessary for use in the Business, such property and assets shall be deemed to be Purchased Assets, and the Parent shall be deemed to be a Vendor, in each case for all purposes of this Agreement, and, subject to the terms and conditions of this Agreement, as of the Effective Time, the Parent shall sell, transfer, convey and assign to the Purchaser or as the Purchaser may direct, and the Purchaser shall purchase

and acquire such assets from the Parent, free and clear of all Encumbrances other than Permitted Encumbrances, and at no additional cost to the Purchaser.

2.2. Excluded Assets. The following assets (collectively, the "**Excluded Assets**") are not part of the Transactions, are excluded from the Purchased Assets and shall remain the property of the Vendors, as applicable:

(1) all cash on hand or in banks or other depositories, term or time deposits and similar cash items including all accrued interest thereon and any capital gains relating thereto;

(2) all Tax instalments paid by a Vendor and all rights to receive any refund of, and/or credit in respect of, Taxes paid by a Vendor;

(3) all personnel and employment records that a Vendor is required by applicable Law to retain, and, in that case, copies will be provided to the Purchaser to the extent permitted by applicable Law;

(4) all rights of the Vendors under this Agreement and the Transaction Documents;

(5) all Constating Documents, minute books, shareholder records and corporate seals of a Vendor;

(6) all indebtedness owing to a Vendor by any Affiliate or by any present or former shareholder, director or officer of a Vendor or of the Affiliate;

(7) all Employee Plans (other than Employee Plans that are maintained exclusively by the Acquired Subsidiaries);

(8) all assets that do not relate to, are not used in and are not necessary for use in the Business; and

(9) the assets and Contracts listed in Schedule 2.2(9).

2.3. Liabilities.

(1) Subject to the terms and conditions of this Agreement and pursuant to the Assumption Agreements, the Purchaser shall or shall cause an Affiliate to, assume, pay, satisfy, discharge, perform and fulfil, from and after the Effective Time, only those obligations and liabilities of each Vendor related to the Business which:

(a) are properly accrued or recorded as Closing Accounts Payable, Closing Accrued Liabilities or the Closing Currency Adjustment on the Closing Statement;

(b) arise under the Purchased Contracts in existence on the Closing Date as listed in Schedule 2.1(1)(l) and which arise in respect of the period after the Effective Time and do not relate to any default existing prior to or as a consequence of the Closing;

(c) arise under the Bonus Plan or under any Employee Plans that are maintained exclusively by the Acquired Subsidiaries;

(d) arise under any Permits listed in Section 13 of the Disclosure Letter which are transferred to the Purchaser pursuant to Section 2.1(1)(m) and which arise in respect of the period after the Effective Time and do not relate to any default or violation existing prior to or as a consequence of the Closing; and

(e) are expressly assumed by the Purchaser as described in Section 6.11(2).

(collectively, the "**Assumed Liabilities**").

(2) Other than the Assumed Liabilities, the Purchaser shall not assume or have any obligation to assume, pay, satisfy, discharge, perform or fulfill any obligation or liability of the Vendors of any kind whatsoever (collectively, the "**Excluded Liabilities**") and all Excluded Liabilities remain the obligation and responsibility of the Vendors, including the obligations and liabilities of the Vendors:

(a) subject to Section 12.1(2), for Taxes payable, collectible or remittable (i) by a Vendor or by the Parent, and (ii) with respect to the Purchased Assets or the Business for any Pre-Closing Tax Period;

(b) owing to a lender or creditor of a Vendor, including pursuant to any credit facility (or other evidence of indebtedness for borrowed money) of the Parent or any Vendor, and including any bank overdrafts or bank indebtedness and any indebtedness or liabilities other than the Assumed Liabilities owing under any promissory note, or Contract for the borrowing of money;

(c) incurred or accruing prior to the Effective Time under the Leases, the Personal Property Leases, the Purchased Contracts and the Permits in existence on the Closing Date, or otherwise incurred by the Vendors in relation to the Business or the Purchased Assets;

(d) are expressly retained by the Vendors as described in Section 6.11(3);

(e) to third parties (including Employees) for personal injury or tort, or similar Actions to the extent arising out of the operation of the Business or the ownership of the Purchased Assets by the Vendors prior to the Effective Time, even though a claim may be made after the Effective Time;

(f) in relation to any fines, penalties or costs imposed by a Governmental Entity to the extent such liabilities arise out of or relate to: (i) acts or omissions which occurred prior to the Effective Time; or (ii) illegal acts, wilful misconduct or negligence of the Vendors or the Parent prior to the Effective Time, even though a claim may be made after the Effective Time;

(g) under or related to Environmental Law, or the presence of any Hazardous Substance, and any claims or actions by any Person for environmental damage

under tort or contract Law, whether such liability, obligation or responsibility is known or unknown or contingent or accrued, first existing or arising out of the operation of the Business, the ownership of the Purchased Assets or any other act or omission by the Vendors prior to the Effective Time;

(h) arising out of or relating to products or services of a Vendor to the extent sold, shipped or rendered prior to the Effective Time; and

(i) relating to an Excluded Asset.

2.4. Assumption of Contractual Liabilities. Notwithstanding anything in this Agreement, the Purchaser will not assume, and will have no obligation to discharge any liability or obligation under, any Unassignable Contract or Unassignable Trade Contract, unless (1) the Purchaser has elected to waive the requirements under this Section 2.4 as well as the closing condition under Section 4.2(3) in respect of Approval, as applicable, and (2) the Parent and the Vendors are performing their obligations under Section 10.1 such that the value of such Contract has enured, or is enuring, to the Purchaser.

2.5. Purchase Price and Purchase Price Allocation.

(1) Subject to the terms and conditions of this Agreement, the aggregate purchase price (the "**Purchase Price**") to be paid by the Purchaser to the Vendors, or as the Vendors may direct, for the Purchased Assets is:

(a) $94,000,000; *plus* the amount of the Closing Working Capital (which shall be determined in accordance with Sections 2.7 and 2.8); *minus* the Vendors' Contribution Amount; and *plus* or *minus* the amount of any adjustments required by any of Section 2.9, Section 2.10, and Section 6.8; and

(b) the assumption of the Assumed Liabilities.

(2) The Purchaser and the Parent shall allocate the Purchase Price (and any Assumed Liabilities that are treated as consideration for the Purchased Assets for Tax purposes) among the Vendors and the Purchased Assets in accordance with Schedule 2.5(2) and shall report the purchase and sale of the Purchased Assets for all Tax purposes in a manner consistent with that allocation. If any Governmental Entity does not agree with that allocation, the Purchaser and the Parent shall use their best efforts (which is not to be construed as requiring the Purchaser or the Parent to commence or participate in any litigation or administrative process challenging the determination of any Governmental Entity) to agree on a different allocation acceptable to that Governmental Entity, and the Purchaser and the Parent shall amend the original allocation and the relevant Tax Returns accordingly. If the Purchase Price is adjusted pursuant to Article 2, Article 8 or any other provision of this Agreement, the Purchaser and the Parent shall use their best efforts to adjust the allocation to reflect the Purchase Price adjustment.

2.6. Payment of Purchase Price.

(1) Subject to Sections 2.7, 2.8, 2.9, 2.10 and Section 6.8, the Purchaser shall pay and satisfy the Purchase Price at Closing:

(a) by payment of the amounts set forth in each of the Payoff Letters to the Persons delivering such Payoff Letters and, at the election of the Purchaser, by set-off of the amount of outstanding principal and accrued interest owed to the Purchaser by the Parent pursuant to the debenture issued by the Parent to the Purchaser dated October 31, 2014 (the "**Debenture**"), as of the Closing Date; provided, that if the Purchaser does not elect to set off the amount of outstanding principal and interest owed to the Purchaser pursuant to the Debenture, the Purchaser shall consent to the repayment of the Debenture after Closing by the Parent's repayment of all principal and accrued interest through and including the date of such repayment;

(b) at the option of the Parent, by payment of the amounts required to be paid in accordance with Section 6.13 to the owners of the Grafton Property and the Personal Property set forth on Schedule 6.13;

(c) by payment to or to the order of the Vendors of $94,000,000 *minus* the Vendors' Contribution Amount *minus* the sum of the amounts set forth in clauses (a) and (b) in this Section 2.6(1), *plus* the amount of the Preliminary Closing Working Capital, determined immediately prior to Closing pursuant to Section 2.7(1); and

(d) by the execution and delivery of the Assumption Agreement.

(2) All payments made by the Purchaser to third parties on behalf of the Vendors pursuant to this Section 2.6 shall be deemed, for all purposes, to have been made to the Vendors.

2.7. Closing Date Adjustments.

(1) For purposes of determining a good faith best estimate of a detailed calculation of the Working Capital as of the Effective Time, not less than five (5) Business Days prior to the Closing Date, the Parent shall, in consultation with the Purchaser, prepare and deliver to the Purchaser the Parent's reasonable estimate of the Closing Working Capital (the "**Preliminary Closing Working Capital**"), which shall be prepared in the same manner as the Closing Statement under Section 2.7(2) below; provided, however, that the calculation of such Preliminary Closing Working Capital shall be based on a full physical inventory to be conducted jointly by the Parent and the Purchaser within ten (10) Business Days prior to the Closing Date, the results of which shall be included in such Preliminary Closing Working Capital; provided, further, that the Purchaser shall be entitled to waive the requirement of such physical inventory with respect to any portion of the inventory of the Vendors. In the event the Purchaser shall object to any of the information set forth in the calculation of the Preliminary Closing Working Capital or the accompanying schedules as presented by the Parent, the Parties shall negotiate in good faith and agree on appropriate adjustments to the end that such Preliminary Closing Working Capital and the accompanying schedules reflect a good faith best estimate of the Closing Working Capital. In connection with the determination of the Preliminary Closing Working Capital, the Parent shall permit and shall cause the Vendors and the

Acquired Subsidiaries to permit the Purchaser and the Purchaser's authorized Representatives to examine all working papers, schedules, accounting Books and Records and other documents and information used or prepared by the Parent in connection with the preparation of the Preliminary Closing Working Capital and to have reasonable access to appropriate personnel of the Parent for the Purchaser to verify the accuracy and presentation and other matters relating to the preparation of the Preliminary Closing Working Capital. The Parent and the Purchaser shall co-operate fully with each other in the calculation and preparation of the Preliminary Closing Working Capital.

(2) As soon as possible, but not later than 45 days, following the Closing Date, the Parent shall prepare and deliver to the Purchaser the following (collectively, the "**Closing Statement**"):

(a) a detailed calculation of the Working Capital as of the Effective Time (the "**Closing Working Capital**"); and

(b) a calculation of:

(i) the amount by which the Closing Working Capital exceeds or is less than, as the case may be, the Preliminary Closing Working Capital; and

(ii) the Purchase Price, as adjusted in accordance with Section 2.8.

(3) The Purchaser shall have 45 days from receipt of the Closing Statement within which to review the Closing Statement. For the purposes of this review, the Parent shall permit and shall cause the Vendors and the Acquired Subsidiaries to permit the Purchaser and the Purchaser's authorized Representatives to examine all working papers, schedules, accounting, Books and Records and other documents and information used or prepared by the Parent in connection with the preparation of the Closing Statement and to have reasonable access to appropriate personnel of the Parent for the Purchaser to verify the accuracy and presentation and other matters relating to the preparation of the Closing Statement. The Purchaser may dispute any of the items in the Closing Statement by written notice (an "**Objection Notice**") to the Parent within the same 45 days. If the Purchaser has not delivered an Objection Notice to the Parent within this 45-day period, the Purchaser shall be deemed to have accepted the Closing Statement. If the Purchaser delivers an Objection Notice, the Parent and the Purchaser shall work expeditiously and in good faith in an attempt to resolve all of the items in dispute within 15 days of receipt of the Objection Notice. If all items in dispute are not resolved within this 15-day period, the Purchaser shall appoint Ernst & Young (the "**Independent Auditor**") to resolve the remaining items in dispute.

(4) Each Party shall furnish to the Independent Auditor those working papers, schedules and other documents, accounting books and records and information relating to the items in dispute, that are available to that Party or its auditors (and in the case of the Purchaser, its authorized Representatives) as the Independent Auditor may require. The Parties shall instruct the Independent Auditor that: (a) time is of the essence in proceeding with its determination of any dispute, (b) the Independent Auditor shall only review items in

dispute that are submitted to it by the Parties, (c) the Independent Auditor must reach a determination as to each item within the range of alternative solutions offered by the Parties with respect to such item, and (d) the decision of the Independent Auditor with respect to any item in dispute is to be in writing. Absent any manifest error, the Parties agree that the Independent Auditor's decision shall be final and binding on the Vendors, the Parent and the Purchaser, with no rights of challenge, review or appeal to the courts (other than to enforce the decision of the Independent Auditor) in any manner. The Independent Auditor, in making its determination of any dispute, shall be acting as an expert and not as an arbitrator and shall not be required to engage in a judicial inquiry worked out in a judicial manner.

(5) On agreement or decision, as the case may be, with respect to all items in dispute, the Closing Statement shall be deemed to be amended as may be necessary to reflect the agreement or the decision, as the case may be. In this event, references in this Agreement to the Closing Statement will be references to the Closing Statement, as so amended.

(6) Each of the Parent and the Purchaser shall be responsible for one-half of the fees and expenses of the Independent Auditor, but each Party shall be responsible for its own costs and expenses.

2.8. Purchase Price Adjustment. The Purchase Price is to be adjusted by the amount by which the Closing Working Capital is greater than, or is less than, as the case may be, the Preliminary Closing Working Capital. If the Closing Working Capital is greater than the Preliminary Closing Working Capital, the Purchaser shall pay the difference to the Vendors within three Business Days following the agreement or deemed amendment of the Closing Statement pursuant to Section 2.7. If the Closing Working Capital is less than the Preliminary Closing Working Capital, the Parent shall, or shall cause the Vendors to, pay the difference to the Purchaser within three Business Days following the agreement or deemed amendment of the Closing Statement pursuant to Section 2.7. The determination and adjustment of the Purchase Price in accordance with the provisions of Section 2.7 and this Section 2.8 will not limit or affect any other rights or Actions which the Parties may have with respect to the representations, warranties, covenants and indemnities in its favour contained in this Agreement.

2.9. Withholding. The Purchaser shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable pursuant to this Agreement such amounts, if any, as it determines (acting reasonably) may be required to be deducted or withheld therefrom under any provision of applicable Law. To the extent any amount is so deducted or withheld, such amount will be treated for all purposes under this Agreement as having been paid to the Person to whom such amount would otherwise have been paid. The Purchaser shall forthwith remit all such withheld amounts to the applicable Governmental Entity. As soon as practicable after such remittance of the withheld amounts, the Purchaser shall deliver the original or a certified copy of a receipt issued by such Governmental Entity evidencing such payment and a copy of any return required by applicable Laws to report such payment or other evidence of such payment.

2.10. Transfer Taxes. Subject to Section 12.1(2), in respect of the purchase and sale of the Purchased Assets pursuant to this Agreement: (i) each of the Parent and the Purchaser shall be responsible for one-half of all transfer Taxes in respect of the Real Property, including land

transfer taxes, registration charges and transfer fees; and (ii) the Purchaser shall be responsible for 100% of the sales Taxes relating to the Purchased Assets, including GST/HST, Manitoba and Saskatchewan provincial sales Taxes and Minnesota and North Dakota state sales Taxes.

2.11. Tax Clearance Certificates. The Vendors shall provide to the Purchaser, as soon as practicable after the Closing, sales tax clearance certificates (the "**Tax Clearance Certificate**") (1) issued for New York, California and Texas, and (2) issued under the Revenue and Financial Services Act (Saskatchewan) and the Tax Administration and Miscellaneous Taxes Act (Manitoba).

2.12. WCB Clearance Certificates. Each Vendor and the Parent shall provide to the Purchaser, in respect of each Vendor and the Parent, as applicable, as soon as practicable after Closing, a WCB clearance letter from the Workers Compensation Board of Manitoba, pursuant to Section 81.1(1) of *The Workers Compensation Act* (Manitoba); and a WCB clearance letter from the Saskatchewan Workers' Compensation Board, pursuant to Section 156(1) of *The Workers Compensation Act, 2013* (Saskatchewan).

2.13. GST/HST Election. The Purchaser and the Vendors shall jointly elect under subsection 167(1) of the ETA and under any similar provision of any applicable provincial legislation imposing a similar value added or multi-staged Tax, that no Tax be payable with respect to the purchase and sale of the Purchased Assets pursuant to this Agreement. The Purchaser and the Parent shall make those elections in prescribed form containing prescribed information and shall file those elections in compliance with the requirements of applicable legislation. The Purchaser shall file such election on or before the date on which it is required to file a GST/HST Tax Return for the reporting period in which the Closing Date falls.

2.14. Accounts Receivable Election. If requested by the Purchaser, the Purchaser and the Parent shall elect jointly in the prescribed form under Section 22 of the Tax Act and under any similar provision of any other applicable provincial legislation as to the sale of the Closing Accounts Receivable forming part of the Purchased Assets and described in Section 22 of the Tax Act and shall in that election allocate an amount equal to the portion of the Purchase Price allocated to those assets pursuant to Schedule 2.5(2) as the consideration paid by the Purchaser for those assets. The Parties shall file such election forms, along with any documentation necessary or desirable to give effect to such election, with CRA and any other appropriate taxation authority within the prescribed time limits.

2.15. Subsection 20(24) Election. The Purchaser and the Vendors acknowledge that the Purchaser has agreed to assume the Assumed Liabilities. To the extent that the Vendors have received amounts in respect of services not rendered or goods not delivered, in each case prior to the Effective Time, the Purchased Assets having a fair market value equal to those amounts are transferred to the Purchaser as payment for the Purchaser's agreement to assume a corresponding amount of the Assumed Liabilities relating to those services or goods and, if requested by the Purchaser, the Purchaser and the applicable Vendor shall jointly elect pursuant to subsection 20(24) of the Tax Act and under any similar provision of any applicable provincial legislation. The Parties shall file such election forms, along with any documentation necessary or desirable to give effect to such election, with CRA and any other appropriate taxation authority within the prescribed time periods.

2.16. Payment of Taxes. The Parent or, as applicable, the Vendors shall, and, prior to Closing, the Parent shall ensure that the Acquired Subsidiaries, timely pay, collect and remit all Taxes on behalf of the Vendors relating to the Business and the Purchased Assets which are incurred or arise in, or are related to, a Pre-Closing Tax Period.

2.17. Tax Cooperation. The Purchaser, the Parent and the Vendors shall furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information and assistance relating to the Purchased Assets (including access to Books and Records) as is reasonably necessary for the filing of all Tax Returns, the making of any election relating to Taxes, the preparation for any audit by any Governmental Authority and the prosecution or defense of any claims, suit or Proceeding relating to any Tax.

ARTICLE 3
CLOSING ARRANGEMENTS

3.1. Closing. Subject to the satisfaction or waiver by the applicable Party of the conditions set out in Article 4, the Parties shall hold the Closing on the Closing Date, at such time as agreed to by the Parent and the Purchaser and either (a) by electronic exchange of Closing documents or (b) at the offices of the Vendors' Counsel in Toronto, Ontario or at such other place as agreed to by the Parent and the Purchaser. Notwithstanding the foregoing, the Parties acknowledge and agree that the Transactions will be deemed to have closed effective as of the Effective Time.

3.2. Vendors' and Parent's Closing Deliveries. At Closing, the Vendors and the Parent shall deliver or cause to be delivered to the Purchaser all certificates, agreements, documents and instruments as required under Section 4.2(4).

3.3. Purchaser's Closing Deliveries. At Closing, the Purchaser shall deliver or cause to be delivered to the Vendor and the Parent all payments, certificates, agreements, documents and instruments as required under Section 4.3(3).

ARTICLE 4
CONDITIONS OF CLOSING

4.1. Mutual Conditions Precedent. The Parties are not required to complete the Transactions unless each of the following conditions is satisfied on or as of the Closing Date, which conditions (other than the conditions set forth in Sections 4.1(1) and 4.1(2), which may not be waived) may only be waived, in whole or in part, by the mutual consent of each of the Parties:

(1) **Illegality.** No Law is in effect that makes the consummation of the Transactions illegal or otherwise prohibits or enjoins the Vendors, the Acquired Subsidiaries or the Purchaser from consummating the Transactions.

(2) **Key Regulatory Approvals.** Each of the Key Regulatory Approvals has been made, given or obtained on terms acceptable to the Purchaser and the Parent, each acting reasonably, and each such Key Regulatory Approval is in force and has not been modified.

(3) **No Legal Action**. There is no Action or Proceeding by a Governmental Entity pending or threatened in writing in any jurisdiction to:

(a) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold, or exercise full rights of ownership over, the Purchased Assets or conduct the Business;

(b) prohibit or restrict the Transactions or any of the terms and conditions of the transactions contemplated herein or seeking to obtain from the Vendors or the Purchaser any material damages directly or indirectly in connection with the Transactions;

(c) prohibit or restrict the ownership or operation by the Purchaser or its Affiliates of the business or assets of the Purchaser, its Affiliates, the Purchased Assets or Business, or compel the Purchaser to dispose of or hold separate any material portion of the business or assets of the Purchaser, its Affiliates, the Purchased Assets or the Business as a result of the Transactions; or

(d) prevent or materially delay the consummation of the Transactions, or if the Transactions are consummated, have a Material Adverse Effect.

(4) **Special Resolution**. The Special Resolution has been validly approved and adopted by the Shareholders in the manner required under applicable Laws and has not been amended, modified or rescinded in any respect.

4.2. Additional Conditions Precedent to the Obligations of the Purchaser. The Purchaser is not required to complete the Transactions unless each of the following conditions is satisfied on or as of the Closing Date, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

(1) **Representations and Warranties**. (a) The representations and warranties of the Parent and the Vendors set forth in Paragraphs (1) [Organization and Qualification], (2) [Corporate Authorization], (3) [Execution and Binding Obligation], (18)(a) [Title to Real Property], (19) [Title to the Purchased Assets], (20) [Sufficiency of the Purchased Assets], (39) [No Finder's Fee] and (41) [No Options] of Schedule B are true and correct as of the Effective Time as if made at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined solely as of such specified date): (i) to the extent qualified by "Material Adverse Effect", in all respects and (ii) in all other cases, in all material respects (disregarding all references to "material" or similar qualifications contained therein) and (b) the other representations and warranties of the Parent are true and correct (disregarding all references to "material", "Material Adverse Effect" or similar qualifications contained therein) as of the Effective Time as if made at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined solely as of such specified date), except to the extent that the failure or failures of such representations to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect, and the Parent and each Vendor must have delivered to the

Purchaser a signed certificate to that effect, with respect to themselves signed by a senior officer of the Parent and each Vendor (in each case without personal liability). The receipt of such certificate and the Closing will not constitute a waiver by the Purchaser of any of the representations and warranties of each of the other Parties that are contained in this Agreement.

(2) **Performance of Covenants**. The Vendors and the Parent have fulfilled or complied in all material respects with the covenants of the Vendors and/or the Parent, as applicable, contained in this Agreement to be fulfilled or complied with by it on or prior to the Closing Date, and each of the Vendors and the Parent has delivered a certificate confirming same to the Purchaser, executed by a senior officer of each of the Vendors and of the Parent (in each case, without personal liability to such officer), addressed to the Purchaser and dated the Closing Date. The receipt of such certificate and the Closing will not constitute a waiver by the Purchaser of any of the covenants of each of the other Parties that are contained in this Agreement.

(3) **Approvals and Consents**. All Regulatory Approvals (other than the Key Regulatory Approvals) that are necessary to consummate the Transactions, and the Approvals listed on Schedule 4.2(3) set out under the heading "Material Approvals" shall have been obtained or received on terms that are reasonably acceptable to the Purchaser.

(4) **Deliveries**. Each of the Vendors and the Parent has caused to be delivered to the Purchaser the following:

(a) in respect of each of the Vendors and the Parent:

(i) a certificate of status or its equivalent under the Laws of the jurisdiction governing its corporate existence;

(ii) a certificate of a senior officer certifying:

(A) the corporate status of that Party;

(B) the Constating Documents of that Party;

(C) the resolutions of the board of directors and/or (if required by applicable Law) shareholders of that Party authorizing the execution, delivery and performance of this Agreement and of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by that Party, including a certified copy of the Special Resolution as approved by the shareholders of the Parent; and

(D) the incumbency and signatures of the officers of that Party executing this Agreement and any other document relating to the Transactions; and

(iii) the certificates referred to in Section 4.2(1) and Section 4.2(2).

(b) in respect of each Vendor and the Parent, as applicable, a WCB Letter of Good Standing from the Workers Compensation Board of Manitoba and a WCB Letter of Good Standing from the Saskatchewan Workers' Compensation Board;

(c) in respect of each Vendor and the Parent, as applicable, an Account Status Letter issued by Manitoba Finance and a Letter of Good Standing issued by Saskatchewan Finance, which letters shall confirm that the applicable Vendor and/or the Parent has duly filed Tax Returns and remitted Taxes thereupon in the respective provinces up until the date of issuance of the respective letters;

(d) the Transaction Documents to which it is a party, including U.S. Deeds and all other deeds, conveyances, assurances, affidavits, transfers and any other documentation or action which in the opinion of the Purchaser is necessary or reasonably required to transfer the Purchased Assets to the Purchaser with good and marketable title, free and clear of all Encumbrances except for Permitted Encumbrances, in each case duly executed by the Parent, the Acquired Subsidiaries and/or the Vendors, as the case may be, and in form and substance satisfactory to the Purchaser, acting reasonably;

(e) estoppels from each landlord or lessor under each Lease set forth on Schedule 4.2(4)(e);

(f) with respect to the U.S. Real Property, the Purchaser shall have received from the Title Company unconditional and binding commitments to issue the Title Policies, dated the Closing Date, in an aggregate amount equal to the portion of the Purchase Price allocated to the applicable portion of the U.S. Real Property, deleting all requirements listed in ALTA Schedule B-I (except such requirements that have been waived by Purchaser in writing), amending the effective date to the date and time of recordation of the applicable U.S. Deed, with no exception for the gap between Closing and recordation, deleting or insuring over all Encumbrances other than the Permitted Encumbrances;

(g) Payoff Letters, duly executed by each applicable holder of indebtedness for money borrowed by the Parent, the Vendors or the Acquired Subsidiaries

(h) a "Notification of Payment/Satisfaction of Debt, Release from Charge, etc." (Form NM2) duly filed with the Hong Kong Companies Registry evidencing the discharge of a debenture dated June 17, 2011 entered into by Sino-Walker International Limited; and

(i) all Mirror Trade Sales and Mirror Trade Purchases, duly executed by the applicable Vendor pursuant to Section 10.2.

(5) **Intercompany Indebtedness**. All amounts owing (whether or not then due and payable) (a) by the Acquired Subsidiaries to the Parent, the Vendors or any Affiliates or (b) by the Parent, the Vendors or any Affiliates to the Acquired Subsidiaries, shall have been fully paid and discharged, with no further obligations or liabilities in respect thereof; provided, that, with respect to any such amounts owed by the Acquired Subsidiaries that have not

been paid as of the Closing Date, the Parent, the Vendors or any Affiliates, as applicable, shall have irrevocably, unconditionally and completely waived released, relinquished and forever discharged the Acquired Subsidiaries from such obligations to pay.

(6) **New Leases**. The Vendors, as applicable, shall have terminated each lease set forth on Schedule 4.2(6) and entered into a new lease agreement for the same property and with identical terms as such lease set forth in Schedule 4.2(6), and such new agreement shall be deemed to be a Purchased Asset.

4.3. Additional Conditions Precedent to the Obligations of the Parent and the Vendors. The Vendors are not required to complete the Transactions unless each of the following conditions is satisfied on or as of the Closing Date, which conditions are for the exclusive benefit of the Parent and the Vendors and may only be waived, in whole or in part, by the Parent, on behalf of the Vendors, in the Parent's sole discretion:

(1) **Representations and Warranties**. The representations and warranties of the Purchaser are true and correct as of the Effective Time as if made at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined solely as of such specified date), in each case, except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not prevent, materially delay or materially impair the completion of the Transactions, and the Purchaser must have delivered to the Parent a signed certificate to that effect, signed by a senior officer of the Purchaser (without personal liability). The receipt of such certificate and the Closing will not constitute a waiver by the Parent or the Vendors of any of the representations and warranties of the Purchaser that are contained in this Agreement.

(2) **Performance of Covenants**. The Purchaser has fulfilled or complied in all material respects with the covenants of the Purchaser contained in this Agreement to be fulfilled or complied with by it on or prior to the Closing Date, and the Purchaser has delivered a certificate confirming same to the Vendors, executed by a senior officer of the Purchaser (without personal liability to such officer) addressed to the Vendors and dated the Closing Date. The receipt of such certificate and the Closing will not constitute a waiver by the Parent or the Vendors of any of the covenants of the Purchaser that are contained in this Agreement.

(3) **Deliveries**. The Purchaser has caused to be delivered to or, with respect to clause (e) below, on behalf of, the Vendors the following:

(a) a certificate of status of the Purchaser under the Laws governing its corporate existence;

(b) a certificate of a senior officer of the Purchaser certifying the Constating Documents of the Purchaser, certifying the resolutions of the board of directors authorizing the execution, delivery and performance of this Agreement and of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Purchaser, and certifying the incumbency

and signatures of the officers of the Purchaser executing this Agreement and any other document relating to the Transactions;

(c) certificates referred to in Section 4.3(1) and Section 4.3(2);

(d) the following resale certificates, in each case signed by the Purchaser: (1) a Minnesota Form ST3, and (2) either a North Dakota Certificate of Resale or a Multistate Tax Commission Uniform Sales and Use Tax Certificate;

(e) payment of the amounts required to be paid on the Closing Date under Section 2.6(1)(a), 2.6(1)(b) and 2.6(1)(c); and

(f) the Transaction Documents to which it is a party.

4.4. Waiver of Conditions of Closing. If any of the conditions set forth in Section 4.2 has not been satisfied, the Purchaser may elect in writing to waive the condition and proceed with the completion of the Transactions and, if any of the conditions in Section 4.3 has not been satisfied, the Parent (on behalf of itself and each of the Vendors) may elect in writing to waive the condition and proceed with the completion of the Transactions. Any such waiver and election by the Purchaser or the Parent, as the case may be, will only serve as a waiver of the specific closing condition and the other Party will have no liability with respect to the specific waived condition.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1. Representations and Warranties in respect of the Parent, the Vendors and the Business.

(1) Except as set forth in the Disclosure Letter, the Parent and the Vendors jointly and severally represent and warrant to the Purchaser as set forth in Schedule B and acknowledge and agree that the Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement. The Parties expressly understand and agree that the disclosure of any fact or item in any section of the Disclosure Letter shall only be deemed to be an exception to the representations and warranties of the Parent and the Vendors that are contained in the specifically identified and corresponding paragraph of Schedule B of this Agreement.

(2) Except for the representations and warranties contained in this Agreement, the Purchaser acknowledges that neither the Parent nor any of the Vendors, nor any other Person on behalf of the Parent nor any of the Vendors has made or is making any other express or implied representation or warranty with respect to the Parent, the Vendors or with respect to any other information provided to the Purchaser or any of its Representatives with respect to the Transactions.

5.2. Representations and Warranties of the Purchaser.

(1) The Purchaser represents and warrants to the Vendors and the Parent as set forth in Schedule C and acknowledges and agrees that the Vendors and the Parent are relying

upon such representations and warranties in connection with the entering into of this Agreement.

(2) Except for the representations and warranties contained in this Agreement, the Vendors and the Parent acknowledge that neither the Purchaser or any other Person on behalf of the Purchaser has made or is making any other express or implied representation or warranty with respect to the Purchaser, or with respect to any other information provided to the Vendors or the Parent or any of their Representatives with respect to the Transactions.

5.3. Survival of Representations, Warranties and Covenants of the Parent and the Vendors. The representations and warranties of the Parent and the Vendors and, to the extent that they have not been fully performed or waived at or prior to Closing, the covenants and other obligations of the Parent and the Vendors, in each case contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, shall survive Closing and continue for the benefit of the Purchaser notwithstanding the Closing, any investigation made by or on behalf of the Purchaser or any knowledge of the Purchaser, as follows:

(1) subject to Section 6.15, the representations and warranties set out in Section 5.1(1) and Schedule B (other than the Fundamental Representations) shall survive and continue in full force and effect until, but not beyond, the 18-month anniversary of the Closing Date;

(2) subject to Section 6.15, the Fundamental Representations shall survive and continue in full force and effect until, but not beyond, the six-year anniversary of the Closing Date;

(3) the covenants and obligations of the Parent and the Vendors (including the covenants and obligations of the Parent and the Vendors pursuant to Sections 8.2(2)-8.2(4)), to the extent not fully performed or waived at or prior to the Closing, shall survive the Closing Date until, but not beyond, the later of: (a) six months following the Closing Date, and (b) the expiry of the date ordered by the court for interested persons to give notice of claims against the Parent or any of its subsidiaries or, alternatively, the date that such notice is dispensed with, in each case, as part of a court-supervised liquidation of the Parent's assets to be conducted after the Closing in accordance with the provisions of the *Canada Business Corporations Act*, including the Liquidation and Dissolution (the period described in this clause (b) is referred to herein as the "**Claims Notice Period**"); provided, that the Purchaser acknowledges that the Claims Notice Period need not extend beyond a three-month period following the Closing Date; and

(4) notwithstanding Sections 5.3(1), 5.3(2) and 5.3(3) above, a claim for any breach by the Parent or any Vendor of any of the representations, warranties and covenants contained in this Agreement or in any contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud, fraudulent misrepresentation, intentional misrepresentation or deliberate or Wilful Breach (collectively, the "**Fraud Exception**") may be made at any time following the Closing Date subject only to applicable limitation periods imposed by applicable Law (including the limitation periods set out in section 226 of the *Canada Business Corporations Act*).

5.4. Survival of the Representations, Warranties and Covenants of the Purchaser. The representations and warranties of the Purchaser and, to the extent that they have not been fully performed or waived at or prior to Closing, the covenants and other obligations of the Purchaser, contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement shall survive Closing and continue for the benefit of the Vendors and the Parent notwithstanding the Closing, any investigation made by or on behalf of any of the Vendors and/or the Parent or any knowledge of any of them, as follows:

(1) the representations and warranties set out in Section 5.2(1) and Schedule C shall survive Closing and continue in full force and effect, but not beyond, the 18-month anniversary of the Closing Date;

(2) the covenants and obligations of the Purchaser (including the covenants and obligations of the Purchaser pursuant to Sections 8.3(2)-8.3(4)), to the extent not fully performed or waived at or prior to the Closing, shall survive the Closing Date until, but not beyond, the later of (a) six months following the Closing Date, and (b) the expiry of the Claims Notice Period; and

(3) notwithstanding Sections 5.4(1) and 5.4(2) above, a claim for any breach by the Purchaser of any of its representations, warranties and covenants contained in this Agreement or in any contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving the Fraud Exception may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by applicable Law.

5.5. Termination of Liability.

(1) No Party or other Person is entitled to indemnification pursuant to this Agreement unless the Party or other Person has given written notice of its claim for indemnification pursuant to Article 8 or Section 10.2(4), as the case may be, prior to the expiry of the relevant survival period prescribed by Sections 5.3 and 5.4 and, in that event, only on and subject to the terms and conditions of and to the extent provided for in Article 8.

(2) This Agreement constitutes a "business agreement" under the *Limitations Act 2002* (Ontario) and to the extent that the provisions of this Agreement are found to be an agreement to vary or exclude, or suspend or extend, a limitation period prescribed under such legislation, that limitation period will be deemed to be varied or excluded, or suspended or extended, as the case may be, to the extent necessary to give full force and effect to the provisions of this Agreement.

ARTICLE 6
COVENANTS

6.1. Conduct of Business.

(1) The Parent and each of the Vendors covenants and agrees that, during the Interim Period, except with the express prior written consent of Purchaser, as expressly required or

expressly permitted by this Agreement, or as required by Law, the Parent and the Vendors shall conduct, and shall cause the Acquired Subsidiaries to conduct, the Business in the Ordinary Course and perform and comply with all of their respective obligations under the Material Contracts, and the Parent and the Vendors shall use commercially reasonable efforts, and shall cause the Acquired Subsidiaries to use commercially reasonable efforts, to:

(a) in respect of the Business and the Purchased Assets, maintain and preserve their respective business organization, assets, properties, employees, goodwill and business relationships with investors, suppliers, distributors, licensors, partners, customers, Governmental Entities, and other Persons with which the Vendors or the Acquired Subsidiaries have business relations; and

(b) maintain all insurance policies covering the Business and the Purchased Assets, pay all premiums related thereto and renew such policies, as necessary.

(2) Without limiting the generality of Section 6.1(1), the Parent and each of the Vendors covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with Sections 9.2 and 9.3, except (i) with the express prior written consent of the Purchaser (which will not be unreasonably withheld, delayed or conditioned), (ii) as expressly required or expressly permitted by this Agreement, (iii) as required by applicable Law or (iv) for actions related solely to the disposition of the limited liability company interests or assets of Pacific Coast Canola, LLC, it shall not, and shall cause the Acquired Subsidiaries not to, directly or indirectly:

(a) acquire, directly or indirectly, assets, securities, properties, interests or businesses, except for current assets acquired in the Ordinary Course;

(b) enter into any joint venture or similar agreement, arrangement or relationship;

(c) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of a Vendor or Acquired Subsidiary;

(d) sell, pledge, lease, dispose of, lose the right to use, mortgage, license, encumber or otherwise dispose of or transfer any assets of the Vendors or the Acquired Subsidiaries or any interest in any assets of the Vendors or the Acquired Subsidiaries, other than Inventories sold in the Ordinary Course;

(e) make any loans, advances or capital contributions to, or investments in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any other Person;

(f) grant any Encumbrance (other than Permitted Encumbrances) on any Purchased Assets;

(g) enter into any interest rate, currency or equity contracts or similar financial instruments in respect of the Business other than foreign currency exchange

hedges and swaps entered into in the Ordinary Course that are Excluded Assets or Excluded Liabilities;

(h) except in the Ordinary Course, enter into any commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments;

(i) make any bonus or profit-sharing distribution or similar payment of any kind;

(j) grant any general increase in the rate of wages, salaries, bonuses or other remuneration of any Employee or former Employee;

(k) (i) increase any severance, change of control or termination pay (or improvements to notice or pay in lieu of notice) to (or amend any existing arrangement with) any current or former Employee; (ii) increase the benefits payable under any existing severance or termination pay policies with any current or former Employee; (iii) increase the benefits payable under any employment agreements with any current or former Employee (other than as required under the terms of any existing employment agreement); (iv) enter into any employment, deferred compensation or other similar agreement (or amend any such existing agreement) with any current or former Employee; (v) increase compensation, bonus levels or other benefits payable to any current or former Employee (other than as required under the terms of any applicable existing employment agreement); (vi) adopt any new Employee Plan or any amendment or modification of an existing Employee Plan; (vii) increase or agree to increase, any funding obligation or accelerate, or agree to accelerate, the timing of any funding contribution under any Employee Plan; (vii) grant any equity, equity-based or similar awards; or (viii) except in the Ordinary Course, reduce the Vendors' or the Acquired Subsidiaries' work force;

(l) cancel, waive, release, assign, settle or compromise any material claims or rights;

(m) commence any litigation or waive, release, assign, settle or compromise any litigation, Proceedings or investigations by any Governmental Entity in excess of an amount of $100,000, individually, or $500,000, in the aggregate;

(n) enter into, amend, modify or, terminate, or waive or fail to renew any right under, any Material Contract (other than a Trade Contract in the Ordinary Course) or enter into any contract or agreement that would be a Material Contract (other than a Trade Contract in the Ordinary Course) if in effect on the date hereof or enter into any Contract or other transactions with any Employee or any director of the Vendors or the Acquired Subsidiaries;

(o) enter into, amend, modify or terminate, or waive or fail to renew any Trade Contract or enter into any contract or agreement that would be a Trade Contract (i) outside of the Ordinary Course; or (ii) in the Ordinary Course if: (A) the Trade Contract or potential Trade Contract causes or otherwise results in all Trade Contracts of Parent and the Vendors, collectively, for the particular commodity that is the subject of the Trade Contract or potential Trade Contract being outside the volumetric position limits set forth in Schedule 6.1(2)(o); (B) the Trade

Contract or potential Trade Contract causes or otherwise results in the counterparty to such Trade Contract or potential Trade Contract being outside of the credit limits established for such counterparty by Parent or the applicable Vendor; or (C) for export Trade Sales on credit with destinations other than Canada or the United States of America, if Export Development Canada will not provide credit insurance coverage for the applicable Trade Contract or potential Trade Contract;

(p) enter into any union recognition agreement, collective bargaining agreement or similar agreement with any trade union, employee association or representative body;

(q) interfere with any proposed employment relationship between the Purchaser and the Scheduled Employees, including those contemplated by the Key Employee Contracts;

(r) change in any material respect the existing practices and procedures of the Vendors or the Acquired Subsidiaries or the Parent with respect to the extension of credit or collection of Accounts Receivable;

(s) permit or agree to any extension in the time for payment of Accounts Receivable other than in the Ordinary Course;

(t) change in any material respect the existing practices and procedures of the Vendors or the Acquired Subsidiaries or the Parent with respect to purchasing credit insurance or establishing appropriate valuations reserves related to the Accounts Receivable; or

(u) authorize, agree, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.

(3) The Parent and each of the Vendors covenants and agrees that from and after the date of this Agreement it shall not, and shall cause its Affiliates not to, directly or indirectly, transport any goods for third parties or conduct any other business or operations that constitute a "transportation undertaking" under the provisions of the Canada Transportation Act (Canada).

6.2. Regulatory Approvals.

(1) As soon as reasonably practicable after the date hereof, each Party, or where appropriate, both the Purchaser and the applicable Vendor and/or Parent, shall make, and shall cause the Acquired Subsidiaries to make, all notifications, filings, applications and submissions with Governmental Entities required or advisable, and shall use commercially reasonable efforts to obtain and maintain, the Key Regulatory Approvals and such other Regulatory Approvals reasonably deemed by either Party to be necessary to discharge its obligations under this Agreement or otherwise advisable under Laws in connection with the Transactions and this Agreement.

(2) Subject to applicable Law, the Parties shall cooperate with one another in connection with obtaining the Regulatory Approvals, including providing or submitting on a timely basis, and as promptly as practicable, all documentation and information that is required, in connection with obtaining the Regulatory Approvals. The Purchaser and the Parent shall each be responsible for payment of 50% of all filing fees payable or incurred in respect of the Regulatory Approvals.

(3) The Parties shall (a) cooperate with and keep one another fully informed as to the status of and the processes and Proceedings relating to obtaining the Regulatory Approvals, and (b) shall not make any submissions or filings, participate in any substantive meetings or any material conversations with any Governmental Entity in respect of any filings, investigations or other inquiries related to the Transactions or this Agreement unless it consults with the other Party in advance and, to the extent not precluded by such Governmental Entity, give the other Party the opportunity to review drafts of any submissions or filings, or attend and participate in any substantive meetings or material communications. Notwithstanding the foregoing (and except as set forth in the next sentence), submissions, filings or other written communications with any Governmental Entity may be redacted as necessary before sharing with the other Party to address reasonable attorney-client or other privilege or confidentiality concerns, including redaction of commercially sensitive and/or confidential valuation information; provided, that a Party must provide external legal counsel to the other Party non-redacted versions of drafts or final submissions, filings or other written communications with any Governmental Entity on the basis that the redacted information will not be shared with its clients.

(4) Each Party shall use commercially reasonable efforts to obtain Key Regulatory Approvals as soon as reasonably practicable but, in any event, no later than the Outside Date. For purposes of the foregoing, "commercially reasonable efforts" shall not include, without limitation, proposing, negotiating, agreeing to and/or effecting, by undertaking, consent agreement, hold separate agreement or otherwise: (a) the sale, divestiture, licensing or disposition of all or any part of the businesses or assets of the Purchaser, any of the Vendors, the Acquired Subsidiaries and/or the Parent; (b) the termination of any existing contractual rights, relationships and obligations, or entry into or amendment of any licensing arrangements; (c) the taking of any action that, after Closing, would limit the freedom of action of, or impose any other requirement on, the Purchaser with respect to the operation of one or more of the businesses, or the assets, of the Purchaser, any of the Vendors, the Acquired Subsidiaries and/or the Parent; and/or (d) any other similar remedial action whatsoever that may be necessary in order to obtain Key Regulatory Approvals prior to the Outside Date.

(5) The Purchaser, the Parent and their respective Affiliates shall not enter into any agreement with any Governmental Entity not to consummate the Transactions, except with the prior written consent of the other Parties hereto, which consent shall not be unreasonably withheld, conditioned or delayed.

6.3. Real Property.

(1) The Vendors have delivered to the Purchaser a Title Commitment with respect to each parcel of U.S. Real Property and the most current Survey of the Canadian Real Property in the possession or control of the Vendors, the Acquired Subsidiaries or the Parent. At the Purchaser's election, the Purchaser shall be entitled to procure (a) a Title Commitment with respect to each parcel of Canadian Real Property, and (b) a Survey with respect to each parcel of Real Property.

(2) If a Title Commitment, Survey or other evidence of title discloses a title defect, exception to title or other Encumbrance, other than a Permitted Encumbrance, the Purchaser shall notify the Parent of Purchaser's title objections in writing (a) within ten (10) Business Days of receiving all of the title evidence contemplated by this Section 6.3 or (b) if such title evidence was received prior to the date hereof, within ten (10) Business Days of the date hereof (such date in clauses (a) and (b), as applicable, the "**Title Objection Date**"). If the Purchaser shall fail to make any objections on or before the Title Objection Date, Purchaser shall be deemed to have accepted all exceptions to such Title Commitment, all such exceptions and matters shall be included in the term "Permitted Encumbrances". The Parent shall use its commercially reasonable efforts to cure each title objection (by removal or endorsement) prior to the Closing Date.

6.4. Parent Guarantee. The Parent hereby unconditionally and irrevocably guarantees in favour of the Purchaser the due and punctual performance by the Vendors of the Vendors' obligations hereunder, which guarantee will remain in force until all such obligations have been satisfied in full. The Parent hereby agrees that this guarantee is continuing in nature and full and unconditional, and no release or extinguishments of the Vendors' liabilities (other than in accordance with the terms of this Agreement), whether by decree in any bankruptcy Proceeding or otherwise, will affect the continuing validity and enforceability of this guarantee. The Purchaser shall not be required to proceed first against the Vendors in respect of any such matter before exercising its rights under this guarantee against the Parent and the Parent agrees to be jointly and severally liable for all guaranteed obligations as if it were the principal obligor of such obligations. The Parent acknowledges that the Purchaser is relying on this guarantee in entering into this Agreement.

6.5. Company Meeting.

(1) As promptly as reasonably practicable following the date of this Agreement (but, in any event, prior to October 22, 2015), the Parent shall, with the assistance of the Purchaser, prepare the Circular and cause such Circular to be mailed to Shareholders and filed with the securities regulatory authorities in each of the Provinces and Territories of Canada and such other Governmental Entities in such jurisdictions where the Circular is required to be mailed and filed. The Circular shall include the Board Recommendation, all information, disclosure and other documentation required by MI 61-101 (including the formal valuation or a summary of the formal valuation in accordance with Section 5.4 of MI 61-101), and such financial, operational and other information and disclosure required under applicable Law. To the extent required by applicable Law, Parent covenants and agrees to take any and all actions necessary to obtain minority approval at the Company Meeting of the Special Resolution under MI 61-101 and to provide disclosure in respect thereof in the Circular. The Parent covenants and agrees that, at the date of mailing to

Shareholders: (a) the Circular will comply in all material respects with the applicable provisions of applicable Laws and will provide Shareholder with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them; and (b) the Circular, taken as a whole, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, that, the Parent makes no representation or warranty with respect to statements included or incorporated by reference in the Circular based on information supplied in writing by or on behalf of the Purchaser or any of their Affiliates specifically for inclusion or incorporation by reference therein. The Purchaser agrees that the information supplied in writing by it or any of its Affiliates specifically for inclusion in the Circular will not, at the date of mailing to Shareholders, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that, the Purchaser makes no representation or warranty with respect to statements included or incorporated by reference in the Circular based on information supplied by or on behalf of the Parent, any Vendor, any Acquired Subsidiary or any of their Affiliates for inclusion or incorporation by reference therein. Each of the Parent, each Vendor, each Acquired Subsidiary and the Purchaser agrees to correct any information provided by it for use in the Circular which shall have become false or misleading. The Parent shall use its reasonable best efforts to resolve any comments received from applicable Canadian securities regulatory authorities and/or the TSX, as applicable, with respect to the Circular as promptly as practicable after receipt thereof. The Parent shall, as promptly as practicable, notify the Purchaser of the receipt of (and provide copies to the Purchaser) any comments, requests for information or other correspondence from any Shareholder or Governmental Entity with respect to the Circular, the Transactions, the Company Meeting, any filings under applicable Laws in connection with the Transactions, and any dealings with Governmental Entities in connection with the Transactions, or any request for any amendment or supplement to the Circular or any filings under applicable Laws in connection with the Transactions. Prior to filing or mailing the Circular or making any other required filings (or, in each case, any amendment or supplement thereto) or responding to any comments or other correspondence from any Governmental Entities with respect thereto, the Parent shall provide the Purchaser with a reasonable opportunity to review and comment on such document or response and shall in good faith consider for inclusion in such document or response any reasonable comments proposed by the Purchaser.

(2) The Parent shall convene the Company Meeting as soon as reasonably practicable following the date hereof and in any event on or before November 13, 2015 and, unless this Agreement will have been terminated in accordance with its terms, the Parent will not cancel the Company Meeting or fail to put the Special Resolution before the Shareholders for their consideration without the Purchaser's prior written consent, other than as may be required under applicable Laws, and the Parent will not propose to adjourn or postpone the Company Meeting without the prior consent of the Purchaser except as permitted pursuant to this Agreement or required by applicable Laws or by a

Governmental Entity, and shall take all action necessary or advisable to solicit proxies in favor of the Special Resolution.

(3) The Parent agrees to conduct the Company Meeting in accordance with the by-laws and other Constating Documents of the Parent and any other instrument governing the Company Meeting, as applicable, and as otherwise required by applicable Law.

(4) The Parent agrees to advise the Purchaser, as the Purchaser may request, and on a daily basis on each of the last ten Business Days prior to the proxy cut-off date for the Company Meeting, as to the aggregate tally of the proxies received by the Parent in respect of the Special Resolution, and provide the Purchaser with copies of any materials, or grant access to information regarding the Company Meeting, generated by any proxy solicitation firm, if applicable.

6.6. Pre-Closing Reorganization. The Purchaser hereby acknowledges and agrees that the Parent and Legumex Walker Canada Inc. may amalgamate immediately prior to the Effective Time. Such amalgamation shall, if effected, take place in accordance with the vertical short-form amalgamation provisions set out in Section 184(1) of the Canada Business Corporations Act, pursuant to which, among other things, the property and liabilities of the Parent and Legumex Walker Canada Inc. (including their respective rights and obligations under this Agreement) will continue to be the property and liabilities of the amalgamated corporation. The Parent and the Vendors acknowledge and agree that, if such an amalgamation is effected, the amalgamated entity will be the "Parent" and a "Vendor" for all purposes of this Agreement, and will deliver a certificate confirming same to the Purchaser, executed by a senior officer of the amalgamated corporation (without personal liability to such officer) addressed to the Purchaser and dated the Closing Date. The Parent shall provide written notice to the Purchaser of any such amalgamation no later than 10 Business Days prior to the Closing Date and provide copies of documentation relating to such amalgamation. The Parent shall execute any such amalgamation in a manner that does not (1) result in the creation of any Assumed Liability that would not have been an Assumed Liability but for the amalgamation, (2) impair or delay in any way the ability of the Parent, the Vendors or the Acquired Subsidiaries to consummate the Transactions and convey the Purchased Assets to the Purchaser or (3) result in any material cost to the Purchaser that would not have been incurred but for the amalgamation.

6.7. Access to Information; Confidentiality.

(1) From the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with Sections 9.2 and 9.3, subject to Law and the terms of any existing Contracts, the Parent and the Vendors shall and shall cause the Acquired Subsidiaries and their respective officers, directors, Employees, independent auditors, advisers, agents and Representatives to, afford the Purchaser and its Affiliates and to their respective officers, employees, agents and Representatives such access as the Purchaser may reasonably require during regular business hours of the Vendors or the Acquired Subsidiaries, including for the purpose of facilitating post-closing business planning, to their officers, employees, agents, properties, books, records (including Books and Records) and Contracts, and shall make available to the Purchaser all data and information as the Purchaser may reasonably request. The Purchaser and its Affiliates

shall be entitled to contact any third party which is a party to any Purchased Contract (including any Unassignable Contract or Unassignable Trade Contract) upon prior written notice to the Parent; provided, that (a) the Purchaser and the Parent shall work together to prepare in good faith a mutually agreed outline to be used in such discussion with the third party, and (b) the Parent shall be entitled to participate in such discussion with the third party. Under no circumstance will the foregoing require the Vendors or the Parent to disclose to the Purchaser materials related to any Acquisition Proposals received prior to the date hereof (including, without limitation, minutes of any meetings at which such proposals were considered or the analyses thereof by any of the Parent's or Vendors' Representatives).

(2) The Purchaser acknowledges that the Confidentiality Agreement continues to apply and that any information provided under Section 6.7(1) above that is non-public and/or proprietary in nature shall be subject to the terms of the Confidentiality Agreement. The obligations under the Confidentiality Agreement shall survive the termination of this Agreement.

(3) The Vendors have provided, or will provide during the Interim Period, the Purchaser with Phase I Environment Site Assessments prepared in accordance with ASTM E 1527-13 which are dated within 180 days prior to the Closing Date for each Real Property and Leased Property other than Real Property and Leased Property which is office space. The Vendors will cooperate with the Purchaser's efforts to obtain a reliance letter acceptable to the Purchaser for each such Phase I Environmental Site Assessment from its author allowing the Purchaser to rely on such Phase I Environmental Site Assessment to the same extent as the Vendor.

(4) During the Interim Period, the Vendors will, upon request by the Purchaser or Purchaser's Counsel, execute and deliver to the Purchaser all necessary consents to permit the Purchaser to have inspections made and have existing records related to the Purchased Assets, including the Real Property and the Leased Property, released to the Purchaser by any Governmental Entity or such other appropriate authorities as the Purchaser may consider advisable. Such consents shall authorize and direct the release of information to the Purchaser or the Purchaser's Counsel.

(5) No investigations made by or on behalf of the Purchaser, whether under this Section 6.7 or any other provision of this Agreement, will have the effect of waiving, diminishing the scope of, or otherwise affecting, any representation or warranty made in this Agreement.

6.8. Additional Environmental Investigation.

(1) During the Interim Period (a) the Purchaser and its Representatives shall carry out updated Phase I environmental site assessments with respect to the Real Property and the Leased Property listed in Schedule 6.8(1) under the caption "Phase I Reports", and (b) the Purchaser and its Representatives shall carry out Phase II environmental site assessments of the Real Property and the Leased Property listed in Schedule 6.8(1) under the caption "Phase II Reports" (collectively, the "**Additional Environmental Investigation**"). The Vendors and the Parent agree and acknowledge that (x) the Additional Environmental

Investigation shall be carried out by the environmental consultants set forth in Schedule 6.8(1) (with the fees and expenses of such environmental consultants to be borne as indicated in Schedule 6.8(1)), and (y) the Additional Environmental Investigation must be completed prior to the Closing Date.

(2) Without limiting the generality of Section 6.7, the Parent and the Vendors shall and shall cause their respective officers, directors, Employees, independent auditors, advisers, agents and Representatives to, afford the Purchaser and its Affiliates and to their respective officers, employees, agents and Representatives such access as the Purchaser may reasonably require in order to carry out the Additional Environmental Investigation including by permitting the Purchaser and its Representatives to access the Real Property and the Leased Property, upon one (1) Business Day notice, to inspect and to carry out such tests (including drilling core samples and groundwater monitoring) as the Purchaser deems necessary in order to carry out the Additional Environmental Investigation.

(3) In the event that one or more Significant Environmental Issues is identified, the Purchaser shall provide the Parent with a written notice describing the Significant Environmental Issue(s) and the Parties will negotiate in good faith toward a mutually agreed resolution to the Significant Environmental Issue(s). If a negotiated resolution to the Significant Environmental Issue(s) has not been reached by the Parties within 20 Business Days of the delivery of the Purchaser's notice to the Parent, the Parties will appoint mutually acceptable environmental and financial consultants (collectively, the "**Environmental Expert**") to determine the net present value of all losses, liabilities, obligations, damages, costs, expenses, charges, fines, penalties or assessments (including (a) lawyers', experts' and consultants' fees and expenses, (b) the estimated costs associated with remediating or otherwise addressing the fact, circumstance, change, effect, occurrence or event and (c) incidental and consequential damages related thereto) associated with the Significant Environmental Issue(s) (the "**Environmental Adjustment Amount**"). The Environmental Expert's determination of the Environmental Adjustment Amount shall be final and binding on the Parties. Each of the Purchaser and the Parent shall be responsible for one-half of the fees and expenses of the Environmental Expert, but each Party shall be responsible for its own costs and expenses.

(4) In the event that the Environmental Adjustment Amount, as finally determined by the Environmental Expert, is equal to or greater than $5,000,000, the Parent may elect, within five Business Days of the final determination of the Environmental Adjustment Amount, to terminate this Agreement pursuant to Section 9.2(1)(c)(ii). In the event that (i) the Environmental Adjustment Amount, as finally determined by the Environmental Expert, is less than $5,000,000, or (ii) the Environmental Adjustment Amount, as finally determined by the Environmental Expert, is equal to or greater than $5,000,000 and the Parent does not elect, pursuant to Section 9.2(1)(c)(ii), to terminate this Agreement within five Business Days of the final determination of the Environmental Adjustment Amount, the Purchase Price shall be reduced by the Environmental Adjustment Amount; provided, that if a Significant Environmental Issue relates to a property which the Parent and the Purchaser agree is not material to the operation of the Business, the Vendor of such property shall have the right to exclude such property from the Purchased Assets, subject to the Parent (on behalf of such Vendor) and the Purchaser agreeing to a

reasonable reduction to the Purchase Price; provided, further, that, for the avoidance of doubt, the Environmental Adjustment Amount shall be converted to Canadian dollars, as applicable, for the purpose of determining whether it is equal to or greater than $5,000,000 in accordance with this Section 6.8(4). Notwithstanding the foregoing, the Parties hereby agree not to disclose to the Environmental Expert any information related to requirements of this Section 6.8, including the $5,000,000 threshold set forth in this Section 6.8(4).

(5) No investigations made by or on behalf of the Purchaser, whether under this Section 6.8 or any other provision of this Agreement, will have the effect of waiving, diminishing the scope of, or otherwise affecting, any representation or warranty made in this Agreement.

6.9. Public Communications.

(1) The Parent and the Purchaser shall agree on the text of joint press releases by which the Parent and the Purchaser will announce (a) the execution of this Agreement and (b) the completion of the Transactions. A Party shall not issue any press release or make any other public statement or disclosure with respect to this Agreement or the Transactions without the consent of the other Party (which consent shall not be unreasonably withheld, conditioned or delayed), and the Parent and the Vendors shall not, and shall cause the Acquired Subsidiaries not to, make any filing with any Governmental Entity with respect to this Agreement or the Transactions without the consent of the Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed); provided, that any Party that, in the opinion of its outside legal counsel, is required to make disclosure by Law shall use its commercially reasonable efforts to give the other Party prior oral or written notice and a reasonable opportunity to review or comment on the disclosure (other than with respect to confidential information contained in such disclosure). The Party making such disclosure shall give reasonable consideration to any comments made by the other Party or its counsel, and if such prior notice is not possible, shall give such notice immediately following the making of such disclosure.

6.10. Notice and Cure Provisions.

(1) Each Party shall promptly notify the other Parties of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:

(a) cause any of the representations or warranties of such Party contained in this Agreement to be untrue or inaccurate in any respect at any time from the date of this Agreement to the Effective Time; or

(b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party under this Agreement.

(2) Notification provided under this Section 6.10 will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under this Agreement.

(3) The Purchaser may not elect to exercise its right to terminate this Agreement pursuant to Section 9.2(1)(d)(i) and the Parent may not elect to exercise its right to terminate this Agreement pursuant to Section 9.2(1)(c), unless the Party seeking to terminate the Agreement (the "**Terminating Party**") has delivered a written notice ("**Termination Notice**") to the other Party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for termination. After delivering a Termination Notice, provided the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date, the Terminating Party may not exercise such termination right until the earlier of (a) the Outside Date, and (b) the date that is ten (10) Business Days following receipt of such Termination Notice by the Breaching Party, if such matter has not been cured by such date.

6.11. Employees.

(1) Prior to the Closing Date, but conditional on the completion of the Closing, the Purchaser shall offer employment with the Purchaser, or an Affiliate or Affiliates of the Purchaser, to all Persons listed on Schedule 6.11(1), including the Key Employees (the "**Scheduled Employees**"). Such offer of employment shall be made on substantially similar terms and conditions (including salary, benefits, seniority and severance entitlement), in the aggregate, as those pursuant to which such Scheduled Employees were employed by the applicable Vendor or the Parent, as the case may be, immediately prior to the Closing Date to the extent such terms are provided in Section 30(a) of the Disclosure Letter; provided that, for such purposes, the Purchaser shall be entitled to rely on, and shall not have any liability for any inaccuracies in, the following information for each Scheduled Employee as provided in Section 30(a) of the Disclosure Letter: all material details of the terms of employment of such Scheduled Employee, including such Scheduled Employee's location, length of service, service credit date, age, job title, remuneration (including actual salary or hourly wages plus any variable or incentive compensation paid in 2014, present base salary or hourly wage rate, the date and amount of any anticipated increase in base salary or hourly wage rate in 2015, and any variable or incentive compensation estimated or budgeted for 2015), vacation entitlement, and all other entitlements and benefits of such Scheduled Employee. Any Scheduled Employee who (a) accepts the Purchaser's offer of employment, (b) remains employed by a Vendor or the Parent, as the case may be, until the Effective Time and (c) becomes an employee of the Purchaser or an Affiliate at the Effective Time shall become a "**Transferred Employee**". If, at the Closing Date, any of the Scheduled Employees is not actively performing services immediately prior to the Closing Date or who is on any leave of any kind immediately prior to the Closing Date (each, an "**Inactive Employee**"), then the Purchaser, or an Affiliate or Affiliates of the Purchaser, shall make an offer of employment to each such Inactive Employee for employment, effective as of the date on which such Inactive Employee presents himself or herself to the Purchaser, or the appropriate Affiliate or Affiliates of the Purchaser, for active employment following the Closing Date, to the same extent, if any, as the applicable Vendor would be required to reemploy such Inactive Employee in accordance with its policies as in effect on the Closing Date and applicable Law; provided that, such presentation for active employment occurs within one year following the Closing Date, and is otherwise made in accordance

with the Purchaser's obligations under applicable Law. With respect to any Scheduled Employee subject to a Contract for employment with a Vendor, the Purchaser, at its sole option, may elect to assume the obligations of the applicable Vendor under such employment Contract by providing written notice of such election to the applicable Vendor prior to the Closing Date.

(2) The Purchaser shall assume and be responsible for only such liabilities and obligations with respect to the Transferred Employees (a) first arising on and after the Closing Date, including the payment of any bonuses (other than bonuses payable under the Bonus Plan) payable to the Transferred Employees for activity first arising after the Closing Date and (b) in respect of bonuses payable to the Transferred Employees under the Bonus Plan, whether or not arising from activity first occurring before or after the Effective Time, and which do not relate to any default existing prior to or as a consequence of the Closing and (c) in respect of unused vacation as of the Closing Date, which shall be used, paid, or forfeited in accordance with the Purchaser's vacation policies. The amount of accrued bonuses under the Bonus Plan and accrued vacation for Transferred Employees attributable to periods before the Closing Date shall be included in Closing Accrued Liabilities for purposes of the Closing Date Adjustments under Sections 2.7 and 2.8, and the Parent and the Vendors agree that such amounts reflected on the Closing Statement shall accurately reflect the amounts of such liabilities. The Purchaser shall have no obligations to (a) Employees who are not Scheduled Employees or Employees of the Acquired Subsidiaries or (b) Scheduled Employees who do not become Transferred Employees.

(3) The Vendors or the Parent, as the case may be, shall be responsible for all liabilities and obligations with respect to all Scheduled Employees (whether or not Transferred Employees) related to the period up to the Closing Date, including any severance obligations arising from agreements entered into prior to the Closing Date, other than amounts payable after the Closing Date pursuant to the terms of the Bonus Plan.

(4) The Vendors or the Parent, as the case may be, shall employ all of the Scheduled Employees until the Effective Time, except for any Scheduled Employees who, prior to Closing:

(a) are terminated for cause;

(b) are terminated with the Purchaser's consent, which consent shall not be unreasonably withheld or conditioned;

(c) voluntarily resign; or

(d) retire.

(5) No Employee (including any Scheduled Employee) is entitled to any rights under this Section 6.11 or under any other provisions of this Agreement. For the avoidance of doubt, no Employee (including any Scheduled Employee) shall be deemed to be a third party beneficiary of any term or provision of this Agreement including, without limitation, anything set forth in this Section 6.11.

(6) Except as provided in paragraph 6.11(2) above, the Purchaser shall not assume or be responsible for any obligation arising under any Employee Plan of any Vendor located in Canada or the United States. The Purchaser shall, for twelve months following the Closing Date, provide or make available group medical and retirement benefits and shall provide incentive compensation to Transferred Employees (and their dependents, in the case of group medical benefits) on substantially similar terms and conditions, in the aggregate, as provided by the applicable Vendors to such Transferred Employees. No waiting periods shall apply with respect to such benefits.

(7) For the avoidance of doubt, the Parties hereby agree that:

(a) for all seniority and other purposes relating to employment, including severance (statutory, common law, or contractual, as the case may be), vacation, and health, dental, and medical benefits entitlement, the hire date for each (i) Transferred Employee who is employed in Canada by Legumex Walker, Inc. or Legumex Walker Canada, Inc. as of the Closing Date, and (ii) Inactive Employee who is employed in Canada by Legumex Walker, Inc. or Legumex Walker Canada, Inc. and who presents himself or herself to the Purchaser, or the appropriate Affiliate or Affiliates of the Purchaser, for active employment following the Closing Date in accordance with this Agreement, shall be the "service credit date" as set forth in column "G" of Tab "Canada" in Section 30(a) of the Disclosure Letter; and

(b) the hire date for each (i) Transferred Employee who is employed by St. Hilaire Seed Company, Inc. or Legumex Walker Sunflower LLC as of the Closing Date shall be the Closing Date and (ii) Inactive Employee who is employed by St. Hilaire Seed Company, Inc. or Legumex Walker Sunflower LLC and who presents himself or herself to the Purchaser, or the appropriate Affiliate or Affiliates of the Purchaser, for active employment following the Closing Date (together with the Transferred Employees described in clause (i), each a "**U.S. Employee**") shall be the date on which such Inactive Employee presents himself or herself for active employment; provided, that for each such U.S. Employee, the "service credit date" of such employee as set forth in column "G" of Tab "USA" in Section 30(a) of the Disclosure Letter shall be used solely for purposes of (A) determining the amount of severance to be paid to such employee in accordance with the Purchaser's policies, provided such employee's employment with the Purchaser, or the appropriate Affiliate of the Purchaser, is terminated within twelve (12) months of the Closing Date, and (B) accruing vacation for such employee in accordance with the Purchaser's policies.

6.12. Non-competition; Non-solicitation.

(1) For a period of five years commencing on the Closing Date (the "**Restricted Period**"), the Parent shall not, and shall not permit any of its Affiliates (including the Vendors) to, directly or indirectly, (a) engage in or assist others in engaging in the Business anywhere in the world; (b) have an interest in any Person that engages directly or indirectly in the Business anywhere in the world in any capacity, including as a partner, shareholder, member, employee, principal, agent, trustee or consultant; or (c) cause, induce or

encourage any material actual or prospective client, customer, supplier or licensor of the Business (including any existing or former client or customer of the Business or any Vendor and any Person that becomes a client or customer of the Business after the Closing), or any other Person who has a material business relationship with the Business, to terminate or modify any such actual or prospective relationship.

(2) During the Restricted Period, the Parent shall not, and shall not permit any of its Affiliates (including the Vendors) to, directly or indirectly, hire or solicit any person who is offered employment by the Purchaser pursuant to Section 6.11 or is or was employed in the Business during the Restricted Period, or encourage any such employee to leave such employment or hire any such employee who has left such employment, except pursuant to a general solicitation which is not directed specifically to any such employees; provided, that nothing in this Section 6.12(2) shall prevent the Parent or any of its Affiliates from hiring (a) any employee whose employment has been terminated by the Purchaser or (b) after one year from the date of termination of employment, any employee whose employment has been terminated by the employee.

(3) The Parent and the Vendors acknowledge that a breach or threatened breach of this Section 6.12 would give rise to irreparable harm to the Purchaser, for which monetary damages would not be an adequate remedy, and hereby agree that in the event of a breach or a threatened breach by the Parent or any Vendor of any such obligations, the Purchaser shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

(4) The Parent and the Vendors acknowledge that the restrictions contained in this Section 6.12 are reasonable and necessary to protect the legitimate interests of the Purchaser and constitute a material inducement to the Purchaser to enter into this Agreement and consummate the Transactions. In the event that any covenant contained in this Section 6.12 should ever be adjudicated to exceed the time, geographic, product or service or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, product or service or other limitations permitted by applicable Law. The covenants contained in this Section 6.12 and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

6.13. Purchase Option Exercise. Prior to the Closing, the Parent shall, or shall cause a Vendor to, purchase from the owner thereof the Grafton Property and Personal Property set forth on Schedule 6.13 (whether through the exercise of an option to purchase, the buy-out of remaining contractual terms or otherwise) so that the Grafton Property and such Personal Property is owned, as of the Closing Date, by a Vendor free and clear of any Encumbrances, and the Parent or a Vendor shall provide the Purchaser with evidence thereof reasonably satisfactory

to the Purchaser; provided, that, at the Parent's option, the Purchaser shall pay such amounts required to be paid under this Section 6.13 (on behalf of the Parent or the applicable Vendor) to the owners of the Grafton Property and Personal Property set forth on Schedule 6.13, as of the Closing Date and in accordance with Section 2.6(1)(b).

6.14. Bill of Sale for Vehicles. In order to enable the Purchaser to acquire insurance, registration and license plates as of the Effective Time for any vehicles or other equipment requiring license plates that form part of the Purchased Assets, the Parent and the Vendors will deliver to the Purchaser, by no later than three (3) Business Days prior to Closing, an executed Bill of Sale for all such vehicles and other equipment containing such information as may be required in each jurisdiction to satisfy said purpose. If the Closing does not occur for any reason, the Purchaser will return the Bill of Sale to the Parent and Vendors and will take all steps necessary to ensure that such vehicles and equipment are registered (or re-registered, as the case may be) in the name of the applicable Vendors.

6.15. Fraud Exception. The Purchaser covenants and agrees that it shall not take any steps to oppose any application made by the liquidator to the court in support of the Liquidation and Dissolution on the sole ground that it has the right to pursue claims based on the Fraud Exception against the Parent or any Vendor (without raising any such specific claims at such time) because of the survival period therefor set forth in Section 5.3(4). The Parent and Vendors acknowledge and agree that the foregoing covenant shall not prohibit the Purchaser from taking any actions or steps it deems necessary (including opposing an application made by the liquidator to the court in support of the Liquidation and Dissolution) in order to advance, protect and/or preserve its rights in respect of any *bona fide* Claim or any claim based on the Fraud Exception arising from or related to this Agreement or the negotiation, execution or delivery thereof.

6.16. Contract Approval. As soon as reasonably practicable after the date hereof, the applicable Vendors shall, and shall cause the applicable Acquired Subsidiaries to, send to each third party to a Purchased Contract a notification in writing that is reasonably satisfactory to the Purchaser, which notification shall (a) notify such third party of the Transactions, and (b) for each Counterparty, request the written Approval of such Counterparty to the assignment of all rights and obligations under such Contract to the Purchaser or an Affiliate of the Purchaser following the Closing. The Vendors, the Acquired Subsidiaries and the Parent shall use commercially reasonable efforts to obtain each such Approval prior to the Closing Date; provided, that, for the avoidance of doubt, following the Closing Date, the Vendors and the Parent shall continue to use commercially reasonable efforts to obtain such Approval for Unassignable Contracts and Unassignable Trade Contracts that expressly prohibit assignment.

ARTICLE 7
COVENANTS REGARDING NON-SOLICITATION

7.1. Non-Solicitation.

(1) Except as expressly permitted by this Article 7, the Parent and the Vendors shall, and shall cause their respective subsidiaries (including the Acquired Subsidiaries), officers and directors and their respective Representatives to:

(a) immediately cease and terminate any and all existing activities, discussions or negotiations with any Persons (other than the Purchaser and its Representatives) initiated before the date of this Agreement with respect to an Acquisition Proposal; and

(b) until the earlier of the Effective Time or the termination of this Agreement in accordance with Article 9, (i) to the extent permitted by any applicable confidentiality agreement, demand that any Person (or its Representatives) in possession of confidential information about the Parent or any subsidiary that was furnished by or on behalf of the Parent or any subsidiary return or destroy all such information, and (ii) immediately terminate access to any Person (other than the Purchaser and its Representatives) to any Confidential Information and any data room maintained by the Parent with respect to the transactions contemplated by this Agreement or any other Acquisition Proposal.

(2) Except as expressly permitted by this Article 7, the Parent and the Vendors shall not, and shall cause their respective subsidiaries (including the Acquired Subsidiaries), officers and directors and their respective Representatives not to:

(a) directly or indirectly solicit, initiate, encourage, or in any way knowingly facilitate (including by way of furnishing any information relating to the Parent or any Vendor or Acquired Subsidiary) the initiation of any Acquisition Proposal or any inquiries, proposals or discussions which could potentially lead to an Acquisition Proposal (whether from a Person with whom the Parent or its subsidiaries have previously been in discussions or not);

(b) directly or indirectly enter into or participate in any discussions or negotiations regarding any Acquisition Proposal, whether or not such discussions had commenced before the date of this Agreement and whether or not such discussions were initiated by a third party;

(c) accept or enter into, or offer to accept or enter into, any agreement, arrangement or understanding regarding any Acquisition Proposal;

(d) terminate, waive, amend, modify or release any third party from or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to terminate, waive, amend, modify or release any third party from or otherwise forbear in respect of, any rights or other benefits under confidential information agreements, including, without limitation, any "standstill provisions" thereunder;

(e) approve or recommend an Acquisition Proposal or announce an intention to do so; or

(f) publicly propose to do any of the foregoing.

7.2. Exceptions to Non Solicitation Covenant. Notwithstanding anything in Section 7.1 to the contrary, if, at any time prior to the time the approval of the Special Resolution is obtained,

(i) the Parent or any of its subsidiaries (including the Vendors and the Acquired Subsidiaries) receives from any Person a *bona fide*, unsolicited Acquisition Proposal that did not result from a breach of Section 7.1 and (ii) prior to taking any action described in Section 7.2(1) or 7.2(2) below, (a) the Board determines in good faith (after consultation with outside legal counsel) that failure to take such action would breach the directors' fiduciary duties under applicable Law and (b) the Board determines in good faith (after consultation with its financial advisor and outside legal counsel) that such Acquisition Proposal either constitutes a Superior Proposal or could reasonably be expected to result in a Superior Proposal:

(1) The Parent and its Representatives may provide nonpublic information and data concerning the Parent and its Subsidiaries in response to a request therefor by such Person if Parent receives from such Person an executed Acceptable Confidentiality Agreement; provided, that Parent shall concurrently make available to the Purchaser a copy of such Acceptable Confidentiality Agreement and any material nonpublic information concerning the Parent or its Subsidiaries that the Parent provides pursuant to such Acceptable Confidentiality Agreement that has not previously been made available to the Purchaser; and

(2) The Parent and its Representatives may engage or participate in any discussions or negotiations with such Person with respect to such Acquisition Proposal.

7.3. Change in Recommendation; Alternative Acquisition Agreement.

(1) Except as set forth in Section 7.3(2), the Board shall not:

(a) withhold, withdraw, qualify or modify (or publicly propose or resolve to withhold, withdraw, qualify or modify), in a manner adverse to the Purchaser, the Board Recommendation or fail to include the Board Recommendation in the Circular;

(b) authorize, adopt, approve, recommend or otherwise declare advisable, an Acquisition Proposal (any of the foregoing in Section 7.3(1)(a) or 7.3(1)(b), a "**Change of Recommendation**"); or

(c) cause or permit the Parent or any Vendor or Acquired Subsidiary to enter into any acquisition agreement, arrangement agreement, merger agreement or similar definitive agreement, or any letter of intent, memorandum of understanding or agreement in principle, or any other agreement (other than an Acceptable Confidentiality Agreement if permitted under Section 7.2(1)) (an "**Alternative Acquisition Agreement**") relating to any Acquisition Proposal.

(2) Notwithstanding anything to the contrary set forth in this Agreement, prior to the time approval of the Special Resolution is obtained, but only after compliance with Section 7.4, the Board may effect a Change of Recommendation with respect to any *bona fide*, unsolicited Acquisition Proposal that did not result from a breach of Section 7.1 that the Board determines in good faith (after consultation with its financial advisor and outside legal counsel) is a Superior Proposal if the Board determines in good faith (after

consultation with outside legal counsel) that failure to do so would breach its fiduciary obligations under applicable Law.

7.4. Matching Rights.

(1) The Board shall not be permitted to effect a Change of Recommendation pursuant to Section 7.3(2) until it has first taken the following actions:

(a) the Board shall have determined in good faith (after consultation with its financial advisor and outside legal counsel) that such Acquisition Proposal is a Superior Proposal;

(b) the Parent shall have provided a written notice to the Purchaser (a "**Notice of Superior Proposal**") that the Board intends to effect a Change of Recommendation and describing all material terms and conditions of the Superior Proposal that is the basis for such action;

(c) during the five-Business Day period following receipt of the Notice of Superior Proposal by the Purchaser, the Parent, the Acquired Subsidiaries and the Vendors shall have negotiated, and shall have caused their financial and legal advisors and other Representatives to negotiate, with the Purchaser to make such adjustments in the terms and conditions of this Agreement so that such Superior Proposal ceases to constitute a Superior Proposal; and

(d) following the end of such five-Business Day period, the Board shall then have determined in good faith, taking into account any changes to the terms of this Agreement proposed by the Purchaser to the Parent in response to the Notice of Superior Proposal, that the Superior Proposal giving rise to the Notice of Superior Proposal continues to constitute a Superior Proposal.

(2) Any amendment or modification to the terms of a Superior Proposal described in a Notice of Superior Proposal delivered pursuant to Section 7.4(1)(b) shall constitute a new Superior Proposal and require a new Notice of Superior Proposal and an additional five-Business Day negotiating period.

7.5. Notice. From the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with Article 9, each of the Parent and each Vendor agrees that it will, and will cause the Acquired Subsidiaries to, promptly (and, in any event, within 24 hours) notify the Purchaser in writing if any Acquisition Proposal is received by, any information or access to any of the Parent's or any subsidiary's properties, assets, books or records is requested from, or any discussions or negotiations are sought to be initiated or continued with, any of them, or any of their respective Representatives, in connection with such Acquisition Proposal. Such notice shall include the identity of the Person making such Acquisition Proposal or request and a copy of any such written Acquisition Proposal and if no written Acquisition Proposal has been received, a description of the terms and conditions of the Acquisition Proposal. The Parent and each Vendor shall thereafter keep the Purchaser informed of the status and terms of any such Acquisition Proposal (including any amendments thereto) and the status of any discussions or negotiations regarding such Acquisition Proposal.

ARTICLE 8
INDEMNIFICATION AND RECOVERY

8.1. Definitions.

(1) "**Claim**" means any act, omission or state of facts and any demand, Action, investigation, inquiry, suit, Proceeding, claim, assessment, judgment or settlement or compromise relating thereto, which may give rise to a right of indemnification under this Agreement.

(2) "**Direct Claim**" means any Claim by an Indemnitee against an Indemnitor which does not result from a Third Party Claim.

(3) "**Indemnification Notice**" means written notice by an Indemnitee to the applicable Indemnitor or Indemnitors of a Third Party Claim or Direct Claim, as the case may be.

(4) "**Indemnitee**" means the Purchaser Indemnitees or the Vendor Indemnitees, as the case may be.

(5) "**Indemnitees Representative**" means:

(a) in respect of the Purchaser Indemnitees, the Purchaser; and

(b) in respect the Vendor Indemnitees, the Parent.

(6) "**Indemnitor**" means the Purchaser, or the Parent and the Vendors, as the case may be.

(7) "**Losses**" means any and all loss, liability, obligation, damage, cost, expense, charge, fine, penalty or assessment, suffered, incurred, sustained or required to be paid by the Person seeking indemnification (including lawyers', experts' and consultants' fees and expenses), resulting from or arising out of any Claim, including the costs and expenses of any Action, suit, Proceeding, investigation, inquiry, arbitration award, grievance, demand, assessment, judgment, settlement or compromise relating thereto, and including incidental and consequential damages related thereto and all forms of damage (regardless of characterization) to the extent included in a Third Party Claim, but reduced by any recovery under or pursuant to any insurance coverage actually received by an Indemnitee with respect to a Claim.

(8) "**Payment**" has the meaning attributed to that term in Section 8.9(3).

(9) "**Purchaser Indemnitees**" means the Purchaser, Representatives of the Purchaser, and related Persons.

(10) "**Third Party Claim**" means any Claim asserted against an Indemnitee by any Person who is not a Party or an Affiliate of a Party.

(11) "**Vendor Indemnitees**" means the Vendors, the Parent, the Representatives of the Vendors and the Parent, and related Persons.

8.2. Indemnification by the Parent and the Vendors. In addition to any other indemnification obligation of the Parent and/or the Vendors contained in this Agreement and subject to this Article 8, the Parent and the Vendors shall jointly and severally indemnify and save harmless the Purchaser and, to the extent named or involved in any Third Party Claim, the Purchaser Indemnitees from, and shall pay to the Purchaser and the Purchaser Indemnitees, after final resolution of the respective Claim that reflects the Parent's and/or the Vendors' liability therefor, the amount of any and all Losses as a result of or arising in connection with:

(1) any inaccuracy of or any breach of any representation or warranty made by the Parent or any Vendor in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, whether or not the Purchaser relied on or had knowledge of it;

(2) to the extent not performed or waived prior to Closing, any breach or non-performance by the Parent or any Vendor of any covenant or other obligation contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement;

(3) the retention of the Excluded Liabilities by the Parent and the Vendors; and

(4) any Claim by any Person for brokerage or finder's fees, commission or similar payments based on any agreement or understanding made or alleged to have been made by any such Person with the Parent or any Vendor (or any Person acting on its or their behalf) in connection with the Transactions.

8.3. Indemnification by the Purchaser. In addition to any other indemnification obligation of the Purchaser contained in this Agreement and subject to this Article 8, the Purchaser shall indemnify and save harmless each Vendor and the Parent and, to the extent named or involved in any Third Party Claim, the Vendor Indemnitees from, and shall pay to the Vendors, the Parent and the Vendor Indemnitees, after final resolution of the respective Claim that reflects the Purchaser's liability therefor, the amount of any and all Losses as a result of or arising in connection with:

(1) any inaccuracy of or any breach of any representation or warranty made by the Purchaser in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, whether or not the Vendors or the Parent relied on or had knowledge of it;

(2) to the extent not performed or waived prior to Closing, any breach or non-performance by the Purchaser of any covenant or other obligation contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement;

(3) the assumption of the Assumed Liabilities by the Purchaser; and

(4) any Claim by any Person for brokerage or finder's fees, commission or similar payments based on any agreement or understanding made or alleged to have been made by any

such Person with the Purchaser (or any Person acting on its behalf) in connection with the Transactions.

8.4. Thresholds and Limitations.

(1) Subject to Section 8.4(2), the Purchaser's obligation to indemnify the Vendor Indemnitees, pursuant to Section 8.3(1) is applicable only if the aggregate of all those Losses suffered or incurred by the Vendor Indemnitees is in excess of $940,000. Subject to Section 8.4(2), if the aggregate of all those Losses suffered or incurred by the Vendor Indemnitees exceeds that amount, the Purchaser shall be obliged to indemnify the Vendor Indemnitees for all of those Losses exceeding that amount.

(2) Except for Claims involving the Fraud Exception, the maximum recoverable by the Vendor Indemnitees for Losses suffered or incurred pursuant to Section 8.3(1) shall not exceed $6,000,000.

(3) Except for claims involving the Fraud Exception, the Purchaser's and each Purchaser Indemnitee's sole source of recovery for Losses in respect of any Claim pursuant to Section 8.2(1) for any inaccuracy or breaches by the Parent or the Vendors of the representations and warranties contained in this Agreement shall be recovery from the insurance coverage provided by the R/W Policy and in no event (other than claims involving the Fraud Exception) will the Purchaser or any Purchaser Indemnitee make a claim for indemnification against, seek to recover from, or have any right to recover from the Parent or any Vendor for any such Losses; provided, that if the Purchaser elects not to obtain a R/W Policy or such R/W Policy is not available or in force, the Purchaser shall, notwithstanding Section 8.2(1), have no right to recover any Losses in respect of any Claim (other than claims involving the Fraud Exception) from any inaccuracy or breaches by the Parent or the Vendors of the representations and warranties contained in this Agreement.

8.5. Notice of Claim.

(1) An Indemnitee, promptly on becoming aware of any circumstances that have given or could give rise to a Third Party Claim or a Direct Claim, shall give an Indemnification Notice of those circumstances to its Indemnitees Representative and to the applicable Indemnitor or Indemnitors. The Indemnification Notice will specify whether the Losses arise as a result of a Third Party Claim or a Direct Claim, and will also specify with reasonable particularity (to the extent the information is available) the factual basis for the Claim and the amount of the Losses, if known.

(2) The failure to give, or delay in giving, an Indemnification Notice does not relieve the Indemnitor of its obligations except and only to the extent of any actual, material prejudice caused to the Indemnitor by that failure or delay.

(3) Provided that the Indemnitee gives an Indemnification Notice of the Claim to the Indemnitor on or prior to the expiry of the applicable time period related to the representation and warranty or covenant that is the subject of such Claim, as the case may be, set out in Sections 5.3 and 5.4, liability of the Indemnitor for that representation,

warranty or covenant will continue in full force and effect until the final determination of that Claim.

8.6. Third Party Claims.

(1) The Indemnitor has the right, by notice to the applicable Indemnitees Representative given not later than the earlier to occur of 30 days after receipt of the Indemnification Notice and the fifth Business Day prior to the due date for responding to such Third Party Claim, to assume control of the defence, compromise or settlement of the Third Party Claim; provided, that:

(a) the Third Party Claim involves only money damages and does not seek any injunctive or other equitable relief;

(b) if the named parties in any Third Party Claim include both the Indemnitor and the Indemnitee, representation by the same counsel would, in the sole judgment of the Indemnitee, still be appropriate notwithstanding any actual or potential differing interests between them (including the availability of different defences);

(c) settlement of, or an adverse judgment with respect to, the Third Party Claim is not, in the sole judgment of the Indemnitee, likely to establish a precedent, custom or practice adverse to the continuing business interest of the Indemnitee or otherwise result in reputational harm to the ongoing business of the Indemnitee;

(d) the proposed compromise or settlement would be within the limits set forth in Section 8.4, if applicable, such that only the Indemnitor would be responsible for the payment thereof; and

(e) the Indemnitor, from time to time, at the request of the Indemnitees Representative, provides reasonable assurance to the Indemnitees Representative of its financial capacity to defend that Third Party Claim and to provide indemnification in respect thereof.

(2) On the assumption of control by the Indemnitor, it is conclusively established for purposes of this Agreement that the Third Party Claim is within the scope of, and is subject to, the indemnification pursuant to this Article 8, and:

(a) the Indemnitor will actively and diligently proceed, in conformity with the terms of Section 8.6(1),with the defence, compromise or settlement of the Third Party Claim at the Indemnitor's sole cost and expense, including the retaining of counsel reasonably satisfactory to the Indemnitees Representative;

(b) the Indemnitor will keep the Indemnitees Representative fully advised with respect to the defence, compromise or settlement of the Third Party Claim (including supplying copies of all relevant documents promptly as they become available) and will arrange for its counsel to inform the Indemnitees Representative on a regular basis of the status of the Third Party Claim;

(c) the Indemnitee may retain separate co-counsel at its sole cost and expense and participate in the defence of the Third Party Claim (provided, that the Indemnitor shall continue to control that defence); and

(d) the Indemnitor will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim unless consented to by the Indemnitees Representative (which consent may not be unreasonably or arbitrarily withheld, delayed or conditioned).

(3) Provided all the conditions set forth in Section 8.6(1) are satisfied and the Indemnitor is not in breach of any of its obligations under Section 8.6(2), each of the Indemnitees and its Indemnitees Representative will, at the expense of the Indemnitor, co-operate with the Indemnitor and use commercially reasonable efforts to make available to the Indemnitor all relevant information in its possession or under its control (provided, that it does not cause the Indemnitee or its Indemnitees Representative to breach any confidentiality obligations) and will take such other steps as are, in the reasonable opinion of counsel for the Indemnitor, necessary to enable the Indemnitor to conduct that defence; provided, always, that:

(a) no admission of fault may be made by or on behalf of the Purchaser or any Purchaser Indemnitee without the prior written consent of the Purchaser;

(b) no admission of fault may be made by or on behalf of any Vendor Indemnitee without the prior written consent of the Parent; and

(c) the Indemnitee and its Indemnitees Representative are not obligated to take any measures which, in the reasonable opinion of the Indemnitee's legal counsel, could be prejudicial or unfavourable to the Indemnitee.

(4) If (a) the Indemnitor does not give the relevant Indemnitees Representative the notice provided in Section 8.6(1), (b) any of the conditions in Section 8.6(1) are unsatisfied, or (c) the Indemnitor breaches any of its obligations under Sections 8.6(2) or 8.6(3), the applicable Indemnitees Representative may assume such control of the defence, compromise or settlement of the Third Party Claim as in its sole discretion may appear advisable, and is entitled to retain counsel as in its sole discretion may appear advisable, the whole at the Indemnitor's sole cost and expense. Any settlement or other final determination of the Third Party Claim will be binding on the Indemnitor. The Indemnitor will, at its sole cost and expense, cooperate fully with the Indemnitee and its Indemnitees Representative and use its best efforts to make available to the Indemnitee and its Indemnitees Representative all relevant information in its possession or under its control and take such other steps as are, in the reasonable opinion of counsel for the Indemnitee, necessary to enable the Indemnitee to conduct the defence. The Indemnitor will reimburse the Indemnitee and its Indemnitees Representative promptly and periodically for the costs of defending against the Third Party Claim (including legal fees and expenses), and will remain responsible for any Losses the Indemnitee and its Indemnitees Representative may suffer resulting from, arising out of or relating to the Third Party Claim to the fullest extent provided in this Article 8.

8.7. Direct Claims. Following receipt of an Indemnification Notice in respect of a Direct Claim, the Indemnitor shall have 30 days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of that investigation, the Indemnitee shall make available to the Indemnitor the information relied on by the Indemnitee to substantiate the Direct Claim, together with such information as the Indemnitor may reasonably request. If the Indemnitor agrees at or prior to the expiry of this 30-day period (or prior to the expiry of any extension of this period agreed to by the Parties) as to the validity and amount of that Direct Claim, the Indemnitor shall immediately pay to the Indemnitee the full amount as agreed to by the Parties of the Direct Claim.

8.8. Waiver. The Indemnitor waives any right it may have to require an Indemnitee to proceed against or enforce any other right, power, remedy or security or to claim payment from any other Person before claiming under the indemnity provided for in this Article 8. It is not necessary for an Indemnitee to incur expense or make payment before enforcing that indemnity.

8.9. Obligation to Reimburse.

(1) The Indemnitor shall reimburse to the Indemnitee the amount of any Losses, determined as of the later of (a) the date that the Indemnitee incurs any such Losses and (b) the date of demand by the Indemnitee, that payment being made without prejudice to the Indemnitor's right to contest the basis of the Indemnitee's Claim for indemnification.

(2) The amount of any and all Losses under this Article 8 is to be determined net of any amounts recovered by the Indemnitee under insurance policies with respect to those Losses. Each Party waives, to the extent permitted under its applicable insurance policies, any subrogation rights that its insurer may have with respect to any indemnifiable Losses.

(3) If any payment (the "**Payment**") made pursuant to this Article 8 is subject to GST/HST or any other applicable sales Tax or is deemed by the ETA or any similar provision of any applicable Law to be inclusive of GST/HST, the Indemnitor will pay to the Indemnitee, in addition to the Payment, an amount equal to the GST/HST and any other applicable sales Tax in connection with that Payment and that additional amount.

8.10. Duty to Mitigate. An Indemnitee shall, to the extent required by applicable Law, use commercially reasonable efforts to mitigate any loss which it may suffer or incur by reason of a breach by an Indemnitor of any representation, warranty, covenant or obligation of the Indemnitor under this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.

8.11. R/W Policy. Prior to the Closing, the Purchaser may elect to arrange for the issuance at the Closing of a policy of insurance against any inaccuracy or breaches by the Parent or the Vendors of the representations and warranties contained in this Agreement, under which the Purchaser shall be the owner and beneficiary (a "**R/W Policy**"). At the request of the Purchaser, the Parent and each Vendor shall cooperate with the Purchaser in connection with the issuance of the R/W Policy.

8.12. Exclusive Remedy. Unless otherwise provided in this Agreement or any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, the provisions of this Article 8 constitute the sole remedy available to the Vendors, the Parent and the Purchaser, to any Claim for breach of covenants, representation, warranty or other obligation or provision of this Agreement or any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement (other than a Claim for specific performance or injunctive relief) and to any and all other indemnities provided in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement. For the avoidance of doubt, no Party hereto shall be limited by the preceding sentence to the extent such Party brings a claim involving the Fraud Exception. For the avoidance of doubt, each of the Vendors and the Parent acknowledge that they have no direct relationship with any lender of the Purchaser disclosed via electronic mail by the Purchaser to the Parent prior to the date hereof (each such lender, a "**Financing Source**") with respect to any of the Transactions and are not intended beneficiaries of any arrangements that the Purchaser might have with any Financing Source. In no event shall any Vendor or the Parent have any right to enforce any Financing Source's obligations to the Purchaser or have any recourse against or be entitled to seek or obtain any recovery, judgment, monetary damages or injunctive or other relief against any Financing Source under any legal or equitable theory whatsoever (whether in contract, tort or otherwise), including for any alleged damage or loss relating to this Agreement or the performance of or failure to consummate any Transactions.

8.13. Set-Off. No Party hereto shall be entitled to set-off any Losses subject to Indemnification under this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement against any other amounts payable by the Party to another party, whether under this Agreement or otherwise.

8.14. Trust and Agency. The Purchaser accepts each indemnity in favour of any of the Purchaser Indemnitees that is not a Party as agent and trustee of that Purchaser Indemnitee and may enforce any such indemnity in favour of that Purchaser Indemnitee on behalf of that Purchaser Indemnitee. Each Vendor accepts each indemnity in favour of any of the Vendor Indemnitees that is not a Party as agent and trustee of that Vendor Indemnitee and may enforce any such indemnity in favour of that Vendor Indemnitee on behalf of that Vendor Indemnitee.

ARTICLE 9
TERM AND TERMINATION

9.1. Term. This Agreement shall be effective from the date hereof until the earlier of (1) the date on which all obligations of the Parties hereto have been satisfied and the last Claim for indemnification has been duly and fully and resolved in accordance with the terms hereof and (2) the termination of this Agreement in accordance Sections 9.2 and 9.3.

9.2. Termination.

(1) This Agreement may be terminated prior to the Effective Time by:

(a) the mutual written agreement of the Purchaser and the Parent (acting on behalf of itself and each of the Vendors); or

(b) either the Purchaser or the Parent if:

(i) after the date of this Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Transactions illegal or otherwise prohibits or enjoins the Vendors or the Purchaser from consummating the Transactions, and such Law has, if applicable, become final and non-appealable; or

(ii) the Effective Time does not occur on or prior to the Outside Date; provided, that, a Party may not terminate this Agreement pursuant to this Section 9.2(1)(b)(ii) if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement on or prior to the Outside Date; or

(iii) the Special Resolution is not approved by the Shareholders at the Company Meeting in accordance with applicable Law.

(c) the Parent:

(i) if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under this Agreement occurs that would cause any condition in Section 4.3(1) *[Purchaser Reps and Warranties Condition]* or Section 4.3(2) *[Purchaser Covenants Condition]* not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 6.10; provided, that, any Wilful Breach shall be deemed to be incurable; provided, further, that, the Vendors and the Parent are not then in breach of this Agreement so as to cause any condition in Section 4.2(1) *[Vendors Reps and Warranties Condition]* or Section 4.2(2) *[Vendors Covenants Condition]* not to be satisfied;

(ii) in accordance with Section 6.8(4), if one or more Significant Environmental Issues resulting in a finally determined Environmental Adjustment Amount equal to or exceeding $5,000,000 is identified; and

(d) the Purchaser if:

(i) a breach of any representation or warranty of the Parent or failure to perform any covenant or agreement on the part of the Vendors under this Agreement occurs that would cause any condition in Section 4.2(1) *[Vendors Reps and Warranties Condition]* or Section 4.2(2) *[Vendors Covenants Condition]* not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 6.10; provided, that, any Wilful Breach shall be deemed to be incurable; provided, further, that, the Purchaser is not then in breach of this Agreement so as to cause any condition in Section 4.3(1) *[Purchaser*

Reps and Warranties Condition] or Section 4.3(2) *[Purchaser Covenants Condition]* not to be satisfied; provided, further, that in the event the Purchaser determines that the representations and warranties in section (29) of Schedule B have been breached as a result of information disclosed to the Purchaser arising from the Additional Environmental Investigation and the property to which it relates is a property which the Vendor and Purchaser agree is not material to the operations of the Business, the Purchaser shall not have a right to terminate pursuant to this section 9.2(1)(d)(i) based on a breach of such representations and warranties if the Vendor agrees not to convey the property to the Purchaser, and the Vendor and the Purchaser agree to a reasonable reduction to the Purchase Price;

(ii) there has occurred a Material Adverse Effect;

(iii) the Board has effected a Change in Recommendation, or the Parent or any Vendor or any of their respective Representatives has breached, in any respect, the covenants contained in Article 7.

(2) The Party desiring to terminate this Agreement shall give notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right. Notwithstanding anything to the contrary herein, in the event the Parent terminates this Agreement pursuant to the provisions of Section 9.2(1)(a), 9.2(1)(b) or 9.2(1)(c), such termination shall also apply in respect of the Vendors obligations hereunder.

9.3. Effect of Termination/Survival. If this Agreement is terminated pursuant to Section 9.2, this Agreement shall become void and of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant, lender or Representative of such Party) to any other Party to this Agreement, except that: (i) each Party hereto shall remain liable to the other Parties hereto for any claims involving the Fraud Exception for matters occurring prior to the date of termination of this Agreement, and (ii) this Section 9.3, and Section 12.1 through to and including Section 12.17 shall survive such termination.

ARTICLE 10
POST-CLOSING COVENANTS

10.1. Unassignable Contracts and Unassignable Trade Contracts.

Following the Closing, the Vendors and the Parent shall:

(1) hold each Unassignable Contract and Unassignable Trade Contract in trust for the benefit of the Purchaser;

(2) use commercially reasonable efforts to obtain Approval in order to assign each Unassignable Contract and each Unassignable Trade Contract that expressly prohibits assignment into the name of the Purchaser; and

(3) take all such actions and do, or cause to be done, all such things at the request of the Purchaser as shall reasonably be necessary in order that the value and benefits of each Unassignable Contract and Unassignable Trade Contract shall be preserved and enure to the benefit of the Purchaser, including:

(a) at the request and expense and under the direction of the Purchaser, in the name of the Vendors or otherwise as the Purchaser shall reasonably specify, taking all such reasonable actions and do all such reasonable things as shall, in the opinion of the Purchaser, be necessary or desirable in order that the rights and obligations of the Vendors under such Unassignable Contract or Unassignable Trade Contract shall be performed in a manner such that the value of the Unassignable Contract or Unassignable Trade Contract will be preserved and will enure to the benefit of the Purchaser and such that all monies receivable pursuant to the Unassignable Contract or Unassignable Trade Contract may be received by the Purchaser; and

(b) to the extent permitted by the Counterparty and provided that, in the Purchaser's opinion, it would not be prejudicial to the Purchaser's rights to do so, performing the obligations under such Unassignable Contract or Unassignable Trade Contract on behalf of the Purchaser and the Purchaser will indemnify and save harmless the Vendors against all liabilities, costs and expenses reasonably incurred by the Vendors in performing such obligations.

10.2. Unassignable Trade Contracts.

(1) For each Unassignable Trade Contract that is a Trade Purchase, the applicable Vendor will enter into a new contract with the Purchaser in a form reasonably satisfactory to the Purchaser, dated as of the Closing Date (the "**Mirror Trade Purchase**"), pursuant to which the Vendor will sell to the Purchaser all of the products such Vendor is obligated to purchase from the Counterparty under such Unassignable Trade Contract at the same price and on the same terms as specified in the Unassignable Trade Contract as of the Closing Date; provided, that to the extent such Unassignable Trade Contract does not expressly prohibit assignment, the terms of the Mirror Trade Purchase will include an assignment to the Purchaser of all of such Vendor's rights to enforce the Unassignable Trade Contract.

(2) For each Unassignable Trade Contract that is a Trade Sale, the applicable Vendor will enter into a new contract with the Purchaser in a form reasonably satisfactory to the Purchaser, dated as of the Closing Date (the "**Mirror Trade Sale**"), pursuant to which the Vendor will buy from the Purchaser all of the products such Vendor is obligated to sell to the Counterparty under such Unassignable Trade Contract at the same price and on the same terms as specified in the Unassignable Trade Contract as of the Closing Date; provided, that to the extent such Unassignable Trade Contract does not expressly prohibit assignment, the terms of the Mirror Trade Sale will include an assignment to the Purchaser of all of such Vendor's rights to enforce the Unassignable Trade Contract.

(3) Notwithstanding the foregoing, upon delivery to the Purchaser of a Counterparty's written Approval to the assignment of the corresponding Unassignable Trade Contract to

the Purchaser, the Vendor shall be deemed to have fully performed its obligations under the Mirror Trade Purchase or Mirror Trade Sale, as applicable, that corresponds to such Unassignable Trade Contract.

(4) The Parent and the Vendors shall jointly and severally indemnify and save harmless the Purchaser from the amount of any and all Losses as a result of or arising in connection with any Vendor's failure to perform any of its obligations under a Mirror Trade Purchase or Mirror Trade Sale, as applicable; provided, that the Purchaser delivers notice of any such claim to the Parent on or prior to the expiry of the applicable time period related to covenants set out in Section 5.3(3).

10.3. Confidentiality.

The Parent and the Vendors acknowledge and agree that they have had access to or received information relating to the Purchased Assets, the Business and the Purchaser that is not generally known or used by others, or the utility of which is not generally known or recognized by others, including the business, financial and customer information and techniques or strategies which relate to the present or prospective Business which the Parent and the Vendors have treated as proprietary and confidential (collectively, the "**Confidential Information**"). From and after the Effective Time, other than for the benefit of the Purchaser, the Parent and the Vendors will not publish, disclose, use or otherwise exploit any Confidential Information which they have had access to or received or permit any other Person to do so unless in accordance with this Section 10.3. The restrictions set out in this Section respecting the disclosure, duplication, publication and use of the Confidential Information shall not apply to:

(1) any information which is, at the Effective Time or at some later date, publicly known, other than by the direct or indirect disclosure by any of the Parent or the Vendors or their respective Affiliates, directors, officers, employees or agents;

(2) disclosure of Confidential Information where such disclosure is required by Law, court order, court Proceeding or the rules or policies of any stock exchange, securities commission or Governmental Entity or regulatory authority having jurisdiction in the matter; provided, that the Party who is required to make such disclosure provides the other Parties the opportunity to seek an injunction against such disclosure and otherwise, exercising commercially reasonable efforts to ensure any such disclosed Confidential Information is afforded confidential treatment by the Person to whom it is disclosed; or

(3) disclosure of Confidential Information where such disclosure is consented to in writing by the Purchaser prior to such disclosure.

10.4. Further Assurances – Payment and Documents.

(1) Following the Closing, the Parent and the Vendors covenant and agree to forward and transfer to the Purchaser as soon as practicable any payments, documents, information, communications or correspondence which the Parent or the Vendors or any of their Affiliates may receive from time to time in relation to the Business or the Purchased Assets and which should have properly been paid, provided or delivered to the Purchaser, and that any payments so received by them will be held in trust pending such transfer. In

addition, following the Closing, the Purchaser agrees to reimburse the Parent or any of the Vendors, as applicable, for any payments made by the Parent or such Vendor following the Closing in relation to the Assumed Liabilities and which should have properly been paid by the Purchaser.

(2) Following the Closing, the Purchaser covenants and agrees to forward and transfer to the Parent as soon as practicable any payments which the Purchaser or any of its Affiliates may receive from time to time in relation to the Excluded Assets and which should have been properly paid, provided or delivered to the Parent or a Vendor, and that any payments so received by the Purchaser will be held in trust pending such transfer.

10.5. Names and Trademarks of the Vendors and the Parent.

Promptly following the Closing (but in no event later than three (3) Business Days following the Closing Date), the Parent and the Vendors shall take all action necessary to change the name of each Vendor, the Parent and any of their respective Affiliates to remove all references to "Legumex Walker" and to remove all references to "Legumex Walker" in conducting any business. The prohibitions in this Section 10.5 shall expressly apply, without limitation, to the use of any company name, website, stationery, invoices, packaging and identifying signs bearing name or trademarks of the Vendors or the Parent, or any of their respective Affiliates.

ARTICLE 11
PRIVACY LEGISLATION MATTERS

11.1. Compliance with Applicable Privacy Laws.

(1) Each Party acknowledges and confirms that they have complied at all times with Applicable Privacy Laws which govern the collection, use and disclosure of Personal Information pursuant to or in connection with this Agreement (the "**Disclosed Personal Information**"). The Vendors hereby covenant and agree to advise the Purchaser of all purposes for which Disclosed Personal Information disclosed to Purchaser was initially collected from or in respect of the individual to which such Disclosed Personal Information relates and all additional purposes where they have notified the individual or obtained their consent to such additional purposes, as required by Applicable Privacy Law, unless such purposes are permitted or authorized by Law, without notice to, or consent from, such individual; provided, however, that in such case the Vendors will have advised the Purchaser of the legislative provisions on which it is relying.

(2) Prior to Closing, none of the Parties will collect, use or disclose the Disclosed Personal Information except for the purpose of reviewing and completing the Transactions, including for the purpose of determining whether to complete the Transactions.

(3) Following the Closing:

(a) Purchaser will collect, use and disclose the Disclosed Personal Information disclosed to Purchaser only for those purposes for which the Disclosed Personal Information was initially collected from or in respect of the individual to which such Disclosed Personal Information relates, unless (i) the Vendors or Purchaser

have first noticed such individual of such additional purpose, and where required by Applicable Privacy Laws, obtained the consent of such individual to such additional purpose, or (ii) such use or disclosure is permitted or authorized by Applicable Privacy Laws, without notice to, or consent from, such individual.

(b) Where required by Applicable Privacy Laws, the Parties will promptly notify the individuals to whom such Disclosed Personal Information relates that the Transactions have taken place and that such Disclosed Personal Information has been disclosed to Purchaser.

(4) The Parties covenant and agree that where the Parties do not complete or proceed with the Transaction, each Party who received Disclosed Personal Information will, if such information is still in the custody of or under the control of such Party, either, at such Party's option, destroy such information or return it to the Party that disclosed it.

ARTICLE 12
GENERAL

12.1. Expenses.

(1) Each Party shall pay all expenses (including Taxes imposed on those expenses) it incurs in the authorization, negotiation, preparation, execution and performance of this Agreement and the Transactions, including all fees and expenses of its legal counsel, bankers, investment bankers, brokers, accountants or other Representatives or consultants, other than the fees associated with any Key Regulatory Approvals and the obligations set forth in Section 2.7(6), Section 2.10, Section 6.2(2), Section 6.8(1), and Section 6.8(3).

(2) The Parties agree to the following prorations and allocation of costs regarding the Real Property and the Leased Property:

(a) Title Insurance; Closing Fee; Survey. With respect to the U.S. Real Property, each of the Parent and the Purchaser will be responsible for one-half of the costs of the Title Commitments and the Title Policies. The Purchaser will pay the cost of any endorsements to the Title Policies. The Parent, on one hand, and the Purchaser, on the other, will each pay one-half of any reasonable and customary closing fee, escrow fee, or charge imposed by the Title Company. The Purchaser will pay the cost of each new Survey it may elect to procure.

(b) Deed Tax. With respect to the U.S. Real Property, each of the Parent and the Purchaser will be responsible for one-half of all state deed Tax, stamp tax or transfer Tax for recording each U.S. Deed.

(c) Recording Costs. With respect to the U.S. Real Property, each of the Parent and the Purchaser will be responsible for one-half of the cost of recording all documents necessary to place record title in the condition warranted by the Parent in this Agreement. With respect to the Canadian Real Property, each of the Parent and the Purchaser will be responsible for one-half of the cost of registration and

any land transfer Tax assessed based on the registration of the applicable transfers of land.

(d) Real Estate Taxes and Special Assessments. All real property taxes and special assessments for the year immediately preceding the year of Closing that are payable in the year of Closing, and for years prior thereto, shall be paid by the Parent on or before the Closing. Real property taxes and special assessments for the year of Closing shall be prorated on the basis of the most recent assessment and levy. Any and all refunds, credits, claims or rights to appeal respecting the amount of any real property taxes or other taxes or assessments charged for any period shall belong to the Purchaser following the Closing.

12.2. Termination Fee / Reverse Termination Fee / Expense Reimbursement.

(1) Despite any other provision in this Agreement relating to the payment of fees and expenses, including the payment of brokerage fees, (a) if a Termination Fee Event occurs, the Parent shall pay the Purchaser the Termination Fee in accordance with this Section 12.2, (b) if a Reverse Termination Fee Event occurs, the Purchaser shall pay the Parent the Reverse Termination Fee in accordance with this Section 12.2 and (c) if this Agreement is terminated by the Parent or the Purchaser pursuant to Section 9.2(1)(b)(iii), the Parent shall pay the Reimbursement Amount in accordance with this Section 12.2.

(2) For the purposes of this Agreement, "**Termination Fee**" means $6,000,000 and "**Termination Fee Event**" means the termination of this Agreement:

(a) by the Purchaser, pursuant to Section 9.2(1)(d)(i) (due to the Fraud Exception) *[Breach of Reps and Warranties or Covenants]*;

(b) by the Purchaser, pursuant to Section 9.2(1)(d)(iii) *[Board pursuing Superior Proposal]*; or

(c) by either the Purchaser or the Parent pursuant to Section 9.2(1)(b)(ii) or 9.2(1)(b)(iii) or by the Purchaser pursuant to Section 9.2(1)(d)(i) (not due to the Fraud Exception) and (i) at any time after the date of this Agreement and prior to the date of such termination (or of the Company Meeting, in the case of termination pursuant to Section 9.2(1)(b)(iii)), an Acquisition Proposal shall have been publicly announced or publicly made known and not withdrawn prior to such date and (ii) within 12 months after the date of termination of this Agreement, the Parent or any Vendor or any Acquired Subsidiary shall have entered into a definitive agreement with respect to, or shall have consummated, any Acquisition Proposal (which may be, but need not be, the Acquisition Proposal referred to in clause (i) above).

(3) For the purposes of this Agreement, "**Reverse Termination Fee**" means $6,000,000 and "**Reverse Termination Fee Event**" means the termination of this Agreement by the Parent, pursuant to Section 9.2(1)(c)(i) (due to the Fraud Exception) *[Breach of Reps and Warranties or Covenants]* prior to a Termination Fee Event (provided, further, that an event giving the Purchaser the right to terminate this Agreement pursuant to

Section 9.2(1)(d)(i) *[Breach of Reps and Warranties or Covenants]* has not occurred prior to such termination by the Parent).

(4) Upon a Termination Fee Event described in Section 12.2(2)(a) or Section 12.2(2)(b), the Parent shall pay or cause to be paid to the Purchaser, within five (5) Business Days of termination of this Agreement, the Termination Fee. Upon a Termination Fee Event described in Section 12.2(2)(c), the Parent shall pay or cause to be paid to the Purchaser, concurrently with the earlier of the execution of a definitive agreement or the consummation of an Acquisition Proposal, the Termination Fee. Upon a Reverse Termination Fee Event, the Purchaser shall pay or cause to be paid to the Parent, within five (5) Business Days of termination of this Agreement, the Reverse Termination Fee.

(5) Upon termination of this Agreement by the Parent or the Purchaser pursuant to Section 9.2(1)(b)(iii), within two (2) Business Days of the Purchaser's request for reimbursement, the Parent shall pay or cause to be paid to the Purchaser an amount equal to the lesser of (a) all reasonable and documented out-of-pocket fees and expenses (including all fees and expenses of counsel, accountants, financial advisors and investment bankers), incurred by the Purchaser and its Affiliates in connection with or related to the authorization, preparation, negotiation, execution and performance of this Agreement and any Transactions, any litigation with respect thereto, the preparation of the Circular, the filing of any required notices under the Competition Act, or in connection with other regulatory approvals, and all other matters related to the Transactions contemplated hereby and (b) $950,000 (the "**Reimbursement Amount**"); provided, however, that no Reimbursement Amount shall be payable in the event that a Change in Recommendation has been effected in compliance with Section 7.3 prior to the date of the Company Meeting and the Special Resolution is not approved in the manner required by applicable Law by the Shareholders at the Company Meeting.

(6) Any payment of the Termination Fee or the Reimbursement Amount shall be made by wire transfer in immediately available funds to an account designated by the Purchaser. Any payment of the Reverse Termination Fee shall be made by wire transfer in immediately available funds to an account designated by the Parent. If the Party obligated to pay the Termination Fee, the Reverse Termination Fee or the Reimbursement Amount, as the case may be (such Party, the "**Paying Party**"), shall fail to pay in a timely manner and, in order to obtain such payment, the Party entitled to receive the Termination Fee, the Reverse Termination Fee or the Reimbursement Amount, as the case may be (the "**Receiving Party**") makes a claim against the Paying Party that results in a judgment against the Paying Party, the Paying Party shall pay to the Receiving Party the reasonable costs and expenses of the Receiving Party (including its reasonable attorneys' fees and expenses) incurred or accrued in connection with such suit, together with interest on the amounts set forth in this Section 12.2 at the prime lending rate prevailing during such period as published in *The Wall Street Journal*. Any interest payable hereunder shall be calculated on a daily basis from the date such amounts were required to be paid until (but excluding) the date of actual payment, and on the basis of a 360-day year.

12.3. No Third Party Beneficiary. Except as provided for in Section 8.12, Section 8.14 and Section 12.8, this Agreement is solely for the benefit of the Parties and no third party accrues any benefit, claim or right of any kind pursuant to, under, by or through this Agreement.

12.4. Injunctive Relief and Remedies.

(1) The Parties agree that irreparable harm may occur for which money damages would not be an adequate remedy at Law in the event that any of the provisions of this Agreement were not performed by the Parties in accordance with their specific terms or were otherwise breached. It is accordingly agreed that a Party shall be entitled to injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which such Party may be entitled at Law or in equity (subject to Section 12.4(2)).

(2) Each of the Parties acknowledges that the agreements contained in Section 12.2 are an integral part of the Transactions, and that, without these agreements, the Parties would not enter into this Agreement, and that the Termination Fee, the Reverse Termination Fee and the Reimbursement Amount set out in Section 12.2 represent liquidated damages which are a genuine pre-estimate of the damages, including opportunity costs, which Receiving Party will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and are not penalties. Each Party irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. The Receiving Party's right to receive the Termination Fee, the Reverse Termination Fee or the Reimbursement Amount, as the case may be, shall be the sole and exclusive remedy of the Receiving Party against the Paying Party and any of its respective directors, officers, employees, shareholders or Affiliates for any loss suffered as a result of the failure of the Transactions to be consummated, but solely to the extent that the Termination Fee, Reverse Termination Fee or the Reimbursement Amount, as the case may be, is payable and is paid in accordance with the terms of this Agreement, and upon payment of such amount, none of the Paying Party or any of its respective directors, officers, employees, shareholders or Affiliates shall have any further liability or obligation relating to or arising out of this Agreement or the Transactions.

12.5. Entire Agreement. This Agreement together with the other agreements to be entered into as contemplated by this Agreement (the "Other Agreements") constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and the Other Agreements and supersede all prior correspondence, agreements, negotiations, discussions and understandings, written or oral. Except as specifically set out in this Agreement or the Other Agreements, there are no representations, warranties, conditions or other agreements or acknowledgements, whether direct or collateral, express or implied, written or oral, statutory or otherwise, that form part of or affect this Agreement or the Other Agreements or which induced any Party to enter into this Agreement or the Other Agreements. No reliance is placed on any representation, warranty, opinion, advice or assertion of fact made either prior to, concurrently with, or after entering into, this Agreement or any Other Agreement, or any amendment or

supplement hereto or thereto, by any Party to this Agreement or any Other Agreement or its Representatives, to any other Party or its Representatives, except to the extent the representation, warranty, opinion, advice or assertion of fact has been reduced to writing and included as a term in this Agreement or that Other Agreement, and none of the parties to this Agreement or any Other Agreement has been induced to enter into this Agreement or any Other Agreement or any amendment or supplement by reason of any such representation, warranty, opinion, advice or assertion of fact. There is no liability, either in tort or in contract, assessed in relation to the representation, warranty, opinion, advice or assertion of fact, except as contemplated in this Section.

12.6. Non-Merger. Except as otherwise provided in this Agreement, the covenants, representations and warranties set out in this Agreement do not merge but survive Closing and, notwithstanding such Closing or any investigation by or on behalf of a Party, continue in full force and effect. Closing does not prejudice any right of one Party against another Party in respect of any remedy in connection with anything done or omitted to be done under this Agreement.

12.7. Time of Essence. Time is of the essence of this Agreement.

12.8. Amendment. This Agreement may be supplemented, amended, restated or replaced only by written agreement signed by each Party. Notwithstanding the foregoing, this Agreement shall not be altered, amended or otherwise changed or supplemented or any condition therein waived in a manner materially adverse to any Financing Source without the prior written consent of such Financing Source (it being understood that any change in the price (including any price decrease) or structure of the Transactions or change to the definition of "Material Adverse Effect" or change to the provisions of this Agreement relating to any Financing Source's status as a third party beneficiary hereunder shall be deemed to be materially adverse to the interests of such Financing Source and will require the prior written consent of such Financing Source); provided, that any decrease in the purchase price by not more than 10% shall not be deemed to be materially adverse to such Financing Source.

12.9. Waiver of Rights. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement is effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement operates as a waiver of that right. No single or partial exercise of any such right precludes any other or further exercise of that right or the exercise of any other right.

12.10. Jurisdiction. The Parties irrevocably and unconditionally attorn to the exclusive jurisdiction of the courts of the province of Ontario sitting in Toronto in respect of all disputes arising out of, or in connection with, this Agreement, or in respect of any legal relationship associated with it or derived from it.

12.11. Governing Law. This agreement is governed by, and interpreted and enforced in accordance with, the Laws of the Province of Ontario and the Laws of Canada applicable in that province, excluding the choice of Law rules of that province.

12.12. Notices.

(1) Any notice, demand or other communication (in this Section 12.12, a "**notice**") required or permitted to be given or made under this Agreement must be in writing and is sufficiently given or made if:

(a) delivered in person and left with a receptionist or other responsible employee of the relevant Party at the applicable address set forth below;

(b) sent by prepaid courier service or (except in the case of actual or apprehended disruption of postal service) mail; or

(c) sent by facsimile transmission, with confirmation of transmission by the transmitting equipment (a "**Transmission**");

in the case of a notice to the Vendors and the Parent, addressed to the Parent at:

Legumex Walker Inc.
1345 Kenaston Blvd
Winnipeg, MB R3P 2P2

Attention: Bruce Scherr
Facsimile No.: (204) 808 0449

with a copy (not constituting notice) to:

Borden Ladner Gervais LLP
Scotia Plaza
40 King Street West
Toronto, ON M5H 3Y4

Attention: Philippe Tardif
Facsimile: (416) 361-2559

and in the case of a notice to the Purchaser, addressed to it at:

The Scoular Company
250 Marquette Avenue, Suite 1050
Minneapolis, MN 55402

Attention: Senior Vice President and General Counsel
Facsimile No.: 612-252-3566

with a copy (not constituting notice) to:

Dorsey & Whitney LLP
50 S. Sixth Street

Suite 1500
Minneapolis, MN 55402

Attention: Robert A. Rosenbaum
Jonathan A. Van Horn
Facsimile No.: (612) 340-2868

(2) Any notice sent in accordance with this Section 12.12 is deemed to have been received:

(a) if delivered prior to or during normal business hours on a Business Day in the place where the notice is received, on the date of delivery;

(b) if sent by mail, on the fifth Business Day after mailing in the place where the notice is received, or, in the case of disruption of postal service, on the fifth Business Day after cessation of that disruption;

(c) if sent by facsimile during normal business hours on a Business Day in the place where the Transmission is received, on the same day that it was received by Transmission, on production of a Transmission report from the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the relevant facsimile number of the recipient; or

(d) if sent in any other manner, on the date of actual receipt;

except that any notice delivered in person or sent by Transmission not on a Business Day or after normal business hours on a Business Day, in each case in the place where the notice is received, is deemed to have been received on the next succeeding Business Day in the place where the notice is received.

(3) Any Party may change its address for notice by giving notice to the other Parties.

12.13. Assignment. No Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement to any Person without the prior written consent of the other Parties; provided, however, that prior to the Closing Date, the Purchaser may, without the prior written consent of the other Parties, assign all or any portion of its rights and/or obligations under this Agreement to one or more of its direct or indirect, wholly owned subsidiaries. No assignment shall relieve the assigning Party of any of its obligations hereunder.

12.14. Further Assurances. Each Party shall promptly do, execute, deliver or cause to be done, executed or delivered all further acts, documents and matters in connection with this Agreement that any other Party may reasonably require, for the purposes of giving effect to this Agreement.

12.15. Severability. If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, that provision will, as to that jurisdiction, be ineffective only to the extent of that restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement, without affecting the validity or enforceability of that provision in any other jurisdiction and, if applicable, without affecting its

application to the other Parties or circumstances. The Parties shall engage in good faith negotiations to replace any provision which is so restricted, prohibited or unenforceable with an unrestricted and enforceable provision, the economic effect of which comes as close as possible to that of the restricted, prohibited or unenforceable provision which it replaces.

12.16. Successors. This Agreement is binding on, and enures to the benefit of, the Parties and their respective successors.

12.17. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together constitute one agreement. Delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in legible form, including in a tagged image format file (TIFF) or portable document format (PDF), shall be equally effective as delivery of a manually executed counterpart of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date first above written.

LEGUMEX WALKER INC.

By: _____
Name: Bruce Scherr
Title: Director and Chairman

LEGUMEX WALKER CANADA INC.

By: _____
Name: Joel Horn
Title: Director and President

ST. HILAIRE SEED COMPANY, INC.

By: _____
Name: Joel Horn
Title: Director and President

LEGUMEX WALKER SUNFLOWER LLC

By: _____
Name: Joel Horn
Title: Governor and President

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date first above written.

LEGUMEX WALKER INC.

By: _____
Name: Bruce Scherr
Title: Director and Chairman

LEGUMEX WALKER CANADA INC.

By: _____
Name: Joel Horn
Title: Director and President

ST. HILAIRE SEED COMPANY, INC.

By: _____
Name: Joel Horn
Title: Director and President

LEGUMEX WALKER SUNFLOWER LLC

By: _____
Name: Joel Horn
Title: Governor and President

THE SCOULAR COMPANY

By: Charles L Elsen
Name: Charles L. Elsen
Title: Chief Executive Officer

SCHEDULE A
SPECIAL RESOLUTION

SPECIAL RESOLUTION OF SHAREHOLDERS APPROVING THE SALE TRANSACTION

1. The sale by the Corporation of substantially all of the assets of the Corporation (the "**Sale Transaction**") upon the terms and conditions set forth in the asset purchase agreement dated as of September 14, 2015 between the Corporation, Legumex Walker Canada Inc., St. Hilaire Seed Company, Inc., Legumex Walker Sunflower LLC and The Scoular Company as summarized in the management information circular of the Corporation dated [•], 2015, and subject to such amendments thereto as may be approved by any officer or director of the Corporation (such approval to be conclusively evidenced by such person's execution of an amendment to such asset purchase agreement in accordance with the terms of such agreement) is hereby authorized and approved.

2. Any officer or director of the Corporation is authorized, for and on behalf of the Corporation, to execute and deliver such documents and instruments and to take such other actions as such officer or director may determine to be necessary or advisable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents or instruments and the taking of any such actions.

3. Notwithstanding the approval of this resolution by the shareholders of the Corporation, the Board of Directors of the Corporation is hereby authorized to revoke this resolution at any time prior to the completion of the Sale Transaction and abandon the Sale Transaction without further approval of the shareholders of the Corporation if it determines at its discretion that it would be in the best interests of the Corporation to do so.

RESOLUTION OF SHAREHOLDERS APPROVING THE NAME CHANGE

1. If the foregoing special resolution of the shareholders approving the Sale Transaction is ratified, confirmed and approved by the Shareholders at the meeting of Shareholders, the Corporation change its name to "LWP Capital Inc." or such other name as the board of directors of the Corporation may select;

2. Any officer or director of the Corporation be and is hereby authorized, on behalf of and in the name of the Corporation, to take all necessary steps and proceedings, and to execute and deliver and file any and all declarations, agreements, documents and other instruments and to do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to the provisions of this resolutions.

3. Notwithstanding the foregoing, the directors of the Corporation are hereby authorized, without further approval of or notice to the shareholders of the Corporation, in their sole discretion, to revoke this special resolution and not proceed with the name change herein authorized.

SCHEDULE B
REPRESENTATIONS AND WARRANTIES OF THE VENDORS AND THE PARENT

(1) **Organization and Qualification.**

Each of the Vendors, the Acquired Subsidiaries and the Parent is a corporation duly incorporated, validly existing and in good standing (including with respect to the filing of annual returns) under the Laws of its jurisdiction of formation and has the full power, capacity and authority to own and operate its assets and conduct the Business as now owned and conducted. Each of the Vendors, the Acquired Subsidiaries and the Parent is duly qualified, licensed or registered to carry on the Business and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, and has full legal right under the Laws of all such jurisdictions (including any Permits required) to own, lease and operate its properties and to carry on its Business as now conducted, except where the failure to be so qualified will not, individually or in the aggregate, have a Material Adverse Effect.

(2) **Corporate Authorization.**

(a) Each of the Vendors, the Acquired Subsidiaries and the Parent has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and each of the Transaction Documents to which it is a party. The execution and delivery and performance by each of the Vendors, the Acquired Subsidiaries and the Parent of this Agreement, the Transaction Documents and the consummation of the Transactions have been duly authorized by all necessary corporate action on the part of the Vendors, the Acquired Subsidiaries and the Parent and no other corporate proceedings on the part of the Vendors, the Acquired Subsidiaries and the Parent are necessary to authorize this Agreement, the Transaction Documents or the consummation of the Transactions other than approval by the Shareholders of the Special Resolution in the manner required by applicable Law.

(b) The Board has unanimously approved the execution and delivery of this Agreement, has unanimously determined that the Transactions are fair to the Shareholders and in the best interests of the Parent and has resolved, unanimously, to recommend approval of the Transactions by the Shareholders (the "**Board Recommendation**").

(3) **Execution and Binding Obligation.**

This Agreement and each of the Transaction Documents to which any of the Vendors, the Acquired Subsidiaries or the Parent is a party have been, or on the Closing Date will be, duly executed and delivered by each and constitute, or on the Closing Date will constitute, legal, valid and binding obligations of each enforceable against it in accordance with their respective terms subject only to any limitation under bankruptcy, insolvency or other applicable Law affecting the enforcement of creditors' rights

generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(4) **Regulatory Approvals.**

(a) Except as specified in Section 4 of the Disclosure Letter, the execution, delivery and performance by each of the Vendors, the Acquired Subsidiaries and the Parent of this Agreement and the Transaction Documents to which it is a party and the consummation by each of the Vendors, the Acquired Subsidiaries and the Parent of the Transactions does not require the Approval of, or notification to, any Governmental Entity other than (i) the Key Regulatory Approvals; and (ii) compliance with applicable securities Laws and stock exchange rules and policies. True and complete copies of all agreements under which any of the Vendors, the Acquired Subsidiaries or the Parent is obligated to request or obtain any such Approval specified in Section 4 of the Disclosure Letter have been provided or made available to the Purchaser prior to the date hereof.

(b) The Parent, the Vendors, the Acquired Subsidiaries and their Affiliates do not transport any goods for third parties or conduct any other business or operations that constitute a "transportation undertaking" under the provisions of the Canada Transportation Act (Canada) and the Parent, the Vendors, the Acquired Subsidiaries and their Affiliates ceased transporting goods for third parties on or before July 30, 2015.

(5) **No Conflict / Non-Contravention.**

The execution, delivery and performance by each of the Vendors, the Acquired Subsidiaries and the Parent of this Agreement, the Transaction Documents and the consummation of the Transactions do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

(a) require any Approval under, result in a breach of, default under or a violation of, or conflict with, or allow any other Person to exercise any rights under any of the terms or provisions of, the Constating Documents of the Vendors, the Acquired Subsidiaries or the Parent, other than those Approvals which have been obtained or will be obtained by the Vendors, the Acquired Subsidiaries or the Parent on or prior to Closing;

(b) assuming compliance with the matters referred to in Paragraph (4) above, contravene, conflict with or result in a violation or breach of applicable Law;

(c) except as disclosed in Section 5(c) of the Disclosure Letter, allow any Person to exercise any rights, require any consent, Approval or other action by any Person, or constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which the Vendors, the Acquired Subsidiaries or the Business are entitled (including by triggering any rights of first refusal or first offer, change in control

provision or other restriction or limitation) under any Contract, lease or other instrument, indenture, deed of trust, mortgage, bond or Permit to which any of the Vendors, the Acquired Subsidiaries or the Parent is a party or is bound or which is necessary to the operation of the Business; or

(d) result in the creation or imposition of any Encumbrance (other than Permitted Encumbrances) upon any of the Purchased Assets.

(6) **No Interests, Partnership or Joint Ventures.**

(a) Other than as set forth in Section 6(a) of the Disclosure Letter, the Vendors and the Acquired Subsidiaries do not own and do not have any agreements, contracts, obligations or understandings of any nature whatsoever to acquire, directly or indirectly, any interest in any Person and the Vendors and the Acquired Subsidiaries do not have any agreements, contracts, obligations or understandings to acquire by any manner whatsoever or lease any other business operation.

(b) Except as set forth in Section 6(b) of the Disclosure Letter, none of the Vendors or the Acquired Subsidiaries are, in relation to any part of the Business, a partner or participant in any partnership, joint venture, profit sharing arrangement or other association of any kind and are not party to any agreement under which the Vendors or the Acquired Subsidiaries agree to carry on any part of the Business in such manner or by which the Vendors or the Acquired Subsidiaries agree to share any revenue or profit of the Business with any other Person.

(7) **Financial Statements.**

(a) The Financial Statements have been, and the Closing Statement will be, prepared in accordance with IFRS, applied on a basis consistent with that of the preceding periods, subject, in the case of the Interim Financial Statements, to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes (that, if presented, would not differ materially from those presented in the Audited Financial Statements).

(b) The Financial Statements are, and the Closing Statement will be, complete and accurate in all material respects.

(c) The Financial Statements accurately disclose the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Parent, the Vendors and the Acquired Subsidiaries, including the result of operations of the Parent, the Vendors and the Acquired Subsidiaries, all on a consolidated basis (together with the Pacific Coast Canola Division), as at the dates thereof and for the periods covered thereby in accordance with IFRS.

(d) The Closing Statement will accurately disclose the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the

Business and the results of the operations of the Business, as at the dates thereof and for the periods covered thereby in accordance with IFRS.

(e) The Financial Statements reflect, and the Closing Statement will reflect, all proper accruals (including sales and earnings) as at the dates thereof and for the periods covered thereby of all amounts which, though not payable until a time after the end of the relevant period, are attributable to activities undertaken in respect of the Parent or the Business, as the case may be, during or prior to that period in accordance with IFRS.

(f) The Financial Statements contain or reflect adequate provision for all liabilities and obligations of the Parent, the Vendors and the Acquired Subsidiaries on a consolidated basis (together with the Pacific Coast Canola Division), and the Closing Statement will contain or reflect adequate provision for all liabilities and obligations of the Business, in each case of any nature, whether absolute, contingent or otherwise, matured or unmatured, and as at the dates thereof and for the periods covered thereby in accordance with IFRS.

(g) No information has become available to the Parent, the Vendors or the Acquired Subsidiaries that would render the Financial Statements incomplete or inaccurate.

(8) **No Undisclosed Liabilities.**

(a) There are no material liabilities or obligations of the Vendors in respect of the Business of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, other than liabilities or obligations: (i) incurred in the Ordinary Course; (ii) otherwise disclosed in the Audited Financial Statements or the Closing Statement; or (iii) incurred in connection with this Agreement.

(9) **Books and Records**. All accounting and financial Books and Records of the Parent, the Vendors and the Acquired Subsidiaries relating to the Business and the Purchased Assets are up to date and have been fully, properly and accurately kept and completed in all material respects in accordance with good business practice.

(10) **Non-Arm's Length Transactions.**

(a) There are no existing contracts, arrangements and/or transactions related to the Business to which any of the Vendors, the Acquired Subsidiaries or the Parent is a party or in which any of the Vendors, the Parent or any of their respective directors, officers or shareholders or any other Person not dealing at arm's length with any of the Vendors, the Parent, or any of their respective directors, officers or shareholders, has an interest, whether directly or indirectly, including arrangements for the payment of management fees or consulting fees of any kind whatsoever.

(b) None of the Vendors, the Acquired Subsidiaries or the Parent is indebted to any director, officer, Employee or agent of, or independent contractor to, the Vendors, the Acquired Subsidiaries or the Parent or any of their respective Affiliates or Associates (except for amounts due in the Ordinary Course or as provided for in this Agreement as salaries, bonuses and director's fees or the reimbursement of Ordinary Course expenses or pursuant to any employment agreement). There are no contracts (other than employment or directorship arrangements and the indemnification agreements in favour of directors and officers) with, or advances, loans, guarantees, liabilities or other obligations to, on behalf or for the benefit of, any officer or director of the Vendors or the Acquired Subsidiaries, or any of their respective Affiliates or Associates.

(11) **Absence of Certain Changes or Events.**

(a) Since December 31, 2014, other than the Transactions, the Business has been conducted in the Ordinary Course. Since December 31, 2014, there has not been any event, circumstance or occurrence which has had, or is reasonably likely to give rise to, individually or in the aggregate, a material or adverse effect on the Business or Purchased Assets.

(b) Since December 31, 2014, there has not been any action taken by the Parent, the Vendors or the Acquired Subsidiaries that, if taken during the period from the date of this Agreement through the Effective Time without the Purchaser's consent, would constitute a breach of Section 6.1(1) or Section 6.1(2).

(c) Since December 31, 2014 and save as expressly permitted or otherwise required by this Agreement, none of the Vendors, the Acquired Subsidiaries or the Parent have, in relation to the Business or the Purchased Assets:

(i) experienced any change in its financial condition, operations or prospects other than changes in the Ordinary Course;

(ii) directly or indirectly, engaged in any transaction, or entered into any arrangement with any shareholder, consultant, independent contractor or agent of the Vendors, the Acquired Subsidiaries or any other Person, in each case not dealing at arm's length with such shareholder, consultant, independent contractor or agent;

(iii) made any gift in violation of applicable Law;

(iv) discharged or satisfied any Encumbrance, or paid any obligation or liability (fixed or contingent) other than liabilities included in the Audited Financial Statements and liabilities incurred since December 31, 2014 in the Ordinary Course;

(v) incurred or experienced any damage, destruction, loss, virus or denial of service attack, Information Technologies failure, undergone any labour

dispute, organizing drive, application for certification or other event, development or condition of any character that materially affects the Purchased Assets of the Business;

(vi) amended or terminated any Material Permit required in connection with the operation of the Business;

(vii) made any change in its accounting policies other than as disclosed in the Financial Statements; or

(viii) authorized or agreed or otherwise became committed to do any of the foregoing.

(12) **Compliance with Laws.**

(a) Except as set forth in Section 12 of the Disclosure Letter, each of the Vendors, the Acquired Subsidiaries, the Parent and their respective directors and officers are conducting, and have, since December 31, 2012, conducted, the Business in compliance in all material respects with applicable Law. None of the Vendors, the Acquired Subsidiaries, the Parent or their respective officers or directors has been convicted of any crime or, to the Knowledge of the Parent, is under any investigation with respect to, has been charged or threatened to be charged with, or has received notice of, any violation or potential violation of any applicable Law.

(b) None of the Parent, the Vendors, the Acquired Subsidiaries, or, to the Knowledge of the Parent, any of their respective directors, officers, representatives, agents or employees has: (i) used or. is using any corporate funds for any illegal contributions, gifts, entertainment or other expenses relating to political activities that would be illegal; (ii) used or is using any corporate funds for any direct or indirect illegal payments to any foreign or domestic governmental officials or employees; (iii) violated or is violating any provision of the Foreign Corrupt Practices Act of 1977 (United States) or of the *Corruption of Foreign Public Officials Act* (Canada) or any applicable Law of similar effect, including such Laws in Mainland China and Hong Kong SAR; (iv) has established or maintained, or is maintaining, any illegal fund of corporate monies or other properties; or (v) made any bribe, illegal rebate, illegal payoff, influence payment, kickback or other illegal payment of any nature.

(c) The Parent has complied with MI 61-101 with respect to "related party transactions."

(d) Each of the Vendors, the Acquired Subsidiaries, the Parent and their respective independent contractors, agents, employees, and Representatives have complied in all material respects with all Food and Agricultural Laws that are applicable to the conduct or operation of the Business. None of the Vendors, the Acquired Subsidiaries or the Parent has received, at any time, any notice, or other written

communication from any Government Entity or any other Person regarding any actual or alleged material failure to comply with any Food and Agriculture Law applicable to the conduct or operation of the Business, where such noncompliance would have a Material Adverse Effect.

(e) To the Knowledge of the Parent, the raw materials and finished products of the Business (i) are not adulterated or misbranded within the meaning of the FFDC Act, or within the meaning of any applicable Food and Agriculture Law and within which the definitions of adulteration or misbranding are substantially the same as those contained in the FFDC Act, and (ii) may be introduced into interstate or foreign commerce without material violation of the provisions of the FFDC Act or any other applicable Food and Agriculture Laws.

(f) None of the FDA, USDA, or any other comparable Government Entity is or, to the Knowledge of the Parent, may be considering limiting, suspending, revoking or terminating any necessary Permits, licenses, or authorizations or changing the marketing classification or labeling of any of the products of the Business. There is no false or misleading information or significant omission in any product application or other submission made by the Vendors or the Acquired Subsidiaries to the FDA, the USDA, or any other comparable Government Entity that are applicable to the Business. None of the Vendors, the Acquired Subsidiaries or the Parent are subject to any obligation arising under a civil, criminal, administrative or regulatory action, FDA or USDA inspection, FDA or USDA warning letter, FDA or USDA notice of violation letter, or other notice, response or commitment made to or with the FDA, the USDA or any comparable Government Entity or otherwise pursuant to any applicable Food and Agriculture Laws applicable to the Business.

(g) None of the products of the Business have been seized, withdrawn, recalled (voluntarily or involuntarily), detained, or subject to a suspension, termination or other impairment of manufacturing, and there are no facts or circumstances reasonably likely to cause (i) the seizure, denial, withdrawal, recall (voluntarily or involuntarily), detention, field notification, field correction, safety alert or suspension, termination or other impairment of manufacturing relating to any such product, (ii) a change in the labeling of any such product, or (iii) a termination, seizure or suspension of marketing of any such product. No Proceedings by the FDA, the USDA or any comparable Government Entity seeking the withdrawal, recall, suspension, import detention, or seizure of, or any corrective action relating to, any product produced by the Business are pending or, to the Knowledge of the Parent, threatened against any of the Vendors, the Acquired Subsidiaries or the Parent.

(13) **Permits and Licenses.**

(a) Section 13 of the Disclosure Letter lists and describes all material Permits ("**Material Permits**") that are required by applicable Law in connection with the

operation of the Business as presently or previously conducted, or in connection with the ownership, operation or use of the Purchased Assets.

(b) The Vendors and the Acquired Subsidiaries lawfully hold, own or use, and have complied in all material respects with the Material Permits, and to the Knowledge of the Parent, no act, condition or event has occurred which would constitute a default or breach under any such Material Permit, or which would permit (whether immediately or with the giving of notice or the lapse of time or both) any Governmental Entity or Person issuing or granting such Material Permit to amend, suspend, revoke, invalidate or terminate or vary adversely the terms, conditions or expectations of, or exercise any right or remedy under, or impose any administrative or monetary penalty with respect to, any such Material Permit. Each Material Permit is valid, subsisting, in good standing and in full force and effect, and is renewable by its terms or in the Ordinary Course without the need for the Vendors to comply with any special rules or procedures, agree to any materially different terms or conditions or pay any amounts other than routine filing fees.

(c) No Action, investigation or Proceeding is pending in respect of or regarding any Material Permit and none of the Vendors, the Acquired Subsidiaries or the Parent or, to the Knowledge of the Parent, any of their respective officers or directors has received notice, whether written or oral, of revocation, non-renewal or amendments of any such Material Permit, or of the intention of any Person to revoke, refuse to renew or amend any such Material Permit.

(d) To the Knowledge of the Parent, none of the respective officers or directors of the Parent or any of the Vendors, owns or has any proprietary, financial or other interests (direct or indirect) in any such Material Permit.

(14) **Material Contracts and Contracts.**

(a) Section 14(a) of the Disclosure Letter sets out a complete and accurate list of the Material Contracts, and identifies any Material Contract (other than Trade Contracts) that cannot be terminated by the Vendors, the Acquired Subsidiaries or the Parent without liability at any time on less than 30 days' notice.

(b) True and complete copies of the Material Contracts have been made available to the Purchaser and no Material Contract has been modified, rescinded or terminated.

(c) Each Material Contract is legal, valid, binding and in full force and effect and is enforceable by the Vendors, the Acquired Subsidiaries or the Parent, as applicable, in accordance with its terms (subject to bankruptcy, insolvency and other applicable Laws affecting creditors' rights generally, and to general principles of equity).

(d) Except as set forth in Section 14(d) of the Disclosure Letter, the Vendors, the Acquired Subsidiaries and the Parent have performed in all material respects all respective obligations required to be performed by them to date under the Material Contracts and none of the Vendors, the Acquired Subsidiaries or the Parent is in material breach or default under any such Material Contract, and to the Knowledge of the Parent, there exists no event, occurrence, condition or act (including the purchase of the Purchased Assets) that with the passage of time or the giving of notice or both would result in such a breach or default of any Material Contract.

(e) None of the Vendors, the Acquired Subsidiaries or the Parent know, nor have they received any notice (whether written or oral) of, any material breach or default by any of them under nor, to the Knowledge of the Parent, does there exist any condition which with the passage of time or the giving of notice or both would result in such a breach or default under any such Material Contract by any other party to a Material Contract.

(f) Each of the Vendors, the Acquired Subsidiaries and the Parent are entitled to all benefits under the Contracts to which it is a party.

(g) Unless otherwise waived in writing by the Purchaser, all Approvals required to be obtained in order to assign the Material Contracts to the Purchaser have been, or will prior to the Closing be, obtained.

(h) None of the Vendors, the Acquired Subsidiaries or the Parent has received any notice (whether written or oral) that any party to a Material Contract intends to cancel, terminate or otherwise materially modify or not renew its relationship with the Vendors, the Acquired Subsidiaries or the Parent, and, to the Knowledge of the Parent, no such action has been threatened.

(15) **Customers and Suppliers.**

Section 15 of the Disclosure Letter is a true and correct list setting forth (a) the 20 largest customers of the Business on a consolidated basis, based on the aggregate consideration paid by each such customer to the Vendors, the Acquired Subsidiaries and the Parent for the twelve (12)-month period ended June 30, 2015 and (b) the 20 largest suppliers of the Business on a consolidated basis, based on the aggregate consideration paid by the Vendors, the Acquired Subsidiaries and the Parent to each such supplier for the twelve (12)-month period ended June 30, 2015. None of the Vendors, the Acquired Subsidiaries or the Parent has received any notice (whether written or oral) that any customer or supplier intends to cancel, terminate or otherwise materially modify its relationship with any of the Vendors, the Acquired Subsidiaries or the Parent.

(16) **Location of Real Property and Leased Property.**

Section 16 of the Disclosure Letter is a true and complete list of all real property and Appurtenances owned in whole or in part (or, in the case of the Grafton Property, to be

owned prior to the Closing Date) by the Vendors and the Acquired Subsidiaries (the "**Real Property**") or leased, whether as lessor or lessee, in whole or in part by the Vendors and the Acquired Subsidiaries (the "**Leased Property**"), and sets out in respect of each property, the legal and beneficial owner in respect of the Real Property, the municipal address, if any, and a true, accurate and complete legal description of that property. The Vendors the Acquired Subsidiaries, together or individually, are not the beneficial or registered owner of or the lessor or lessee of, and have not agreed to acquire or lease, any real property or Appurtenances or any interest in any real property or Appurtenances other than the Real Property and the Leased Property.

(17) **Real Property Leases.**

(a) Part I of Section 17 of the Disclosure Letter contains a true and complete list of all leases and agreements in the nature of a lease (including all amendments, renewals, extensions, assignments, occupancy agreements, and subleases, agreements to lease and agreements to sublease) in respect of the Leased Property (the "**Leases**"), whether as lessor or lessee. True and complete copies of all Leases have been made available to the Purchaser.

(b) Part II of Section 17 of the Disclosure Letter accurately sets out, in respect of each Lease, the parties thereto, its date of execution, term, commencement date and expiry date, any option to renew or extend the term, the locations of the leased lands and premises, the areas of the leased premises, the rent payable, any prepaid rent or security deposit, any guaranties of any obligation of any tenant under any Lease, any option or right of first refusal to purchase, any option or right of first refusal to lease additional premises, any rights of termination (other than for default or following damage or destruction or expropriation), any outstanding tenant inducements, any estoppel certificate executed by the Vendors and the Acquired Subsidiaries and particulars of any related agreements, and identifies those Leases that require the consent of the counterparty on a sale, transfer, conveyance or assignment of the Purchased Assets or of any of them.

(c) None of the Vendors or the Acquired Subsidiaries is a party to, or has agreed to enter into, any lease or agreement in the nature of a lease in respect of any real property or Appurtenances, whether as lessor or lessee, other than the Leases.

(d) No Lease creates or permits the creation of a lien or security interest in any of the Purchased Assets except as set out in Part III of Section 17 of the Disclosure Letter.

(e) With respect to each Lease: (i) all payments, rents and additional rents that have become due have been paid; (ii) no waiver, indulgence or postponement of the lessor or lessee (as applicable) obligations has been granted by the landlord or grantor (as applicable); (iii) except as noted in Section 17(e) of the Disclosure Letter, each of the Leases is in full force and effect and in good standing and there exists no event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or

condition, would become a default under any of the Leases; (iv) to the Knowledge of the Parent, all of the covenants to be performed by any other party under the Leases have been fully performed; (v) all material improvements required by the terms of any Lease to be made by a landlord have been completed in all material respects and the tenant thereunder is satisfied with such improvements; and (vi) there is no dispute between the Vendors or the Acquired Subsidiaries and any other party under any Lease.

(f) To the Knowledge of the Parent, each of the lessors under each of the Leases to which a Vendor or an Acquired Subsidiary is a party is duly authorized to lease the Leased Property.

(18) **Title to Real Property and Other Real Property Matters and Leased Property Matters.**

The Vendors and the Acquired Subsidiaries have the exclusive right to possess, use and occupy, and have good and marketable title in fee simple to all the Real Property, free and clear of all Encumbrances or other restrictions of any kind other than the Permitted Encumbrances. Each of the Vendors and the Acquired Subsidiaries, as set out in Section 16 of the Disclosure Letter, is the sole legal and beneficial owner of the applicable Real Property. Except as described in Part II of Section 17 of the Disclosure Letter, each of the Vendors and the Acquired Subsidiaries named as lessee occupies the respective Leased Property and has the exclusive right to possess, use and occupy the Leased Property during the term of the applicable Lease. The Vendors and the Acquired Subsidiaries have adequate rights of ingress and egress for the operation of the Business as presently or previously conducted. Without limiting the generality of the foregoing:

(a) except as described in Section (a) of the Disclosure Letter, the Real Property, the Leased Property and the current uses of those properties comply in all material respects with all Laws;

(b) the Vendors and the Acquired Subsidiaries do not have any indebtedness to any Person (other than any indebtedness to be satisfied pursuant to a Payoff Letter) which might by operation of Law or otherwise constitute an Encumbrance on the Real Property or the Leased Property or which could affect the right of the Purchaser to occupy or lease the Real Property or Leased Property;

(c) to the Knowledge of the Parent, the Vendors and the Acquired Subsidiaries have complied with all development and other agreements with Governmental Entities affecting the Real Property and the Leased Property;

(d) to the Knowledge of the Parent, the Real Property and the Leased Property conform to and comply with all applicable statutes and zoning and building by-laws and regulations;

(e) to the Knowledge of the Parent, there are no unrecorded or unregistered agreements in respect of access to the Real Property and the Leased Property or encroachments onto or by the Real Property and the Leased Property;

(f) no alteration, repair, improvement or other work has been ordered to be done or performed in respect of the Real Property and the Leased Property, which alteration, repair, improvement or other work has not been completed, and to the Knowledge of the Parent, no written notification has been given to the Vendors or the Acquired Subsidiaries of any such outstanding work being ordered other than those that have been complied with;

(g) the Vendors and the Acquired Subsidiaries have not received any written work order, deficiency notice, notice of violation or other similar communication from any municipal, Governmental Entity, board of insurance underwriters, regulatory authority or otherwise which is outstanding, requiring or recommending that any material amount of work or repairs in connection with the Real Property or Leased Property or any part thereof is necessary, desirable or required;

(h) all accounts for work and services performed and materials supplied, placed or furnished in respect of any Real Property or Leased Property at the request of the Vendors or the Acquired Subsidiaries or any one of them have been fully paid and satisfied;

(i) there is nothing owing in respect of the Real Property or the Leased Property by the Vendors or the Acquired Subsidiaries to any municipal corporation or to any other corporation or commission owning or operating a public utility for water, gas, electrical power or energy, steam or hot water, or for the use thereof, other than current accounts in respect of which the payment due date has not yet passed;

(j) no part of the Real Property or the Leased Property has been taken or expropriated by any competent Governmental Entity nor to the Knowledge of the Parent has any notice or Proceeding in respect thereof been given or commenced;

(k) except as described in Section 18(k) of the Disclosure Letter, there are no Actions, suits or Proceedings pending or, to the Knowledge of the Parent, threatened against or affecting the Vendors or the Acquired Subsidiaries, the Real Property, the Leased Property or the occupancy or use of the Real Property or Leased Property by the Vendors or the Acquired Subsidiaries, in Law or in equity, which could affect the validity of any agreement or transaction provided for herein, the title to the Real Property, the lease of the Leased Property to the Purchaser or the right of the Purchaser from and after the Closing Date to lease, occupy and obtain any revenue from the Real Property or the Leased Property;

(l) the Permitted Encumbrances constitute all of the Encumbrances that affect the Real Property or the leasehold interest of the Vendors or the Acquired Subsidiaries in the Leased Property, and there is no breach or default under any of the Permitted Encumbrances;

(m) each of the Real Property and Leased Property is fully serviced and has suitable open and legal access to public roads, and there are no outstanding levies, charges or fees assessed or deferred against the Real Property or the Leased Property by any public authority (including without limitation development or improvement levies, charges or fees); and

(n) the boundaries of each Real Property do not conflict with those of any adjoining property, and there are no encroachments from any Real Property onto, and no encroachments onto any Real Property from, the adjoining properties or streets.

(19) **Title to the Purchased Assets.**

(a) The Vendors and the Acquired Subsidiaries have good and marketable title to, or a valid leasehold interest in, and are the legal and beneficial owners of, or leaseholders of, all the Purchased Assets (other than the Real Property and the Leased Property which are addressed in Section 18), free and clear of any and all Encumbrances other than the Permitted Encumbrances. Section 19 of the Disclosure Letter contains a true and complete list of all locations where the Purchased Assets (other than the Real Property and the Leased Property) are situated, including a brief description of such of the Purchased Assets situated at each location.

(b) The Hong Kong Shares represent 100% of the issued and outstanding share capital of the Hong Subsidiary and Legumex Walker Canada Inc. has good and marketable title and is the sole legal and beneficial owner of the Hong Kong Shares free and clear of any Encumbrance or any third party right whatsoever. There are no Actions, suits, Proceedings or claims pending or threatened with respect to or in any manner challenging the ownership or disposition of the Hong Kong Shares or the exercise of any rights which are derived or attached thereto. Legumex Walker Canada Inc. has the exclusive right to dispose of the Hong Kong Shares.

(c) All of the Hong Kong Shares have been duly and validly issued and are fully paid and non assessable and have not been issued in violation of any pre-emptive or similar rights.

(d) Except as set out in Section 19(d) of the Disclosure Letter, neither Legumex Walker Canada Inc. nor the directors, former directors, officers, former officers, shareholders, former shareholders or employees of the Hong Kong Subsidiary or any Person not dealing at arm's length with any of the foregoing is or will be indebted to the Hong Kong Subsidiary as at the Closing Date, nor will the Hong Kong Subsidiary be indebted to any of such Persons as at the Closing Date.

(e) As of the Closing Date, there will be no restrictions in the constating documents of the Hong Kong Subsidiary. There are no collateral agreements, including any unanimous shareholders agreements, voting trust agreements or pre-emptive rights or any similar agreements or rights, which would arise by reason of the

execution of this Agreement or completion of the Transactions, which would affect the transferability of the Hong Kong Shares from Legumex Walker Canada Inc. to the Purchaser.

(f) The Hong Kong Subsidiary owns 100% of the outstanding equity interests in Legumex Walker (Tianjin) International Trading Ltd. free and clear of any Encumbrance or any third party right whatsoever.

(g) The minute books and share ledgers of the Acquired Subsidiaries are true and correct in all material respects and the minute books contain copies of all meetings of the directors and shareholders of the Acquired Subsidiaries and all resolutions by consent, if any, of such directors and shareholders.

(h) Except pursuant to this Agreement, no Person has any agreement or option or any right or privilege (whether by law, pre emptive right, contract or otherwise) capable of becoming an agreement, option, right or privilege, including, without limitation, any convertible security, warrant or convertible obligation of any nature, for the purchase, subscription, allotment or issuance of any of the unissued shares of either of the Acquired Subsidiaries.

(i) There will be no dividends declared by the Acquired Subsidiaries that have not been paid in full on or before the Closing Date.

(j) The Acquired Subsidiaries are not a party to any contract or agreement to merge or consolidate with any other corporation, to acquire substantially all of the assets or shares of any other Person or to sell all or any part of its interest in the Purchased Assets or the Business.

(20) **Sufficiency of the Purchased Assets.**

The property, assets and undertakings included in the Purchased Assets constitute all of the property, assets and undertakings used by the Vendors and the Acquired Subsidiaries in carrying on the Business. The Purchased Assets, together with the assets or rights provided to the Purchaser pursuant to the Transitional Services Agreement, include all rights, interests, assets (both tangible and intangible), property and agreements necessary to enable the Purchaser to carry on the Business after the Closing substantially in the same manner as it was conducted by the Vendors and the Acquired Subsidiaries prior to the Closing. No Purchased Assets, other than the Personal Property Leases and the Leased Property, pertaining to the operation or administration of the Business are in the possession of, recorded, stored, maintained by or otherwise dependent upon any Person other than the Vendors and the Acquired Subsidiaries. No part of the Business and none of the Purchased Assets are owned, leased or operated by any Person other than the Vendors and the Acquired Subsidiaries or, subject to Section 2.1(2), the Parent, other than the Leased Property and the assets which are the subject of the Personal Property Leases.

(21) **Condition of Purchased Assets.**

All of the tangible Purchased Assets used by the Vendors and the Acquired Subsidiaries are, except for normal wear and tear, operational, structurally sound, free of material defects (patent or latent), in good operating condition and in a state of good repair and maintenance. None of the tangible Purchased Assets are in need of inspection, maintenance, certification, re-certification or repairs except for ordinary routine inspection, maintenance and repairs in the Ordinary Course. Without limiting the generality of the foregoing, all vehicles included in the Purchased Assets which are owned or leased by the Vendors and the Acquired Subsidiaries will have, if required by applicable Law, at the time of Closing, inspections under the Commercial Vehicle Inspection Program (CVIP) (or the equivalent in the relevant jurisdiction).

(22) **Personal Property.**

Section 22 of the Disclosure Letter contains a true and complete list of each item of machinery, equipment, furniture, motor vehicles and other personal property owned or leased by the Vendors and the Acquired Subsidiaries in connection with the Business (including those in possession of third parties) (the "**Personal Property**").

(23) **Personal Property Leases.**

Section 23 of the Disclosure Letter contains a true and complete list of all leases, rental agreements, conditional sales agreements and similar agreements relating to any of the Personal Property (the "**Personal Property Leases**"), and includes a brief description of the Personal Property Leases, the term of the Personal Property Leases, the lease, rental or other payments under the Personal Property Leases and identifies those Personal Property Leases that cannot be terminated by the Vendors or the Acquired Subsidiaries without liability at any time on less than 30 days' notice. All of the Personal Property Leases were entered into by the Vendors and the Acquired Subsidiaries in the Ordinary Course. True and complete copies of all Personal Property Leases set out in Section 23 of the Disclosure Letter, or where those Personal Property Leases are oral, true and complete summaries of their terms, have been provided to the Purchaser. None of the Vendors or the Acquired Subsidiaries are a party to, or under any agreement to become a party to, any leases, subleases, licenses, rights of way, easements or other occupation agreements with respect to Personal Property that is used or to be used in the Business other than the Personal Property Leases. The Personal Property Leases create a good and valid leasehold or rental estate in the rented or leased Personal Property thereby demised.

(24) **Inventories.**

The Inventories do not include any items that are defective, damaged, recalled, below standard quality or of a quality or quantity not usable or saleable in the Ordinary Course, the value of which has not been written down on its books of account to net realizable market value. The Inventory levels of the Vendors and the Acquired Subsidiaries have been maintained at such amounts as are required for the operation of the Business as

previously and currently conducted and as currently contemplated to be conducted, and such Inventory levels are adequate therefor.

(25) **Accounts Receivable.**

All Accounts Receivable reflected in the Audited Financial Statements for year ended December 31, 2014 and all Accounts Receivable arising since December 31, 2014 are *bona fide* and good and have been incurred in the Ordinary Course and are shown with the original date of invoice on the financial Books and Records. Subject to an allowance for doubtful accounts that has been reflected on the financial Books and Records of the Vendors and the Acquired Subsidiaries in accordance with IFRS, all Accounts Receivable are valid, enforceable and collectible at their full face value in the Ordinary Course without set-off or counterclaim.

(26) **Intellectual Property.**

(a) Section 26 of the Disclosure Letter contains a true and complete list of the applications and registrations for Owned Intellectual Property (including identification of the owner, jurisdiction where registered or pending registration, and details of the registration or application, as applicable), all unregistered trademarks owned by any Vendor or Acquired Subsidiary, Licensed Intellectual Property, and Intellectual Property Agreements.

(b) The Owned Intellectual Property and Licensed Intellectual Property comprise all Intellectual Property necessary to conduct the Business in all material respects.

(c) The Vendors, the Acquired Subsidiaries and the Parent have the right and authority to use, and the Purchaser will be entitled to continue to use after the Closing Date, the Owned Intellectual Property and Licensed Intellectual Property in connection with the conduct of the Business.

(d) The Licensed Intellectual Property which is used in the conduct of the Business by the Vendors, the Acquired Subsidiaries and the Parent, if any, as set out in Section 26 of the Disclosure Letter, is used by the Vendors, the Acquired Subsidiaries or the Parent with the consent of or license from the rightful owners thereof, all those consents and licenses relating to the Licensed Intellectual Property are in good standing, binding and enforceable in accordance with their respective terms and no material default exists on the part of the Vendors, the Acquired Subsidiaries or the Parent thereunder, and none of those consents and licenses requires prior approval of any transfer or assignment to remain in force or effect.

(e) Except as set out in Section 26 of the Disclosure Letter, the Vendors, the Acquired Subsidiaries and the Parent are the legal and beneficial owner of the Owned Intellectual Property, free and clear of all Encumbrances, and none of the Vendors, the Acquired Subsidiaries or the Parent are party to or bound by any Contract or other obligation whatsoever that limits or impairs their ability to use,

sell, transfer, assign or convey, or that otherwise affects, the Owned Intellectual Property.

(f) Except as set out in Section 26 of the Disclosure Letter, no Person, other than the Parent, the Vendors and the Acquired Subsidiaries as between themselves, has been granted any interest in or right to use all or any portion of the Owned Intellectual Property.

(g) The conduct of the Business does not and has not infringed or breached any industrial or intellectual property rights of any other Person and none of the Vendors, the Acquired Subsidiaries or the Parent have received any notice that the conduct of the Business, including the use of the Owned Intellectual Property or Licensed Intellectual Property, infringes on or breaches any industrial or intellectual property rights of any other Person and none of the Vendors, the Acquired Subsidiaries or Parent has any Knowledge of any infringement or violation of any of their rights or the rights of the Vendors, the Acquired Subsidiaries or the Parent in the Owned Intellectual Property or Licensed Intellectual Property.

(h) The Vendors, the Acquired Subsidiaries and the Parent have not made any disclosures of information that it intended to protect as trade secrets, confidential information or proprietary information that would impair or diminish the rights, titles or interests of the Vendors, the Acquired Subsidiaries or the Parent in or to such trade secrets, confidential information or proprietary information.

(i) No Intellectual Property has been used, not used, enforced or not enforced in a manner that could reasonably be expected to result in the abandonment, cancellation or unenforceability of any of the Owned Intellectual Property.

(j) All applications for registration of the Owned Intellectual Property and Licensed Intellectual Property set out in Section 26 of the Disclosure Letter are in good standing, have been filed in a timely manner within the appropriate offices to preserve the rights thereto and assignments have been recorded in favour of the Vendors, the Acquired Subsidiaries or the Parent to the extent that recordation within a timely manner is required to preserve the rights thereto. The Vendors, the Acquired Subsidiaries and the Parent have maintained or caused to be maintained the rights to any of the registered Owned Intellectual Property in full force and effect and, without limiting the generality of the foregoing, have renewed or has made application for renewal of any registered Owned Intellectual Property subject to expiration on or prior to the Closing Date.

(k) Except as set out in Section 26 of the Disclosure Letter, no royalty or other fee is required to be paid by the Vendors, the Acquired Subsidiaries or the Parent to any other Person in respect of the use of any of the Owned Intellectual Property or Licensed Intellectual Property and there are no restrictions on the ability of the Vendors, the Acquired Subsidiaries, the Parent or any successor to, or assignee

from, the Vendors, the Acquired Subsidiaries or the Parent to use and exploit all rights in the Owned Intellectual Property or Licensed Intellectual Property.

(l) There has been no public disclosure, sale or offer for sale of any invention owned by the Vendors, the Acquired Subsidiaries or the Parent, listed in Section 26 of the Disclosure Letter, and forming a part of the Owned Intellectual Property, by the Vendors, the Acquired Subsidiaries or the Parent (such as a non-confidential publication or presentation by an inventor, Employee, officer, or director) that affect the Purchaser obtaining or sustaining valid patent rights to that invention.

(m) There has been no public disclosure, sale or offer for sale of any invention that is described in a patent application (whether now in preparation or filed and in good standing) and forming a part of the Owned Intellectual Property by a Person that would prevent the Purchaser from obtaining or sustaining all valid patent rights to that invention following Closing.

(n) To the Knowledge of the Parent, there is no publication, including any patent, published or laid-open patent application, journal article, catalogue, promotion, or specification, of any other Person which would prevent the Purchaser from obtaining or sustaining valid patent rights to an invention described in a patent application (whether now in preparation or filed and in good standing) and forming part of the Owned Intellectual Property or Licensed Intellectual Property.

(o) Except as set forth in Section 26 of the Disclosure Letter, none of the current or former employees of the Vendors, the Acquired Subsidiaries or the Parent, and none of the current or former consultants or contractors of the Vendors, the Acquired Subsidiaries or the Parent who have been involved in the creation or development of any Intellectual Property for the Vendors, the Acquired Subsidiaries or the Parent, or have had access to Intellectual Property of the Vendors, the Acquired Subsidiaries or the Parent have executed the applicable form of agreement pursuant to which each employee or consultant has assigned all of their rights related to the Intellectual Property to the Vendors, the Acquired Subsidiaries or the Parent, and waived for the benefit of the Vendors, the Acquired Subsidiaries or the Parent, all moral rights in any such works of authorship, to the fullest extent in accordance with applicable Law. Without limiting the foregoing, no current or former employee owns any Owned Intellectual Property, nor has any employee made any written assertions with respect to any alleged ownership.

(27) **Information Technologies.**

(a) Section 27 of the Disclosure Letter sets out a brief description of the Information Technologies and a true, accurate and complete list of all Contracts, including leases and licenses that comprise or relate to the Information Technologies.

(b) The Information Technologies:

(i) adequately meet the data processing needs of the Business;

(ii) are suitable for the purposes for which it is being used;

(iii) are complete and no other computer hardware, software, system or other information technology is needed to carry on the Business;

(iv) are free from known material defects or deficiencies; and

(v) to the Knowledge of the Parent, do not contain any disabling mechanisms or protection features which are designed to disrupt or prevent the use of the Information Technologies, including computer viruses, time locks or any code, instruction or device that may be used without authority to access, modify, delete or damage any of the Information Technologies.

(c) The data processing and data storage facilities of the Vendors and the Acquired Subsidiaries are adequate and properly protected.

(d) All licensed software which is included in the Information Technologies is in machine-readable form, contains current revisions of that software as delivered or made available to the Vendors, the Acquired Subsidiaries or the Parent by the licensors thereof and includes all object codes, computer programs, magnetic media and documentation which is used or required by the Vendors, the Acquired Subsidiaries or the Parent for use in its Information Technologies sufficient to permit a Person of reasonable skill and experience to operate, maintain and modify that software.

(28) **Litigation.**

(a) Except as disclosed in Section 28 of the Disclosure Letter, there are no Actions in effect or ongoing or, to the Knowledge of the Parent, pending or threatened (i) against or relating to the Vendors, the Acquired Subsidiaries, the Purchased Assets, the Assumed Liabilities or the Business or affecting any of their respective current or former properties or assets; or (ii) that challenge or seek to prevent, enjoin or otherwise materially delay the Transactions. To the Knowledge of the Parent, there are no events or circumstances which could reasonably be expected to give rise to any such Action.

(b) Other than the Liquidation and Dissolution, there is no bankruptcy, liquidation, winding-up or other similar Proceeding pending or in progress, or, to the Knowledge of the Parent, threatened against or relating to the Parent, the Vendors, the Acquired Subsidiaries, the Purchased Assets, the Assumed Liabilities or the Business before any Governmental Entity. The Vendors, the Acquired Subsidiaries and the Parent are not insolvent nor have they committed any act of bankruptcy, proposed any compromise or arrangement or taken any Proceeding with respect thereto and no Encumbrances or receiver has taken possession of any of the Vendors', the Acquired Subsidiaries' or the Parent's

property, nor is any of the foregoing pending or, to the Knowledge of the Parent, threatened.

(c) None of the Vendors, the Acquired Subsidiaries, the Business or the Purchased Assets are subject to any outstanding order, writ, injunction, decree or awards by any Governmental Entity, nor have any of the Vendors or the Acquired Subsidiaries settled any claim prior to being prosecuted in respect thereof.

(d) None of the Vendors or the Acquired Subsidiaries are the plaintiff or complainant in any Action arising out of or connected with the Business or the Purchased Assets.

(29) **Environmental Matters.**

(a) Except as described in Section 29 of the Disclosure Letter, the ownership of the Business (including without limitation as conducted on the Real Property and the Leased Property), the Purchased Assets and the use, maintenance and operation thereof have been and are in compliance in all material respects with all Environmental Laws. The Vendors, the Acquired Subsidiaries and the Parent have, in the operation of the Business, complied in all material respects with all reporting and monitoring requirements under all Environmental Laws.

(b) The Vendors and the Acquired Subsidiaries have obtained all material Environmental Permits required for the operation of the Business, all of which are listed in Section 29(b) of the Disclosure Letter. Each such Environmental Permit is valid, subsisting and in good standing and the Vendors and the Acquired Subsidiaries are not in default or breach of any Environmental Permit and no Proceeding is pending or threatened to revoke or limit any Environmental Permit.

(c) None of the Vendors or the Acquired Subsidiaries has received any notice of, or been prosecuted for, an offence alleging non-compliance with any Environmental Laws or any Release of Hazardous Substances, and none of the Vendors or the Acquired Subsidiaries has settled any allegation of non-compliance short of prosecution.

(d) Except as described in Section 29(d) of the Disclosure Letter, no Hazardous Substances are now used or ever have been used by the Vendors or the Acquired Subsidiaries in the conduct of the Business and no Release of any Hazardous Substances has resulted from the operation of the Business, in each case other than the use and storage of Hazardous Substances in nominal amounts and in accordance with Environmental Laws. There has been no Release of Hazardous Substances on, in or under the Real Property or the Leased Property. The Vendors and the Acquired Subsidiaries have not used any of the Purchased Assets to produce, generate, store, handle, transport or dispose of any Hazardous Substances.

(e) Except as described in Section 29(e) of the Disclosure Letter, the Vendors and the Acquired Subsidiaries are not responsible for, and to the Knowledge of the Parent, there is no basis upon which the Vendors or the Acquired Subsidiaries could become responsible for, any clean-up, remediation, reclamation, decommissioning, rehabilitation, restoration or corrective action under any Environmental Laws with respect to the Business or the Purchased Assets.

(f) Except as disclosed in Section 29 of the Disclosure Letter, to the Knowledge of the Parent:

(i) the Real Property and the Leased Property have never been used by any Person as a waste disposal site or as a licensed (or unlicensed) landfill;

(ii) there are no underground or surface storage tanks or urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs) or radioactive substances located on, in or under any of the Purchased Assets;

(iii) no properties adjacent to the Real Property or the Leased Property contain Hazardous Substances in danger of migration to the Real Property or the Leased Property where such Hazardous Substances could, if they migrated to the Real Property or the Leased Property, have a material effect on the Real Property or the Leased Property; and

(iv) there are no Hazardous Substances located in the ground or in groundwater under the Real Property or the Leased Property.

(g) To the Knowledge of the Parent, there are no rare or endangered species or any other species that is considered extinct, endangered, rare or at risk or any habitat of any such species present at any part of the Leased Property, the Real Property or any other of the Purchased Assets.

(h) No litigation or regulatory Action is pending or underway, or, to the Knowledge of the Parent, threatened in respect of non-compliance with Environmental Laws in relation to the Business, and to the Knowledge of the Parent there is no basis for any such Action.

(i) There are no orders or directions issued or, to the Knowledge of the Parent, pending under Environmental Laws relating to the Business or any of the Purchased Assets, nor have the Vendors or the Acquired Subsidiaries received notice of any such orders or directions.

(j) True and complete copies of all Environmental Permits and any reports, issued, filed or registered or with any Governmental Entity, pursuant to Environmental Laws with respect to the Business or the Purchased Assets have been made available to the Purchaser.

(k) All Environmental Permits, if any, may be validly transferred, and will be transferred, to the Purchaser at the Closing. Except as disclosed in Section 29(k)

of the Disclosure Letter, none of the Environmental Permits issued to the Vendors or the Acquired Subsidiaries shall become void or voidable as a result of the consummation of the Transactions, and no consent to the Transactions is required to maintain such Environmental Permits in full force and effect. The Vendors and the Acquired Subsidiaries agree to assist the Purchaser with filing all applications that are necessary to operate the Business and transferring or obtaining all Environmental Permits issued to the Vendors or the Acquired Subsidiaries that are necessary to operate the Business.

(l) True and complete copies of all environmental audits, site assessments, risk assessments, studies or tests relating to the Business or any of the Purchased Assets, that were commissioned by or for the Vendors or the Acquired Subsidiaries or that are in the possession or control of the Vendors or the Acquired Subsidiaries, have been made available to the Purchaser.

(m) The Vendors and the Acquired Subsidiaries have not, with respect to the Business or the Purchased Assets given or agreed to give, or is a party to or bound by, any financial assurance, guarantee, surety or indemnity in respect of Environmental Permits or any other matter relating to the environment.

(30) **Employees.**

Section 30(a) of the Disclosure Letter contains a true and complete list of the names of all individuals who are Employees of the Vendors and the Acquired Subsidiaries in connection with the Business, specifying all material details of the terms of employment of each Employee, including: the length of service, service credit date, age, job title, remuneration (including actual salary or hourly wages plus any variable or incentive compensation paid in 2015, present base salary or hourly wage rate, the date and amount of any anticipated increase in base salary or hourly wage rate in 2015, and any variable or incentive compensation estimated or budgeted for 2015), vacation entitlement, all other entitlements and benefits of each Employee and accrual for each such Employee and whether or not such Employee is absent for any reason such as lay off, leave of absence, salary, insurance or workers' compensation.

Section 30(a) of the Disclosure Letter sets forth a list of all Employment Contracts; no Employment Contract has been amended or supplemented, except as specified in Section 30(a). True and complete copies of all written Employment Contracts disclosed in Section 30(a) of the Disclosure Letter have been made available to the Purchaser.

(a) No Employees or former employees of the Vendors, the Acquired Subsidiaries or the Parent have any outstanding or pending claims for disability, injury or worker's compensation arising from or related to the employment of the Employees in the Business other than as disclosed in Section 30(a) of the Disclosure Letter, nor, to the Knowledge of the Parent, are the Vendors or the Acquired Subsidiaries aware of any facts, illnesses, or injuries that will or reasonably could give rise to such claims. No Employee is on a statutorily

protected leave of absence or is otherwise not actively at work for any reason, except those disclosed in Section 30(a) of the Disclosure Letter.

(b) Other than as disclosed in Section 30(a) of the Disclosure Letter, there are no employment-related contracts, agreements or understandings, written or verbal, in effect as of the date hereof between the Vendors or the Acquired Subsidiaries and any Employee, and, except as disclosed on Section 30(a), the employment relationship between the Vendors or the Acquired Subsidiaries and each of its Employees in the United States is "employment at will." Other than as set out in the Employment Contracts, the Employees have no other agreement, written or oral, with the Vendors or the Acquired Subsidiaries concerning the Employees' employment or the Employees' entitlement to any salary, wage, bonus, commission, vacation pay, severance payment or any other benefit whatsoever. The Vendors and the Acquired Subsidiaries have provided to the Purchaser true and correct copies of all existing employee handbooks, summary plan descriptions, policy manuals and/or written policies applicable to Employees.

(c) To the Knowledge of the Parent, no Employee has indicated to the Vendors or the Acquired Subsidiaries that he or she intends to resign, retire or terminate his or her engagement with the applicable Vendor or Acquired Subsidiary prior to the Closing Date or as a result of the Transactions or otherwise. None of the Vendors or the Acquired Subsidiaries have given notice of termination to or received notice of resignation from any current Employee having total annual compensation of more than $100,000.

(d) Each Vendor and Acquired Subsidiary has complied in all material respects for the three (3) year period prior to the date of this Agreement with all terms and conditions of employment and all applicable Laws that relate to labour and respecting employment, including those relating to hiring, employment and termination of employment, labour relations, fair employment, affirmative action, equal employment opportunity practices, workplace discrimination, harassment and retaliation, workers' compensation, mandatory social security, pension and provident fund contribution, unions and collective bargaining, classification of Employees, employee privacy, payroll and personnel practices, pay equity, wages, hours of work, overtime, human rights, occupational health and safety, and other terms and conditions of employment. There are no pending or outstanding or, to the Knowledge of the Parent, threatened claims, complaints, controversies, lawsuits, investigations, judicial or administrative Proceedings, or orders against any of the Vendors or the Acquired Subsidiaries brought by or on behalf of any applicant for employment, any employee or any former employee, or any class of the foregoing, in any way relating to such Law, or alleging breach of any express or implied contract of employment, or of any other discriminatory, wrongful or tortious conduct that is in any way relating to the Vendors' and the Acquired Subsidiaries' employment relationship with an applicant for employment, an employee, or any former employee.

(e) To the Knowledge of the Parent, there are no strikes, disputes, walkouts, lockouts, or material work stoppages or slowdowns pending or threatened against or involving the Vendors, the Acquired Subsidiaries or Employees, nor have there been any such strikes, disputes, walkouts, lockouts, or material work stoppages or slowdowns within the last three (3) years. There is no material unfair labour practice complaint, grievance or arbitration Proceeding pending or, threatened against the Vendors or the Acquired Subsidiaries. None of the Vendors or the Acquired Subsidiaries have received written notice of the commencement of any Action asserting that the any of the Vendors or the Acquired Subsidiaries has engaged in any unfair labor practice.

(f) All material amounts due or accrued due for all salary, wages, bonuses, commissions, vacation with pay, sick days and benefits under Employee Plans and other similar accruals have either been paid or are accurately reflected in the Books and Records of the Vendors and the Acquired Subsidiaries.

(g) Except as disclosed in Section 30(g) of the Disclosure Letter or otherwise made available to the Purchaser, no Employee has any Employment Contract in relation to any employee's termination, length of notice, pay in lieu of notice, severance, job security or similar provisions (other than such as results by Law from the employment of an employee without an agreement as to notice or severance), nor are there any change of control payments, golden parachutes, severance payments, retention payments, Employment Contracts or other agreements with current or former Employees providing for cash or other compensation or benefits upon the consummation of, or relating to, the Transactions contemplated by this Agreement.

(h) There are no material outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety and insurance legislation and none of the Vendors or the Acquired Subsidiaries has been reassessed in any material respect under such legislation during the past three years and, to the Knowledge of the Parent, and other than in the Ordinary Course, no audit of the Vendors or the Acquired Subsidiaries is currently being performed pursuant to any applicable workplace safety and insurance legislation. As of the date of this Agreement, there are no claims or potential claims which may materially adversely affect the Vendors' or the Acquired Subsidiaries' accident cost experience.

(i) The Parent has made available to the Purchaser all orders and inspection reports under applicable occupational health and safety Laws ("**OHSA**"). There are no charges pending under OHSA. The Vendors and the Acquired Subsidiaries have complied in all material respects with any orders issued under OHSA and there are no appeals of any orders under OHSA currently outstanding.

(j) No Employee has received an increase in compensation, other than pursuant to Law, the terms of an existing Employment Contract or in the Ordinary Couse, in the previous six (6) months.

(k) Other than pursuant to the terms of an existing agreement, no Employee has been promised a bonus or gift upon the successful completion of the Transactions that would be paid, directly or indirectly, by any of the Vendors, the Acquired Subsidiaries or the Parent.

(l) To the Knowledge of the Parent, each of the Employees possesses all necessary Permits and visas to lawfully work and reside in Canada, Mainland China, Hong Kong SAR or the United States, as the case may be.

(m) Other than current salary or wages, the vested portion of any variable or incentive compensation yet to be paid, and the value of any accrued unused vacation, no amount is owing to any Employee or former employee of the Vendors or the Acquired Subsidiaries. To the Knowledge of the Parent, each Transferred Employee is in agreement that any accrued bonus and vacation amounts with respect to such Transferred Employee is complete and accurate.

(n) To the Knowledge of the Parent, no Employee or former employee of any of the Vendors or the Acquired Subsidiaries is in violation of a confidentiality, non-solicitation, or non-competition agreement or any other agreement relating to the relationship of any such individual with any third party, because of the nature of the business conducted by the Vendors or the Acquired Subsidiaries, nor have the Vendors or the Acquired Subsidiaries received any verbal or written communication from a third party alleging such a violation.

(o) Each Employee employed in the United States is authorized to work in the United States. Each of the Vendors and the Acquired Subsidiaries has accurately completed a Form I-9 for each such Employee hired after November 6, 1986, and have maintained and retained such Forms I-9s in accordance with applicable rules and regulations. None of the Vendors or the Acquired Subsidiaries has, in the last three (3) years, been subject to an audit of its Form I-9 practices by any Governmental Entity or had any penalties assessed against it by a Governmental Entity due to the knowing hire of unauthorized workers by it or Form I-9 paperwork violations. No work eligibility status of any Employee would terminate or otherwise be affected by the Transactions.

(31) **Independent Contractors.**

(a) Section 31 of the Disclosure Letter sets forth a complete and accurate list of all current independent contractors (the "**Independent Contractors**") of the Vendors and the Acquired Subsidiaries in connection with the Business (including any Person who is an Independent Contractor pursuant to an oral agreement with any of the Vendors or the Acquired Subsidiaries), together with their respective discipline, standard rate, length of service, and other material terms of engagement, (whether monetary or otherwise). No Independent Contractor agreement has been amended or supplemented, except as specified in Section 31. Except as disclosed in Section 31 of the Disclosure Letter, no such Independent Contractor (and/or any spouse, dependent, survivor or beneficiary of such

Independent Contractor) participates in, or is covered by, any of the Employee Plans. Except as disclosed in Section 31 of the Disclosure Letter, all such Independent Contractors are currently providing their services on an active basis.

(b) Except as disclosed in Section 31 of the Disclosure Letter: (i) the Vendors, the Acquired Subsidiaries and the Parent have not mischaracterized or misclassified any Employee as an independent contractor; (ii) all Independent Contractors are true independent contractors under Law based on the actual activities performed by the individuals or entities; (iii) no Governmental Entity has determined that any former or current Independent Contractors is or was an employee of a Vendor, an Acquired Subsidiary or the Parent under Law; (iv) there are no outstanding or, to the Knowledge of the Parent, threatened Actions relating to whether any former or current Independent Contractor is an employee of a Vendor, an Acquired Subsidiary or the Parent under Law. None of the Vendors, the Acquired Subsidiaries or the Parent has, in the last five (5) years, been subject to an audit of its independent contractor hiring practices by any Governmental Entity.

(c) Except for those Contracts listed in Section 31 of the Disclosure Letter, there are no Independent Contractor agreements that (i) are not terminable on the giving of thirty (30) days or less notice or (ii) provide for cash or other compensation or benefits upon the consummation of the Transaction. Correct and complete copies of all written Independent Contractor agreements listed in Section 31 of the Disclosure Letter have been made available to the Purchaser.

(d) None of the Vendors, the Acquired Subsidiaries or the Parent is a party to any Action by any Independent Contractor, nor are there, to the Knowledge of the Parent, any pending or threatened Actions by any Independent Contractor against any of the Vendors, the Acquired Subsidiaries or the Parent. Further, none of the Vendors, the Acquired Subsidiaries or the Parent is a party to any Action by any former independent contractor, nor are there, to the Knowledge of the Parent, any pending or threatened Actions by any former independent contractor against any of the Vendors, the Acquired Subsidiaries or the Parent. To the Knowledge of the Parent, no circumstances exist which might reasonably be expected to lead to an Action against the Vendors, the Acquired Subsidiaries or the Parent by any Independent Contractor or former independent contractor.

(e) No Independent Contractor has indicated to any of the Vendors or the Acquired Subsidiaries that he, she or it intends to terminate his, her or its provision of services to any of the Vendors or the Acquired Subsidiaries as a result of the Transactions or otherwise.

(32) **Collective Agreements.**

(a) There is no collective agreement in force with respect to the Employees nor is there any contract with any employee association in respect of the Employees. None of the Vendors, the Acquired Subsidiaries or the Parent is a party to or

bound by, either directly or indirectly, voluntarily or by operation of Law, any collective agreement. Further, during the last three (3) years, none of the Vendors, the Acquired Subsidiaries or the Parent has been a party to any collective bargaining agreement or any other agreement with a collective bargaining representative certified under the National Labor Relations Act that determines the terms and conditions of employment of any employee of any Vendor, any Acquired Subsidiary or the Parent.

(b) No union or employee association has bargaining rights in respect of any Vendor, any Acquired Subsidiary or the Parent, any Employees or any persons providing onsite services in respect of any Vendor, any Acquired Subsidiary or the Parent, and none of the Vendors, the Acquired Subsidiaries or the Parent is negotiating a collective agreement with any union, employee group, employee association, or collective bargaining representative certified under the National Labor Relations Act that determines the terms and conditions of employment of any employee of any Vendor, any Acquired Subsidiary or the Parent.

(c) No trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent or any other Person holds bargaining rights with respect to any Employee by way of certification, interim certification, voluntary recognition or successor rights, or has applied or, to the Knowledge of the Parent, threatened to apply to be certified as the bargaining agent of any Employees. Specifically, no collective bargaining agent has been certified under the National Labor Relations Act as a representative of any of the Employees, and no representation campaign or election is now in progress or contemplated with respect to any Employees. There are no outstanding labour tribunal Proceedings of any kind involving the Vendors or the Acquired Subsidiaries, including any Proceedings which could result in the certification, voluntary recognition or successor rights of a trade union, council of trade unions, employee bargaining agencies or affiliated bargaining agencies or any other Person as bargaining agent for any Employees.

(d) To the Knowledge of the Parent, there are no threatened or pending union organizing activities involving any Employees and no such activities have been undertaken in the last three (3) years. There is no labour strike, walkout, lockout, dispute, work slowdown or stoppage pending or involving or, to the Knowledge of the Parent, threatened against the Vendors or the Acquired Subsidiaries and no such event has occurred within the last three (3) years.

(e) No trade union has applied to have the Vendors or the Acquired Subsidiaries declared a common, related or successor employer pursuant to the *Labour Relations Act* (Ontario) or any similar legislation in any jurisdiction in which the Vendors or the Acquired Subsidiaries carry on business.

(f) None of the Vendors or the Acquired Subsidiaries has engaged in any lay-off activities within the past three (3) years that would violate or in any way subject the Vendors or the Acquired Subsidiaries to the group termination or lay-off requirements of the applicable federal, state, or provincial employment standards

Law or other Law, including the *Worker Adjustment and Retraining Notification Act* of the United States, of individual states, or any other similar Law (collectively, the "**WARN Act**"). The Vendors and the Acquired Subsidiaries are in full compliance with the WARN Act, and the Vendors and the Acquired Subsidiaries shall be solely responsible for ensuring compliance with the WARN Act (to the extent applicable) in connection with any reductions in force or other terminations of any Employees occurring up to the date of Closing. On the Closing Date, the Vendors and the Acquired Subsidiaries shall notify Purchaser of any "employment loss" (as that term is defined in the WARN Act) of any Employees occurring within the 90-day period prior to Closing.

(g) To the Knowledge of the Parent, there are no outstanding material labour tribunal Proceedings of any kind (including no petitions pending with the United States National Labor Relations Board) or other events of any nature whatsoever, including any Proceedings which could result in certification, interim certification, voluntary recognition, or succession rights of a trade union, council of trade unions, employee bargaining agencies, affiliated bargaining agent or any other Person as bargaining agent for any Employees.

(33) **Employee Plans.**

(a) The Parent has made available to the Purchaser summaries of all material Employee Plans, as amended as of the date hereof, together with all related documentation, including funding and investment agreements, all summary plan descriptions and employee booklets. The terms of all Employee Plans applicable to any Employee, including details of any payments (of whatever nature) payable to any Employee as a result of completion the transaction contemplated by this Agreement, have been disclosed by the Parent, the Vendors and the Acquired Subsidiaries in due diligence.

(b) Each Employee Plan is and has been established, registered, qualified and, in all material respects, administered in accordance with applicable Law, and in accordance with its terms, the terms of the material documents that support such Employee Plan and the terms of agreements between the Vendors or the Acquired Subsidiaries, as the case may be, and all Persons who are parties to, members of, participants in, or beneficiaries under, the Employee Plan. To the Knowledge of the Parent, no fact or circumstance exists which could adversely affect the registered or qualified status of any such Employee Plans. To the Knowledge of the Parent, none of the Vendors, the Acquired Subsidiaries or any of their agents or delegates, has breached any fiduciary obligation with respect to the administration or investment of any Employee Plan or has engaged in any transaction with respect to any Employee Plan that could reasonably be expected to subject the Vendors or the Acquired Subsidiaries to any material Tax or penalty imposed by ERISA, the Code, or other applicable Law.

(c) All current obligations of the Vendors and the Acquired Subsidiaries regarding the Employee Plans have been satisfied in all material respects. All contributions,

premiums or Taxes required to be made or paid by the Vendors or the Acquired Subsidiaries, as the case may be, under the terms of each Employee Plan or by applicable Law in respect of the Employee Plans have been made in a timely fashion in accordance with applicable Law in all material respects and in accordance with the terms of the applicable Employee Plan. No currently outstanding notice of underfunding, non-compliance, failure to be in good standing or otherwise has been received by the Vendors or the Acquired Subsidiaries from any applicable Governmental Entity in respect of any Employee Plan.

(d) No Employee Plan is subject to any pending or, to the Knowledge of the Parent, threatened investigation, examination or other Proceeding, Action or claim initiated by any Governmental Entity, or by any other party (other than routine claims for benefits) and, to the Knowledge of the Parent, there exists no state of facts which after notice or lapse of time or both would reasonably be expected to give rise to any such investigation, examination or other Proceeding, Action or claim or to affect the registration or qualification of any Employee Plan. There are no filings, applications or other matters pending with respect to the Employee Plans with any Governmental Entity other than routine filings made in the Ordinary Course or as required by applicable Law.

(e) To the Knowledge of the Parent, no event has occurred regarding any Employee Plan that would entitle any Person (without the consent of the Vendors or the Acquired Subsidiaries) to wind-up or terminate any Employee Plan, in whole or in part, or which could reasonably be expected to adversely affect the Tax status thereof.

(f) None of the Vendors or the Acquired Subsidiaries have received any payments of surplus out of any Employee Plan and there have been no improper withdrawals or transfers of assets from any Employee Plan by the Vendors or the Acquired Subsidiaries.

(g) No Employee Plan is a registered pension plan (as defined under the Tax Act).

(h) No insurance policy or any other agreement affecting any Employee Plan requires or permits a retroactive increase in contributions, premiums or other payments due under such insurance policy or agreement. The level of insurance reserves under each insured Employee Plan is reasonable and sufficient to provide for all incurred but unreported claims.

(i) None of the Employee Plans (other than pension plans) provide for retiree benefits or for benefits to retired Employees or to the beneficiaries or dependents of retired Employees other than as required by applicable Law.

(j) None of the Employee Plans enjoy any special Tax status under applicable Law, nor have any advance Tax rulings been sought or received in respect of any Employee Plan.

(k) All employee data necessary to administer each Employee Plan in accordance with its terms and conditions and applicable Law is in possession of the Vendors or the Acquired Subsidiaries and is in a form which is sufficient for the proper administration of each Employee Plan.

(l) Each Employee Plan that is a funded plan is fully funded on both a going concern and solvency basis pursuant to the actuarial assumptions and methodology utilized in the most recent actuarial valuation for that Employee Plan.

(m) No Employee Plan is a multi-employer plan. Except as set forth in Section 33(m) of the Disclosure Letter, (i) no Employee Plan is a plan that is subject to Title IV of ERISA, (ii) no Employee Plan is a "multiple employer welfare arrangement" as defined in Section 3(40)(A) of ERISA, and (iii) none of the Vendors or the Acquired Subsidiaries has any actual or potential liabilities to an employee benefit plan that is subject to Title IV of ERISA or is a multi-employer plan on account of any trade or business, whether or not incorporated, that together with the Vendors and the Acquired Subsidiaries would be deemed to be a single employer for purposes of Section 4001 of ERISA or Section 414 of the Code. With respect to any Employee Plan listed in Section 29(m) of the Disclosure Letter, (A) no liability to the United States Pension Benefit Guarantee Corporation has been incurred (other than for premiums payable pursuant to Section 4007 of ERISA); (B) no "reportable event" within the meaning of Section 4043 of ERISA (for which the thirty (30) day notice requirement has not been waived by the United States Pension Benefit Guarantee Corporation) has occurred within the last thirty-six (36) months; (C) no Encumbrance has arisen or would reasonably be expected to arise as a result of actions or inactions under ERISA or the Code; and (D) no such Employee Plan has failed to satisfy the "minimum funding standard" (as defined in Section 412 of the Code).

(n) Except as set forth in Section 33(n) of the Disclosure Letter, neither the execution of this Agreement nor the consummation of the Transactions, either alone or in conjunction with another event, will: (i) entitle any Employee to severance pay, increased severance pay, compensation payments or any benefits or rights or increased compensation payments or any benefits or rights, (ii) increase or accelerate the time of payment, vesting or funding or result in any payment of compensation or benefits to any Employee or any director or independent contractor of the Vendors or the Acquired Subsidiaries, (iii) result in any obligation to fund benefits under any Employee Plan, (iv) limit or restrict the right of the Vendors or the Acquired Subsidiaries to merge, amend or terminate an Employee Plan, (v) result in any payments or benefits under any Employee Plan which would not be deductible under Section 280G of the Code, (vi) result in the termination of Employee Plans that are maintained exclusively by the Acquired Subsidiaries, or (vii) result in any payments required to be made under the Employee Plans that are maintained exclusively by the Acquired Subsidiaries, including any payments owed to employees of the Acquired Subsidiaries who voluntarily terminate employment following the Effective Time. None of the Vendors or the Acquired Subsidiaries have any obligation to "gross up" or

reimburse any Person for any excise Tax imposed under Sections 409A or 4999 of the Code.

(o) The Vendors and the Acquired Subsidiaries may unilaterally amend or terminate, in whole or in part, each Employee Plan, subject only to approvals required by Law and the Employment Contracts.

(p) Each Employee Plan that is a "nonqualified deferred compensation plan" within the meaning of Section 409A(d)(1) of the Code complies in all material respects, both in form and operation, with Section 409A of the Code and regulations thereunder.

(34) **Personal Information.**

(a) The Vendors and the Acquired Subsidiaries have written privacy policies ("**Privacy Policies**") respecting its handling of all Personal Information, including without limitation, in connection with collecting, receiving, maintaining, storing, accessing, using, processing, transferring, retaining and disclosing (collectively, "**Handling**") of Personal Information, to the extent required by Applicable Privacy Laws. Each of the Privacy Policies accurately describes each of the Vendor's and Acquired Subsidiary's practices with respect to the Handling of Personal Information.

(b) To the extent required by Applicable Privacy Laws, the Vendors and the Acquired Subsidiaries have informed all relevant individuals of its Privacy Policies and made such Privacy Policies readily available to such individuals.

(c) The Vendors and the Acquired Subsidiaries have fully complied with all Contracts with respect to the Handling of all Personal Information. The Vendors and the Acquired Subsidiaries have complied in all material respects with all Applicable Privacy Laws with respect to the Handling of all Personal Information.

(d) To the extent required by applicable Law, each of the Vendors and the Acquired Subsidiaries has engaged in the Handling of Personal Information in a secure manner, using physical and technical measures that are designed to assure the integrity and security of the Personal Information and to prevent loss, alteration, corruption, misuse or unauthorized access to any Personal Information. Each of the Vendors the Acquired Subsidiaries has used technical measures to destroy or otherwise render irretrievable any records, whether electronic or paper-based, containing any Personal Information that any of the Vendors or the Acquired Subsidiaries has sought to dispose of.

(e) To the Knowledge of the Parent, there has been no unauthorized Handling of Personal Information, and no Actions are pending or threatened against the Vendors or the Acquired Subsidiaries relating to the Handling of Personal Information.

(35) **Insurance.**

(a) Section 35 of the Disclosure Letter sets forth a true and complete list of all current policies or binders of fire, liability, product liability, umbrella liability, real and personal property, workers' compensation, vehicular, fiduciary liability and other casualty and property insurance maintained by any of the Vendors, the Acquired Subsidiaries, the Parent or their Affiliates and relating to the Business, the Purchased Assets or the Assumed Liabilities (collectively, the "**Insurance Policies**"), which Insurance Policies are appropriate (including in respect of amounts and risks covered) to the size and nature of the Business of the Vendors, the Acquired Subsidiaries and the Parent and their respective assets.

(b) The Insurance Policies are in full force and effect in accordance with their terms, and none of the Vendors, the Acquired Subsidiaries or the Parent are in material default under the terms of any such Insurance Policies and have not failed to give any notice or present any claim under any such Insurance Policy in due and timely fashion.

(c) The limits contained within such Insurance Policies have not been exhausted or significantly diminished.

(d) There is no material claim pending under any Insurance Policy that has been denied, rejected, questioned or disputed by any insurer or as to which any insurer has made any reservation of rights or refused to cover all or any portion of such claims. All material Proceedings covered by any of the Insurance Policies have been properly reported to and accepted by the applicable insurer.

(e) The Parent, the Vendors and the Acquired Subsidiaries are not aware of any circumstances or events in respect of which any Person could make a claim under any Insurance Policy.

(36) **Product Warranties.**

(a) Except as disclosed in Section 36 of the Disclosure Letter, there are no material liabilities or material obligations, including product liability or product warranty liabilities and obligations, in respect of any products or goods, shipped, distributed, sold or provided by the Vendors or the Acquired Subsidiaries prior to the Closing Date.

(b) Except for: (i) warranties implied by Laws; and (ii) warranties contained in the Material Contracts disclosed in Section 14(a) of the Disclosure Letter, none of the Vendors or the Acquired Subsidiaries have given or made any warranties in connection with the sale of goods or services on or prior to Closing, including warranties covering the customer's consequential damages. The Vendors, the Acquired Subsidiaries and the Parent have no Knowledge of any facts or the occurrence of any event forming the basis of any present claim against the Vendors or the Acquired Subsidiaries with respect to warranties relating to

products manufactured, sold or distributed by the Business or services performed by or on behalf of the Business on or prior to Closing.

(37) **Taxes.**

(a) Residency: The following Vendors and/or the Parent are residents of Canada for purposes of the Tax Act: Legumex Walker Canada Inc. and the Parent. The following Vendors and/or the Parent are not residents of Canada for purposes of the Tax Act: St. Hilaire Seed and Legumex Walker Sunflower LLC.

(b) U.S. Real Property. Neither St. Hilaire Seed Company, Inc. nor Legumex Walker Finance, Inc. is a foreign corporation, foreign partnership, foreign trust, or foreign estate as those terms are defined in the Code. Legumex Walker Sunflower LLC is a disregarded entity as defined in United States Treasury Regulations § 1.1445-2(b)(2)(iii). None of the Purchased Assets, other than Purchased Assets owned by St. Hilaire Seed Company, Inc. or Legumex Walker Sunflower LLC, constitute "United States real property interests" as defined in Section 897(c)(1) of the Code.

(c) Assets not Encumbered: There are no outstanding liabilities for Taxes payable, collectible or remittable by the Vendors, the Acquired Subsidiaries and/or the Parent, whether assessed or not, which have resulted or may result in an Encumbrance on or other claim against or seizure of all or any part of the Purchased Assets or which would otherwise adversely affect the Business or would result in the Purchaser becoming liable or responsible for those liabilities.

(d) Withholding Taxes: The Vendors, the Acquired Subsidiaries and the Parent have withheld and have duly and timely remitted, or shall duly and timely remit, to the appropriate Governmental Entity all Taxes and other deductions required by applicable Law to be withheld or deducted from amounts paid or credited by it to or for the account or benefit of all Employees, shareholders, independent contractors, officers or directors and any Person not resident in Canada.

(e) Filings: Each of the Vendors, the Acquired Subsidiaries and the Parent has timely filed all Tax Returns which were required to be filed by it with respect to the Purchased Assets and the Business with any Governmental Entity on or before the Closing Date and such Tax Returns are true, complete and correct in all material respects. No extension is in effect for any of the Vendors, the Acquired Subsidiaries or the Parent with respect to the filing of any such Tax Returns with respect to the Purchased Assets and the Business. All Taxes due and payable by the Vendors, the Acquired Subsidiaries or the Parent with respect to the Purchased Assets or the Business (whether or not shown to be payable on such Tax Returns or on subsequent assessments with respect thereto) have been paid in full on a timely basis.

(f) Jurisdictions of Tax Returns: No taxing authority in any jurisdiction where the Vendors, the Acquired Subsidiaries or the Parent does not file one or more types

of Tax Returns with respect to the Purchased Assets or the Business has made a claim or assertion in writing that the Vendors, the Acquired Subsidiaries or the Parent is or may be subject to any such type of Tax by that jurisdiction with respect to the Purchased Assets or the Business or is or may be required to file in such jurisdiction any such type of Tax Return with respect to the Purchased Assets or the Business.

(g) Non-Arm's Length Transactions: The Acquired Subsidiaries are not subject to liability for Taxes of any other Person. The Acquired Subsidiaries have not acquired property from any Person in circumstances where either of the Acquired Subsidiaries did or could become liable for any Taxes of such Person. The value of the consideration paid or received by either Acquired Subsidiary for the acquisition, sale, transfer or provision of property (including intangibles) or the provision of services (including financial transactions) from or to a Person with whom either Acquired Subsidiary was not dealing at arm's length within the meaning of the Tax Act (or from or to a Person owned or directly or indirectly controlled by the same interests as any of the Vendors, the Acquired Subsidiaries or the Parent within the meaning of the Code) was equal to the fair market value (determined in accordance with an arm's length method) of such property acquired, provided or sold or services purchased or provided. The Acquired Subsidiaries have not entered into any agreement with, or provided any undertaking to, any Person pursuant to which it has assumed liability for the payment of Taxes owing by such Person.

(h) Material Deficiencies: No material deficiencies have been asserted in writing with respect to Taxes of the Vendors, the Acquired Subsidiaries or the Parent related to the Purchased Assets or the Business. None of the Vendors, the Acquired Subsidiaries or the Parent is a party to any audit, Action or Proceeding for assessment or collection of Taxes with respect to the Purchased Assets or the Business, nor has such event been asserted or threatened in writing against the Vendors, the Acquired Subsidiaries or the Parent with respect to the Purchased Assets or the Business. No waiver or extension of any statute of limitations is in effect with respect to Taxes of the Vendors, the Acquired Subsidiaries or the Parent with respect to the Purchased Assets or the Business.

(i) GST: Each of the Parent and Legumex Walker Canada Inc. are duly registered under subdivision (d) of Division V of Part IX of the *Excise Tax Act* (Canada) with respect to the goods and services tax and harmonized sales tax and their registration numbers are: 81619 5408 RT0001 and 10557 4081 RT0001 respectively.

(j) Purchased Assets: The Purchased Assets constitute substantially all of the assets of the Business within the meaning of Minnesota Regulation 8130.5800, Subpart 1a(D).

(38) **Other Regulatory Matters.**

(a) The Vendors and the Acquired Subsidiaries do not provide any of the services, or engage in any of the activities of a "cultural business" within the meaning of the *Investment Canada Act* (Canada).

(b) For the purposes of section 109(1) of the Competition Act, each of (i) the aggregate value of the assets in Canada; and (ii) the gross revenues from sales in, from or into Canada, of the Vendors and the Acquired Subsidiaries, together with their affiliates, determined as of the time and in the manner that is prescribed in the Competition Act, is set out in Section 38(b) of the Disclosure Letter.

(c) For the purposes of section 110(2) of the Competition Act, one of (i) the aggregate value of the Purchased Assets in Canada or (ii) the gross revenues from sales in or from Canada generated from those Purchased Assets referred to in (i) above; determined as of the time and in the manner that is prescribed in the Competition Act, exceeds $86,000,000.

(d) The enterprise value of the assets of the Canadian business being sold by the Vendors or the Acquired Subsidiaries to the Purchaser pursuant to this Agreement, determined in the manner that is prescribed in section 3.5 of the Investment Canada Regulations, does not exceed $600.000,000.

(39) **No Finder's Fee**. None of the Vendors, the Acquired Subsidiaries or the Parent has taken, or will take, any action that would cause the Purchaser or any of its Affiliates to become liable for any claim or demand for a brokerage commission, finder's fee or other similar payment in connection with the Transactions.

(40) **Restrictive Covenants**. None of the Vendors or the Acquired Subsidiaries is a party to or is bound or affected by any contract, agreement, undertaking or commitment limiting the freedom of such Vendor or Acquired Subsidiary to: (a) carry on any activity or to compete in any line of business; (b) to conduct the Business in any geographic area as such Vendor or Acquired Subsidiary may determine; (c) acquire goods or services; (d) sell goods or provide services to any customer or potential customer; or (e) transfer or move any of the Purchased Assets or operations of the Business.

(41) **No Options**. Save as disclosed in Section 41 of the Disclosure Letter, no Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such, for the purchase from the Vendors, the Acquired Subsidiaries or the Parent of the Business or any of the Purchased Assets or for the purchase from the Vendors, the Acquired Subsidiaries or the Parent of any of the shares in the capital of the Vendors, the Acquired Subsidiaries or the Parent.

SCHEDULE C
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

(1) **Corporate Existence and Power.**

The Purchaser is a corporation duly incorporated and validly existing under the Laws of its jurisdiction of incorporation and has the corporate power and authority to own and operate its assets and conduct its business as now owned and conducted.

(2) **Corporate Authorization.**

The Purchaser has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and the Transaction Documents. The execution, delivery and performance by the Purchaser of this Agreement, the Transaction Documents and the consummation of the Transactions have been duly authorized by all necessary corporate action on the part of the Purchaser and no other corporate proceedings on the part of the Purchaser are necessary to authorize this Agreement.

(3) **Regulatory Approvals.**

Except for the Key Regulatory Approvals and Approvals of the Purchaser's creditors, the Purchaser is not under any obligation, contractual or otherwise, to request or obtain the Approval of any Person, and no Approvals of, or notifications to, any Governmental Entity are required to be obtained by the Purchaser in connection with the execution, delivery or performance by the Purchaser of this Agreement or any Transaction Document or the completion of the Transactions.

(4) **Execution and Binding Obligation.**

This Agreement and each the Transaction Document have been, or will be on the Closing Date, duly executed and delivered by the Purchaser, and constitute, or on the Closing Date will constitute, legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other applicable Laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(5) **Non-Contravention.**

The execution, delivery and performance by the Purchaser of this Agreement and the consummation of the Transactions do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

(a) require any consent or approval under, result in a breach of, default under or a violation of, or conflict with, or allow any other Person to exercise any rights under any of the terms or provisions of, the Constating Documents of the Purchaser, or any contracts or instruments to which the Purchaser is a party; or

(b) assuming compliance with the matters referred to in Paragraph (b) above, contravene, conflict with or result in a violation or breach of applicable Law, except as would not reasonably be expected to materially impair the consummation of the Transactions.

(6) **Sufficient Funds.**

The Purchaser has funds that, in combination with committed bridge financing, are sufficient for the payment of the Purchase Price.

(7) **Litigation.**

There are no Actions pending against, or, to the knowledge of the Purchaser, threatened against or affecting the Purchaser that in any manner challenges or seeks to prevent, enjoin, alter or materially delay the Transactions.

(8) **GST/HST Registration.**

The Purchaser entity that will be making the election under subsection 167(1) of the ETA pursuant to Section 2.13 will, on the Closing Date, be duly registered under Subdivision (d) of Division V of Part IX of the ETA.

(9) **Investment Canada Act and Competition Act.**

(a) The Purchaser is a WTO investor within the meaning of subsection 14.1 of the *Investment Canada Act* (Canada). The Purchaser is not, for the purposes of the *Investment Canada Act* (Canada), (i) the government of a non-Canadian state, whether federal, state or local, or an agency of such a government (a "Foreign Government Entity"); (ii) controlled or influenced, directly or indirectly, by a Foreign Government Entity; or (iii) acting under the direction or influence, directly or indirectly, of a Foreign Government Entity.

(b) For the purposes of section 109(1) of the Competition Act, the gross revenues from sales in, from or into Canada, of the Purchaser, together with its affiliates, determined as of the time and in the manner that is prescribed in the Competition Act, when combined with the gross revenues from sales in, from or into Canada, of the Vendors and the Acquired Subsidiaries as disclosed in Section 38(b) of the Disclosure Letter, is more than $400,000,000.

(10) **No Finder's Fee.** The Purchaser has not taken, and it agrees that it will not take, any action that would cause the Parent, the Vendors or the Acquired Subsidiaries to become liable for any claim or demand for a brokerage commission, finder's fee or other similar payment in connection with the Transactions.

VOTING AGREEMENT

This VOTING AGREEMENT is dated as of September _____, 2015 (this "**Agreement**"), and is by and among The Scoular Company, a Nebraska corporation (the "**Purchaser**"), Legumex Walker Inc., a corporation formed under the federal laws of Canada ("**Parent**"), and [_____] (the "**Shareholder**").

RECITALS:

WHEREAS, concurrently with the execution of this Agreement, the Purchaser, the Parent and several wholly owned subsidiaries of the Parent (collectively, the "**Vendors**") are entering an Asset Purchase Agreement, dated as of the date hereof (as amended, supplemented, restated or otherwise modified from time to time, the "**Asset Purchase Agreement**"), pursuant to which, among other things, the Purchaser will purchase and acquire substantially all of the assets, subject to certain liabilities, of the Business conducted by the Vendors;

WHEREAS, as of the date hereof, the Shareholder is the beneficial owner of _____ common shares of the Parent (the "**Common Shares**"). The Common Shares beneficially owned by the Shareholder on the date hereof are referred to as the "**Existing Shares**" and, collectively, with any and all Common Shares the Shareholder subsequently acquires beneficial ownership of, whether purchased, received under an equity compensation plan of the Parent, or otherwise, the "**Covered Shares**";

WHEREAS, the Shareholder has reviewed the Asset Purchase Agreement and such other materials as the Shareholder deemed necessary or appropriate; and

WHEREAS, as a condition and inducement to the Purchaser entering into the Asset Purchase Agreement, the Purchaser has required that the Shareholder agrees, and the Shareholder has agreed, to enter into this Agreement.

NOW THEREFORE, in consideration of the foregoing and the mutual representations, warranties, covenants and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

DEFINED TERMS

1.1. **Defined Terms**. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Asset Purchase Agreement.

1.2. **Other Definitions**. For purposes of this Agreement:

(a) "**Acquisition Proposal**" means, other than the Transactions contemplated by the Asset Purchase Agreement, any offer, proposal or inquiry from any Person or group of Persons other than the Purchaser (or any Affiliate of the Purchaser) relating to or which could reasonably be expected to lead to: (i) any direct or indirect sale, disposition, alliance or joint

venture (or any lease, long term supply agreement or other arrangement having the same economic effect as a sale), in a single transaction or a series of related transactions, of (A) any assets of the Parent, including the assets of any of the Vendors, other than sales of inventory or other products by the Vendors in the Ordinary Course of Business of such entities or (B) any of the voting, equity or other securities of the Parent or any of the Vendors (or rights or interests therein or thereto); (ii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, take-over bid, issuer bid, tender offer, exchange offer, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Parent or any of the Vendors; (iii) any other similar transaction or series of transactions involving the Parent, any of the Vendors or the Purchased Assets or (iv) any combination of the transactions described in clauses (i)-(iii) above; provided, however, that an offer, proposal or inquiry related solely to the sale by the Parent in respect of the Parent's interests in or relating solely to any of the assets, undertakings or membership interests of Pacific Coast Canola, LLC shall be deemed not to be an Acquisition Proposal.

(b) "**beneficial ownership**" by a Person of any securities means ownership, directly or indirectly, including through any contract, arrangement, understanding, relationship or otherwise, where such Person has or shares with another Person (i) voting power which includes the power to vote, or to direct the voting of, such security; (ii) investment power which includes the power to dispose, or to direct the disposition, of such security; and/or (iii) the right to exercise control or direction over the voting of such securities; provided that for purposes of determining beneficial ownership, a Person shall be deemed to be the beneficial owner of any securities which may be acquired by such Person pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise (irrespective of whether the right to acquire such securities is exercisable immediately or only after the passage of time, the satisfaction of any conditions, the occurrence of any event or any combination of the foregoing). The terms "**beneficially own**" and "**beneficially owned**" shall have a correlative meaning.

(c) "**Permitted Transfer**" means a Transfer of Covered Shares by the Shareholder to any Affiliate if the transferee of such Covered Shares evidences in a writing reasonably satisfactory to the Purchaser such transferee's agreement to be bound by and subject to the terms and provisions hereof to the same effect as such transferring Shareholder.

(d) "**Termination Notice**" mean a notice delivered to the Purchaser by the Shareholder within three (3) Business Days following a Change of Recommendation made by the Board in compliance with the terms of Section 7.3 of the Asset Purchase Agreement. For the avoidance of doubt, if the Shareholder does not deliver a Termination Notice with such three (3)-Business Day period, the Shareholder shall have irrevocably forfeited its or his right hereunder to terminate this Agreement due to such Change of Recommendation.

(e) "**Transfer**" means, directly or indirectly, to sell, transfer, assign, pledge, hypothecate, encumber or dispose of, or to enter into any contract, option or other arrangement or understanding with respect to the voting of or sale, transfer, assignment, pledge, hypothecation, encumbrance or disposition.

(f) "**Voting Period**" means the period from and including the date of this Agreement through and including the earliest of: (i) the Closing Date; or (ii) the date on which the Asset Purchase Agreement is terminated in accordance with its terms; or (iii) the date on which the Shareholder delivers a Termination Notice; or (iv) the date on which this Agreement is terminated by the mutual written agreement of the Shareholder, the Purchaser and the Parent.

ARTICLE II

VOTING

2.1. Agreement to Vote. The Shareholder hereby irrevocably and unconditionally agrees that, during the Voting Period, at the Company Meeting, and at any other meeting of the shareholders of the Parent, however called, including any adjournment or postponement thereof, the Shareholder shall, in each case to the fullest extent that the Covered Shares are entitled to be voted thereon, or in any other circumstance in which the vote, consent or other approval of the shareholders of the Parent is sought, (a) appear at each such meeting or otherwise cause the Covered Shares beneficially owned by the Shareholder as of the applicable record date to be counted as present thereat for purposes of calculating a quorum; and (b) vote (or cause to be voted), in person or by proxy, all of such Shareholder's Covered Shares as of the applicable record date:

(i) in favor of the Special Resolution, and any other actions related thereto submitted to a shareholder vote pursuant to the Asset Purchase Agreement or in furtherance of the transactions contemplated thereby;

(ii) against any resolution, action, agreement or proposal that would or would be reasonably expected to result in a breach of any covenant, representation or warranty or any other obligation or agreement of the Parent or the Vendors contained in the Asset Purchase Agreement, or of any Shareholder contained in this Agreement;

(iii) against any Acquisition Proposal (as defined below) other than with the Purchaser; and

(iv) against any other resolution, action, agreement, proposal or transaction involving the Parent, the Vendors or the Business that would or would reasonably be expected to impede, interfere with, prevent, delay, postpone, discourage, frustrate the purpose of or adversely affect the transactions contemplated by the Asset Purchase Agreement, the Transaction Documents or this Agreement or the performance by the Parent or the Vendors of their obligations under the Asset Purchase Agreement or by any Shareholder of its or his obligations under this Agreement.

2.2. No Inconsistent Agreements. The Shareholder hereby represents, covenants and agrees that, except for this Agreement, the Shareholder (a) has not entered into, and shall not enter into at any time while this Agreement remains in effect, any voting agreement, voting trust, voting pooling or similar arrangement with respect to the right to vote, call meetings of

shareholders or give consents or approval of any kind with respect to any Covered Shares, and (b) has not granted and shall not grant at any time while this Agreement remains in effect, a proxy, consent, power of attorney or other right to vote with respect to any Covered Shares (other than as contemplated by Section 2.1).

ARTICLE III

REPRESENTATIONS AND WARRANTIES

3.1. Representations and Warranties of the Shareholders. The Shareholder hereby represents and warrants to the Purchaser and the Parent as follows:

(a) Authorization; Validity of Agreement; Necessary Action. The Shareholder has the requisite capacity and power and authority to execute and deliver this Agreement, to perform its or his obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery by the Shareholder of this Agreement and the performance by it or him of its or his obligations hereunder and the consummation by or him of the transactions contemplated hereby have been duly and validly authorized by the Shareholder and no other actions or proceedings on the part of the Shareholder or any equity holder thereof or any other Person are necessary to authorize the execution and delivery by or him of this Agreement, the performance by or him of its or his obligations hereunder or the consummation by it or him of the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by the Shareholder and, assuming this Agreement constitutes a valid and binding obligation of the Purchaser, constitutes a legal, valid and binding obligation of the Shareholder, enforceable against it or him in accordance with its or his terms, except to the extent that enforceability thereof may be limited by bankruptcy, insolvency, reorganization and other similar applicable Laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(b) Ownership. The Shareholder's Existing Shares are, and all of the Covered Shares of the Shareholder will be through the last day of the Voting Period and on the Closing Date except to the extent any such Covered Shares are Transferred after the date hereof pursuant to a Permitted Transfer, beneficially owned by the Shareholder. The Shareholder has good and marketable title to the Shareholder's Existing Shares, free and clear of any Encumbrances. As of the date hereof, the Shareholder's Existing Shares constitute all of the Common Shares beneficially owned or owned of record by the Shareholder. The Shareholder has, and will have through the last day of the Voting Period and on the Closing Date, the sole voting power (including the right to control such vote as contemplated herein), sole power of disposition, sole power to issue instructions with respect to the matters set forth in Article II hereof, and sole power to agree to all of the matters set forth in this Agreement, in each case with respect to all of the Shareholder's Covered Shares.

(c) No Violation. The execution and delivery of this Agreement by the Shareholder does not, and the performance by the Shareholder of its or his obligations under this Agreement will not, (i) conflict with or violate any Law, ordinance or regulation of any Governmental Entity applicable to the Shareholder or by which any of its or his assets or properties is bound, or (ii) conflict with, result in any breach of or constitute a default (or an

event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any Encumbrance on the properties or assets of the Shareholder pursuant to, any Contract to which the Shareholder is a party or by which the Shareholder or any of its or his assets or properties is bound.

(d) **No Consent**. The execution and delivery of this Agreement by the Shareholder does not, and the performance by or him of its or his obligations under this Agreement and the consummation by it or him of the covenants contemplated by this Agreement will not, require the Shareholder to obtain any consent, approval, authorization or permit of any Person, including any Governmental Entity.

(e) **Reliance by the Purchaser**. The Shareholder has reviewed and understands the terms of the Asset Purchase Agreement. Furthermore, the Shareholder understands and acknowledges that the Purchaser has entered into the Asset Purchase Agreement in reliance upon such Shareholder's execution and delivery of this Agreement.

3.2. **Representations and Warranties of the Purchaser**. The Purchaser hereby represents and warrants to the Shareholder and the Parent as follows:

(a) **Authorization; Validity of Agreement; Necessary Action**. The Purchaser has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement has been duly executed and delivered by the Purchaser and, assuming this Agreement constitutes a valid and binding obligation of the other parties hereto, constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except to the extent that enforceability thereof may be limited by bankruptcy, insolvency, reorganization and other similar applicable Laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(b) **No Violation**. The execution and delivery of this Agreement by the Purchaser does not, and the performance by the Purchaser of its obligations under this Agreement will not, (i) conflict with or violate any Law, ordinance or regulation of any Governmental Entity applicable to the Purchaser or by which any of its assets or properties is bound, or (ii) conflict with, result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any Encumbrance on the properties or assets of the Purchaser pursuant to, any Contract to which the Purchaser is a party or by which the Purchaser or any of its assets or properties is bound.

3.3. **Representations and Warranties of the Parent**. The Parent hereby represents and warrants to the Shareholder and the Purchaser as follows:

(a) **Authorization; Validity of Agreement; Necessary Action**. The Parent has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement has been duly executed and delivered by the Parent and, assuming this Agreement constitutes a valid and binding obligation of the other parties hereto, constitutes a legal, valid and binding obligation of the Parent, enforceable against it in

accordance with its terms, except to the extent that enforceability thereof may be limited by bankruptcy, insolvency, reorganization and other similar applicable Laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(b) **No Violation**. The execution and delivery of this Agreement by the Parent does not, and the performance by the Parent of its obligations under this Agreement will not, (i) conflict with or violate any Law, ordinance or regulation of any Governmental Entity applicable to the Parent or by which any of its assets or properties is bound, or (ii) conflict with, result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any Encumbrance on the properties or assets of the Parent pursuant to, any Contract to which the Parent is a party or by which the Parent or any of its assets or properties is bound.

ARTICLE IV

OTHER COVENANTS

4.1. Prohibition on Transfers, Other Actions. The Shareholder hereby agrees not to: (a) during the Voting Period, offer to Transfer, Transfer or consent to Transfer any of the Covered Shares or any interest therein, unless such Transfer is a Permitted Transfer; (b) enter into any agreement, arrangement or understanding with any Person, or take any other action, that violates or conflicts with the Shareholder's covenants and obligations under this Agreement; or (c) take any action that would restrict the Shareholder's legal power, authority and right to comply with and perform its or his covenants and obligations under this Agreement or make any of its or his representations or warranties contained in this Agreement untrue or incorrect.

4.2. Stock Dividends, etc. In the event of a stock split, stock dividend or distribution, or any change in the Common Shares by reason of any split-up, reverse stock split, recapitalization, combination, reclassification, exchange of shares or the like, the terms "Existing Shares" and "Covered Shares" shall be deemed to refer to and include such shares as well as all such stock dividends and distributions and any securities into which or for which any or all of such shares may be changed or exchanged or which are received in such transaction.

4.3. No Solicitation. Prior to Closing, and subject to Section 5.13 hereof, the Shareholder shall not, and the Shareholder shall not permit and will instruct and use its reasonable best efforts to cause its Representatives not to (i) directly or indirectly solicit, initiate, encourage, or in any way knowingly facilitate the initiation of any Acquisition Proposal or any inquiries, proposals or discussions which could potentially lead to an Acquisition Proposal; (ii) directly or indirectly enter into or participate in any discussions or negotiations regarding any Acquisition Proposal, whether or not such discussions had commenced before the date of this Agreement and whether or not such discussions were initiated by a third party; (iii) accept or enter into, or offer to accept or enter into, any agreement, arrangement or understanding regarding any Acquisition Proposal; (iv) support or recommend an Acquisition Proposal or announce an intention to do so; or (v) publicly propose to do any of the foregoing.

4.4. Waiver of Dissenters' Rights. The Shareholder hereby irrevocably and unconditionally waives, and agrees not to exercise, assert or perfect, any rights of dissent or appraisal in respect of the Special Resolution, or any other resolutions submitted to a shareholder vote pursuant to the Asset Purchase Agreement or in furtherance of the transactions contemplated thereby, to the extent such Shareholder is entitled to such rights under such law, and not to exercise any other securityholder rights or remedies available at common law or pursuant to the *Canada Business Corporations Act* or applicable securities legislation.

4.5. Further Assurances. From time to time, at the other party's written request and without further consideration, each party hereto shall execute and deliver such additional documents and take all such further lawful action as may be necessary or desirable to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement.

ARTICLE V

MISCELLANEOUS

5.1. Termination. This Agreement shall remain in effect until the earliest to occur of: (a) the Closing Date; (b) the termination of the Asset Purchase Agreement in accordance with its terms; (c) the date on which the Shareholder delivers a Termination Notice; or (d) the date on which this Agreement is terminated by the mutual written agreement of the Shareholder, the Purchaser and the Parent; *provided, however*, that the provisions of this Article V shall survive any termination of this Agreement; *provided, further*, that no such termination shall relieve any party hereto from any liability or damages incurred or suffered by a party resulting from a breach of any of the covenants or other agreements set forth in this Agreement.

5.2. Notices. All notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed effectively given only when personally delivered, when received by facsimile or other electronic means (including e-mail of a PDF document) (with acknowledgement of receipt), or on the first Business Day after mailed if sent by overnight delivery via a reputable courier service, in each case, addressed as follows:

(a) if to the Purchaser, to:

The Scoular Company
257 S. Marquette Avenue
Minneapolis, MN 55402
Attn: Senior Vice President and General Counsel
Facsimile: (612) 252-3566
Email: jmaclin@scoular.com

with a copy (not constituting notice) to:

Dorsey & Whitney LLP
Suite 1500
50 South Sixth Street
Minneapolis, MN 55403
Attn: Robert A. Rosenbaum
Jonathan A. Van Horn
Facsimile: (612) 340-7800
Email: rosenbaum.robert@dorsey.com
van.horn.jonathan@dorsey.com

(b) if to the Shareholder, to:

[Add address here]
Attn:
Facsimile:
Email:

with a copy (not constituting notice) to:

[***Law firm name and Address to be supplied***]
Attention:
Facsimile:
Email:

(c) if to the Parent, to:

Legumex Walker Inc.
1345 Kenaston Blvd
Winnipeg, MB R3P 2P2
Attention: Bruce Scherr
Facsimile: (204) 808-0449

with a copy (not constituting notice) to:

Borden Ladner Gervais LLP
Scotia Plaza
40 King Street West
Toronto, ON M5H 3Y4
Attention: Philippe Tardif
Facsimile: (416) 361-2559

5.3. **Interpretation**. The words "hereof," "herein" and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, and article, section, paragraph, exhibit and

schedule references are to the articles, sections, paragraphs, exhibits and schedules of this Agreement unless otherwise specified. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." All terms defined in this Agreement shall have the defined meanings contained herein when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms. All pronouns contained in this Agreement encompass the masculine as well as to the feminine and neuter genders of such terms. Any Contract, instrument or Law defined or referred to herein or in any Contract or instrument that is referred to herein means such Contract, instrument or Law as from time to time, amended, qualified or supplemented, including (in the case of Contracts and instruments) by waiver or consent and (in the case of Laws) by succession of comparable successor Laws and all attachments thereto and instruments incorporated therein. References to a person are also to its or his permitted successors and assigns. The parties have participated jointly in the negotiation and drafting of this Agreement having the assistance of counsel and other advisers. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement. The language used in this Agreement and the other agreements contemplated hereby shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

5.4. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission or other electronic means shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or other electronic means shall be deemed to be their original signatures for any purposes whatsoever.

5.5. Entire Agreement. This Agreement and, to the extent referenced herein, the Asset Purchase Agreement and the Transaction Documents, together with the several agreements and other documents and instruments referred to herein or therein or annexed hereto or thereto, embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written and oral, that may have related to the subject matter hereof in any way.

5.6. Governing Law; Waiver of Jury Trial; Consent to Jurisdiction.

(a) The parties agree that this Agreement shall be governed by and construed in accordance with the Laws of the Province of Ontario, Canada and the Laws of Canada applicable in that Province, excluding any rule or principle that might refer the governance or the construction of this Agreement to the laws of another jurisdiction.

(b) EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE PROVINCE OF ONTARIO. CANADA SITTING IN TORONTO, SOLELY IN RESPECT OF THE INTERPRETATION AND ENFORCEMENT OF THE PROVISIONS OF THIS AGREEMENT AND OF THE DOCUMENTS REFERRED TO IN THIS AGREEMENT, AND HEREBY WAIVES, AND AGREES NOT TO ASSERT, AS A DEFENSE IN ANY ACTION, SUIT OR PROCEEDING FOR THE INTERPRETATION OR ENFORCEMENT HEREOF OR OF ANY SUCH DOCUMENT, (A) THAT IT IS NOT SUBJECT THERETO OR THAT SUCH ACTION, SUIT OR PROCEEDING MAY NOT BE BROUGHT OR IS NOT MAINTAINABLE IN SAID COURTS, (B) THAT THE VENUE THEREOF MAY NOT BE APPROPRIATE OR (C) THAT THE INTERNAL LAWS OF THE STATE OF DELAWARE DO NOT GOVERN THE VALIDITY, INTERPRETATION OR EFFECT OF THIS AGREEMENT, AND THE PARTIES HERETO IRREVOCABLY AGREE THAT ALL DISPUTES WITH RESPECT TO SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN SUCH A STATE OR FEDERAL COURT. EACH PARTY HEREBY CONSENTS TO AND GRANTS ANY SUCH COURT JURISDICTION OVER THE PERSON OF SUCH PARTIES AND OVER THE SUBJECT MATTER OF ANY SUCH DISPUTE AND AGREES THAT MAILING OF PROCESS OR OTHER PAPERS IN CONNECTION WITH ANY SUCH ACTION OR PROCEEDING IN THE MANNER PROVIDED IN SECTION 5.2, OR IN SUCH OTHER MANNER AS MAY BE PERMITTED BY LAW, SHALL BE VALID AND SUFFICIENT SERVICE THEREOF.

5.7. **Amendment; Waiver**. This Agreement may not be amended except by an instrument in writing signed by the Purchaser the Shareholder and the Parent. Each party may waive any right of such party hereunder by an instrument in writing signed by such party and delivered to the Purchaser and the Parent, in the case the Shareholder is the waiving party, or to the Shareholder and the Parent, in the case the Purchaser is the waiving party.

5.8. **Remedies**.

(a) In the event that any covenant or agreement in this Agreement is not performed in accordance with its terms, each party hereto agrees that, in addition to any other remedy at law or in equity, the non-breaching party will have the right to an injunction, temporary restraining order, specific performance or other equitable relief in any court of competent jurisdiction enjoining any such breach and enforcing specifically the terms and provisions hereof. Each party hereto agrees not to oppose the granting of such relief in the event a court determines that such a breach has occurred, and to waive any requirement for the securing or posting of any bond in connection with such remedy.

(b) All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise or beginning of the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

5.9. **Severability**. Any term or provision of this Agreement which is determined by a court of competent jurisdiction to be invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering

invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction, and if any provision of this Agreement is determined to be so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable, in all cases so long as neither the economic nor legal substance of the transactions contemplated hereby is affected in any manner adverse to any party. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to affect the original intent of the parties as closely as possible and to the end that the transactions contemplated hereby shall be fulfilled to the maximum extent possible.

5.10. Successors and Assigns; Third Party Beneficiaries. Except in connection with a Permitted Transfer as provided herein, neither this Agreement nor any of the rights or obligations of any party under this Agreement shall be assigned, in whole or in part, by any Shareholder without the prior written consent of the Purchaser and the Parent. Subject to the foregoing, this Agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the parties hereto or their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

5.11 Disclosure. Prior to the first public disclosure of the existence and terms and conditions of this Agreement by the Purchaser or the Parent or an Affiliate thereof, the Shareholder shall not disclose the existence of this Agreement or any details hereof or the possibility of the Transactions being effected to any person other than: (a) the Shareholder's advisors (provided that the Shareholder's advisors shall be required to comply with the foregoing disclosure obligations and the Shareholder agrees to be responsible for any breach of such disclosure obligations by any of the Shareholder's advisors); and (b) the Parent and its directors, officers and advisors, without the prior written consent of the Purchaser, except to the extent required by applicable law, and any disclosure by the Shareholder after the first public disclosure of the existence and terms and conditions of this Agreement by the Purchaser or the Parent or an Affiliate thereof shall be permitted only to the extent that any such information disclosed by the Shareholder has already been publicly disclosed by one of these parties other than the Shareholder. Notwithstanding anything contained herein or elsewhere, the existence and terms and conditions of this Agreement may be disclosed by the Purchaser or the Parent or an Affiliate thereof in any press release issued in connection with the execution of the Asset Purchase Agreement or to the extent required by Applicable Law.

5.13 Capacity as a Shareholder. Each Shareholder makes its or his agreements and understandings herein solely in its or his capacity as the record holder and beneficial owner of the Covered Shares. Notwithstanding anything to the contrary herein, nothing herein shall limit or affect any actions taken by the Shareholders solely in their capacity as directors or officers of the Parent or the Company.

5.14 Fees and Expenses. Each party hereto shall pay its or his own fees and expenses (including those of its or his counsel and other advisors) incurred in connection with this Agreement.

[*Remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed (where applicable, by their respective officers or other authorized Person thereunto duly authorized) as of the date first written above.

THE SCOULAR COMPANY

By _____

Name:
Title:

LEGUMEX WALKER INC.

By _____

Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed (where applicable, by their respective officers or other authorized Person thereunto duly authorized) as of the date first written above.

[SHAREHOLDER]

By _____

Name:
Title:

SCHEDULE E

GENERAL CONVEYANCE AND ASSUMPTION AGREEMENT

THIS AGREEMENT dated [•], 2015.

BETWEEN:

[•]

As Vendor

- and -

[The Scoular Company]

As Purchaser

RECITALS:

A. Pursuant to an asset purchase agreement (the "**Purchase Agreement**") dated [•], 2015, among Legumex Walker Inc., a Canadian corporation, Legumex Walker Canada Inc., a Canadian corporation, St. Hilaire Seed Company, Inc., a Minnesota corporation, Legumex Walker Sunflower LLC, a Minnesota limited liability company, and the Scoular Company, a Nebraska corporation, the Vendor agreed to sell, transfer, convey and assign to the Purchaser and the Purchaser agreed to purchase and acquire, as of the Effective Time, all of the Purchased Assets owned by Vendor.

B. Subject to the terms and conditions of the Purchase Agreement, the Purchaser agreed to assume, pay, satisfy, discharge, perform and fulfil, the Assumed Liabilities.

C. Pursuant to the Purchase Agreement, the Vendor and the Purchaser agreed to enter into this Agreement.

IN CONSIDERATION of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Defined Terms. In this Agreement and in the recitals, capitalized terms used and not defined in this Agreement have the meanings given to them in the Purchase Agreement.

1.2 Purchase Agreement. This Agreement is made pursuant to the Purchase Agreement. This Agreement is in all respects subject to the provisions of the Purchase Agreement, and is not intended in any way to limit or qualify any provision of the Purchase Agreement. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement prevail.

1.3 Headings. In this Agreement, the division into Articles and Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

ARTICLE 2
CONVEYANCE OF PURCHASED ASSETS

2.1 Sale and Transfer. Subject to the terms and conditions set forth in the Purchase Agreement, including Section 2.4 thereof, Vendor hereby sells, transfers, assigns, conveys and delivers to the Purchaser, and the Purchaser hereby purchases and acquires from the Vendor, effective as of the date hereof, free and clear of all Encumbrances except for Permitted Encumbrances, all of the Vendor's right, title and interest in and to the Purchased Assets.

2.2 Excluded Assets. This Agreement is not to be construed as a sale, transfer, conveyance or assignment of any Excluded Assets.

ARTICLE 3
ASSUMPTION OF LIABILITIES

3.1 Assumption by the Purchaser. Subject to the terms and conditions set forth in the Purchase Agreement, including Section 2.4 thereof, the Purchaser hereby assumes, and agrees to pay, satisfy, discharge, perform and fulfil, from and after the Effective Time, the Assumed Liabilities of the Vendor.

3.2 Excluded Liabilities. The Purchaser shall not assume or have any obligation to discharge, perform or fulfill any obligation or liability with regards to the Excluded Liabilities.

ARTICLE 4
GENERAL

4.1 Further Assurances. The parties shall promptly do, execute, deliver or cause to be done, executed or delivered all further acts, documents and matters in connection with this Agreement that the other party may reasonably require, for the purposes of giving effect to this Agreement including for the purposes of perfecting or protecting the Purchaser's interest in and to the Purchased Assets.

4.2 Power of Attorney. The Vendor hereby constitutes and appoints the Purchaser the true and lawful attorney of the Vendor, for and in the name of or otherwise on behalf of the Vendor, with full power of substitution, to do and execute all acts, documents and matters whatsoever necessary for the sale, transfer, conveyance and assignment to the Purchaser of any interest of the Vendor in and to the Purchased Assets. The Vendor hereby acknowledges that the appointment hereby made and the powers hereby granted are coupled with an interest and are not and shall not be revocable by it in any manner or for any reason.

4.3 Governing Law. This agreement is governed by, and interpreted and enforced in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that province, excluding the choice of law rules of that province.

4.4 Enurement. This Agreement enures to the benefit and is binding on the parties and their respective successors and permitted assigns.

4.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which is deemed to be an original and all of which taken together constitute one agreement. Delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in legible form, in a tagged image format file (TIFF) or portable document format (PDF), is equally effective as delivery of a manually executed counterpart of this Agreement.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF the parties have duly executed this Agreement.

[•]

By: _____
Name:
Title:

[THE SCOULAR COMPANY]

By: _____
Name:
Title:

SCHEDULE F

BILL OF SALE

BILL OF SALE dated as of the ___ day of [•], 2015 (this "**Bill of Sale**"), between [•], (the "**Vendor**") and [The Scoular Company] (the "**Purchaser**").

WHEREAS Legumex Walker Inc., a Canadian corporation, Legumex Walker Canada Inc., a Canadian corporation, St. Hilaire Seed Company, Inc., a Minnesota corporation, Legumex Walker Sunflower LLC, a Minnesota limited liability company, and the Scoular Company, a Nebraska corporation have entered into an Asset Purchase Agreement, dated as of [•], 2015 (the "**Purchase Agreement**"), for the purchase and sale of, among other things, all vehicles or other equipment requiring license plates of the Vendor that are Purchased Assets (the "**Purchase Vehicles**");

WHEREAS, pursuant to the Purchase Agreement, the Vendor has agreed to cause to be sold, and the Purchaser has agreed to purchase, among other things, the Purchased Vehicles;

WHEREAS all capitalized terms used in this Bill of Sale have the same respective meaning as those defined in the Purchase Agreement, unless otherwise defined in this Bill of Sale; and

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained in this Bill of Sale, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by the parties to this Bill of Sale), the parties agree as follows:

1. Transfer of the Purchased Vehicles. On the terms and subject to the conditions set forth in the Purchase Agreement, the Vendor hereby transfers, conveys and assigns unto the Purchaser, effective as of the date hereof, all of the Vendor's right, title, interest in and to the Purchased Vehicles free and clear of all Encumbrances (other than Permitted Encumbrances), including without limitation, the vehicles listed on Schedule A hereto.

2. Purchase Agreement. This Bill of Sale is made pursuant to the Purchase Agreement. This Bill of Sale is in all respects subject to the provisions of the Purchase Agreement, and is not intended in any way to limit or qualify any provision of the Purchase Agreement. In the event of any conflict or inconsistency between the provisions of this Bill of Sale and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement prevail.

3. Further Assurances. Each of the parties hereto shall, at its own expense, execute and deliver such documents and take such actions as may reasonably be required to carry out the provisions of this Bill of Sale and give effect to the transactions contemplated by this Bill of Sale.

4. Successors and Assigns. This Bill of Sale shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

5. Governing Law. This Bill of Sale shall be governed and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, and the parties hereto hereby submit to the jurisdiction of the courts of such Province.

6. Counterparts. This Bill of Sale may be executed in any number of counterparts, including by means of facsimile, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have signed this Bill of Sale as of the date first written above.

[•]

By: _____
Name:
Title:

[THE SCOULAR COMPANY]

By: _____
Name:
Title:

SCHEDULE A

PURCHASED VEHICLES

Make	Model	Year	Vehicle Identification Number

SCHEDULE G

Closing Working Capital

Calculation Guidelines

Closing Working Capital means, as of the Effective Time, (1) the sum of (a) Closing Accounts Receivable, (b) Closing Inventories and (c) Closing Prepaid Expenses; *minus* (2) the sum of (x) Closing Accounts Payable and (y) Closing Accrued Liabilities; *plus or minus* (3) Closing Currency Adjustment. Except as expressly set forth below in this Schedule G, the calculation of Closing Working Capital shall be prepared in accordance with IFRS applied on a basis consistent with the preparation of the Financial Statements.

Closing Accounts Receivable – Closing Accounts Receivable shall include only Accounts Receivable as set forth on the general ledger of the Parent at the Effective Time that are *bona fide*, arose in the Ordinary Course of Business, are related to the Business, are accurately stated as to the amount that is owed for each receivable and, to the Knowledge of the Parent, are valid, enforceable and collectible and as to which the account debtor has no excuse or defense to payment or right of setoff or counterclaim. Each Closing Account Receivable shall be shown on a schedule that includes the original date on which the receivable amount was first due by the account debtor (the "**Due Date**") without regard to any subsequently allowed extensions thereof.

Closing Accounts Receivable shall, for purposes of calculating Closing Working Capital, be valued at net realizable value. Notwithstanding the foregoing, all Accounts Receivable owed by an "Aged Account Debtor" (as defined below) shall be valued at zero; provided, however, that in the event that the Purchaser, after the consultation with Parent as described below, elects to value at net realizable value any Account Receivable owed by an Aged Account Debtor, then it shall value at net realizable value all Accounts Receivable owed by that same Aged Account Debtor.

> An "**Aged Account Debtor**" is any account debtor who owes any Account Receivable for which the Due Date is more than sixty (60) calendar days prior to the Closing Date.
>
> A Closing Account Receivable shall only be assigned zero value after Purchaser's consultation with the Parent to understand the commercially relevant facts and circumstances surrounding the specific Account Receivable, including past dealings between the Parent and the Aged Account Debtor in question.

Closing Accounts Receivable shall not include, and Purchaser shall have no obligation to pursue collection of, Accounts Receivable that are owed by an account debtor that causes Purchaser, in the reasonable exercise of commercial judgment, to doubt collectability (e.g.: foreign account debtors located in nations without legal recourse reasonably accessible to foreign plaintiffs) ("**Rejected Accounts Receivable**"). The exclusion of an Account Receivable from Closing Accounts Receivable and inclusion as a Rejected Account Receivable shall occur only after consultation with Parent as described above.

The Transitional Services Agreement shall contain provisions for the Purchaser to use commercially reasonable efforts to collect, and remit to the Parent, any Closing Account

Receivable existing at the Effective Time which is assigned zero value for the purpose of calculating Closing Working Capital ("**Zero Valued Closing Accounts Receivables**"). The Purchaser's obligation to provide transition services for the collection and remittance of such Zero Valued Closing Accounts Receivable shall end on the later of: (i) six months following the Closing Date and (ii) the expiry of the Claims Notice Period (as defined in the Agreement), after which time, upon request of Parent, Purchaser shall sell any uncollected Zero Valued Closing Accounts Receivable to Parent for $1.00.

In the event an Aged Account Debtor disputes any portion of its Zero Valued Closing Accounts Receivable(s) (a "**Disputed Zero Valued Closing Accounts Receivable**"), promptly upon being made aware of the dispute, Purchaser shall provide to the Vendor notice of the dispute (including details). In addition, Purchaser will provide the Vendor the opportunity to resolve the dispute with the Aged Account Debtor, and Purchaser will co-operate with Vendor to resolve the dispute.

In the event Purchaser elects to reclassify a Rejected Accounts Receivable or Zero Valued Closing Account Receivable as a Closing Account Receivable, such reclassification shall occur only after consultation with Parent. If the reclassified Closing Account Receivable is denominated in a currency other than the Canadian dollar, the reclassified Closing Account Receivable will be converted into Canadian dollars using the closing daily rate published by the Bank of Canada on the business day just preceding the date the Rejected Account Receivable or Zero Valued Closing Account Receivable, as applicable, is reclassified as a Closing Account Receivable.

Purchaser shall apply payments received from an Aged Account Debtor against accounts receivable in chronological order based on Due Date, with payments being applied first against the oldest outstanding account receivable then due and owing; provided, however, that no payment will be applied against a Disputed Zero Valued Closing Accounts Receivable until resolution of the dispute and receipt of funds. To the extent applicable, payments in respect of a Disputed Zero Valued Closing Accounts Receivable received will be applied against the Disputed Zero Valued Closing Accounts Receivable in chronological order based on Due Date. Without in any way limiting the foregoing and for purposes of clarification only, if an Aged Account Debtor specifies the invoice(s) for which it is making payment, then the payment shall be applied as specified if the specified invoice(s) are the oldest outstanding accounts receivable and, if not, all older outstanding accounts receivable owed by such Aged Account Debtor are Disputed Zero Valued Closing Accounts Receivable and the provisions set out above in the full first paragraph of this page shall apply.

Purchaser is not purchasing and accordingly, shall have no obligation to collect Rejected Accounts Receivable.

Closing Inventory – Closing Inventory shall include only Inventories of the Business (and not related to Excluded Assets). Closing Inventory shall be divided into "**Lots**" that are differentiated on the basis of commodity, type, class and grade to facilitate the calculation of quantity, quality and value to be assigned in the calculation of Closing Working Capital. Unless otherwise agreed by the Parties, the quantity and quality of each Lot of Closing Inventory will be

established by a joint physical inventory to be completed by the parties within five (5) calendar days prior to the Closing Date.

Quantity: If, following the physical inventory, the Parent and the Purchaser do not agree on the quantity of any Lot of Closing Inventory, then the Parties shall jointly engage SGS Canada Inc. (6490 Vipond Drive, Mississauga, Onatrio, L5T 1W8) to conduct an independent audit and the auditor's determination of the quantity of such Lot of Closing Inventory will be final and binding on the Parties.

Quality: If, following the physical inventory, the Parent and the Purchaser do not agree on the quality of any Lot of Closing Inventory, then the Parties shall jointly engage a mutually agreed upon government agency or independent food grading laboratory to assess the Lot in question by appropriate physical inspection, sampling and grading and the results of such independent inspection will be final and binding on the Parties.

As needed, Closing Inventory shall be rolled forward for Inventory received and Inventory shipped between the date of the physical inventory and the Effective Time using weight tickets and/or bills of lading.

For each Lot of Inventory, "**Cost**" will be expressed per unit and means the sum of all direct costs incurred by Parent up to the Effective Time to acquire, receive, store, process and otherwise ready the Lot for subsequent shipment, but expressly excludes any allowance for SG&A, overhead or profit.

Any Lot of Closing Inventory that is finished and conforms to the specifications of a Trade Sale with delivery to occur within thirty (30) days following the Closing Date ("**Sold Closing Inventory**") will be valued at Cost for purposes of calculating Closing Working Capital. The remaining Closing Inventory ("**Open Closing Inventory**") will be valued at the lower of (i) Cost and (ii) net realizable value.

Net Realizable Value: If the Parent and the Purchaser are unable to agree on the net realizable value for any Lot of Closing Open Inventory, then the Parties shall jointly engage Brian Clancey, Senior Market Analyst at STAT Communications Ltd. to determine the net realizable value (as the mid-point between bids and offers for similar product for a similar shipment period) for such Lot, and such determination shall be final and binding on the parties. Packaging supplies held for future use, but have not been used in the Business during the twelve (12) months preceding the Closing Date, shall be deemed obsolete and assigned zero in the calculation of Closing Inventory. Parent may but is not obligated to take possession of any such packaging inventory for which Purchaser has assigned a zero value. The parties acknowledge that they are retaining Brian Clancey as an individual and not the firm STAT Communications Ltd. Should Brian Clancey be unavailable or otherwise unable to provide the requested services, the parties will agree on a mutually acceptable substitute broker.

Closing Prepaid Expenses –Closing Prepaid Expenses shall include only those prepaid expenses of the Business as set forth on the general ledger of the Parent at the Effective Time as are itemized showing the date paid, the payee, the type of expense paid (including its relationship to the Business or the Purchased Assets) and the period covered by the prepaid expense. Prepaid

Expenses related to Excluded Assets or Excluded Liabilities will not be acquired by Purchaser and therefore will have no value in the calculation of Closing Working Capital.

Apportionment by Time. Closing Prepaid Expenses that accrue for periods of time (e.g., rent) shall be apportioned based on calendar days in the Covered Period, such that the Parties shall include in the calculation of Closing Working Capital only that portion of the prepaid expense that bears to the whole the same ratio as the number of calendar days in the Covered Period beginning on the Closing Date bears to the total number of calendar days in the Covered Period.

Apportionment by Consumption. Closing Prepaid Expenses that accrue based on consumption (e.g., fuel, utilities) shall be apportioned based on actual consumption, if measurable, such that the Parties shall include in the calculation of Closing Working Capital only that portion of the prepaid expense that remains available for consumption beginning on the Closing Date. If there are prepaid expenses of the Business for consumed items that are not measurable, then the Parties shall make a good faith estimate of the portion of the prepaid expense that remains available for use or consumption by the Purchaser beginning on the Closing Date.

Closing Accounts Payable – Closing Accounts Payable shall include only those accounts payable as set forth on the general ledger of the Parent at the Effective Time that are *bona fide*, arose in the Ordinary Course, are related to the Business, are accurately stated in the amount owed to the named account creditor and as to which there is no condition, contingency or claim of others to the same funds or for monies otherwise due for the same liability. Accounts Payable related to Excluded Assets or Excluded Liabilities will not be assumed by Purchaser and therefore will have no value in the calculation of Closing Working Capital.

Closing Accrued Liabilities – Closing Accrued Liabilities shall include only those accrued liabilities of the Business as set forth on the general ledger of the Parent at the Effective Time as are itemized showing the source of the obligation, the date of accrual, the identity of the obligee, the nature of the liability undertaken (including its relationship to the Business or the Purchased Assets) and the period covered by the accrued liability. Accrued Liabilities related to Excluded Assets or Excluded Liabilities will not be assumed by Purchaser and therefore will have no value in the calculation of Closing Working Capital.

Apportionment by Time. Accrued liabilities that accrue for periods of time (e.g., rent, handling fee minimums) shall be apportioned based on calendar days in the Covered Period, such that the Parties shall include in the calculation of Closing Working Capital only that portion of the accrued liability that bears to the whole the same ratio as the number of calendar days in the Covered Period beginning on the Closing Date bears to the total number of calendar days in the Covered Period.

Apportionment by Consumption. Accrued liabilities that accrue based on of consumption (e.g., per unit handling fees, storage charges) shall be apportioned based on actual consumption, if measurable, such that the Parties shall include in the calculation of Closing Working Capital only that portion of the accrued liability that relates to use or consumption beginning on the Closing Date. If there are accrued liabilities for consumed items that are not measurable, then the Parties shall make a good faith estimate of the

portion of the accrued liability that relates to use or consumption by the Purchaser beginning on the Closing Date.

Closing Currency Adjustment – As of the Effective Time, for each Trade Contract in which the goods to be sold by a Vendor (or to be purchased by a Vendor) and the price to be paid are denominated in a currency other than the Canadian dollar, the Closing Currency Adjustment shall be determined using the Contract Date Exchange Rate (as defined below) and the Effective Time Exchange Rate (as defined below) and shall be equal to the positive or negative difference in respect of the total price to be paid for the goods sold or purchased (inclusive of freight charges) for each such Trade Contract (the "**Closing Date Currency Amount**"). The sum of all Closing Date Currency Amounts equals the Closing Currency Adjustment. Purchaser shall have no liability to the Parent for gains or losses on, or for the assumption of, any derivatives or other instruments used the by Parent as hedges of its currency exposure. For greater clarity, freight expenses shall not be deducted from Trade Contract prices (for the sale of goods by a Vendor) and shall not be added to Trade Contract prices (for the purchase of goods by a Vendor). A Closing Currency Adjustment shall only be made in respect of "open" Trade Contracts, being those Trade Contracts where the product has not been shipped or otherwise resulted in a Closing Account Receivable or Closing Account Payable.

The "**Contract Date Exchange Rate**" shall be US$1=C$1.24165 for Trade Contracts entered into on or before June 8, 2015 and shall be established as the closing daily rate published by the Bank of Canada on the date of the applicable Trade Contract for Trade Contracts entered into after June 8, 2015. If the Bank of Canada is closed in relation to any Trade Contract date (Saturday, Sunday or statutory holidays) the following business day on which the Bank of Canada is open will be the date for which the closing daily rate is applicable.

The "**Effective Time Exchange Rate**" shall be established as the closing daily rate published by the Bank of Canada on the business day just preceding the Closing Date.

* * * * *

For purposes of determining Preliminary Closing Working Capital and Closing Working Capital in accordance with Section 2.7 of the Asset Purchase Agreement, the parties agree that to the extent any account receivable, prepaid expense, account payable or accrued liability is denominated in a currency other than the Canadian dollar, such asset or liability will be converted into Canadian dollars using the Published Exchange Rate.

The "**Published Exchange Rate**" shall be established as the closing daily rate published by the Bank of Canada on the business day just preceding the date funds are to be transferred pursuant to Sections 2.6 and 2.8 of the Asset Purchase Agreement.

* * * * *

Costs – The costs and expenses of any third party engaged pursuant to this Schedule G (e.g.: to resolve a dispute between the Parties about the quality, quantity or valuation of any portion of the Closing Inventory) shall be borne equally between the Parent and the Purchaser.

Covered Period – The period of time period covered by the prepaid expense or accrued liability, as applicable.

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT (this "*Agreement*"), dated as of [DATE], 2015, is made and entered into by and among Legumex Walker Canada Inc., a corporation incorporated under the laws of Canada (the "*Seller*"), Legumex Walker Inc., a public corporation incorporated under the laws of Canada, which wholly owns and controls the Seller (the "*Seller Parent*") and The Scoular Company, a corporation incorporated under the Laws of the State of Nebraska (the "*Purchaser*")(collectively as the "*Parties*").

RECITALS

WHEREAS, the Seller is the sole shareholder of Legumex Walker China Limited, a limited liability company incorporated on February 8, 2011 under the laws of Hong Kong, Registration No. 1559427, with a registered office situated at Flat E, 8/F., World Tech Centre, 95 How Ming Street, Kwun Tong, Kowloon, Hong Kong (the "*Company*").

WHEREAS, Legumex Walker (Tianjin) International Trading Ltd. (the "*PRC Subsidiary*"), a limited liability company, is wholly-owned by the Company and incorporated under the laws of PRC with registered office situated at 249 Huanghai Rd, Zhongxinwuliuyuan, Unit 6, 2nd Floor, Room D24, Tianjin Economic-Technological Development Area, Tianjin China.

WHEREAS, the Seller Parent, the Seller, St. Hilaire Seed Company, Inc., Legumex Walker Sunflower LLC, and the Purchaser have entered into an Asset Purchase Agreement, dated as of [DATE], 2015 (including any amendments and schedules thereto, the "*APA*").

WHEREAS, the APA contemplates the sale and purchase of the Purchased Assets (as defined in Section 2.1 to the APA), which includes, among other things, 100% of the issued and outstanding share capital of the Company (the "*Hong Kong Shares*") owned by the Seller. As at the date of this Agreement, the Hong Kong Shares comprises one (1) issued and outstanding ordinary share.

WHEREAS, the APA stipulates the parties, understandings, undertakings, representations and warranties regarding the purchase and sale of the Purchased Assets, which includes the Hong Kong Shares. The terms of the APA are incorporated by reference herein.

WHEREAS, the Seller desires to sell and the Purchaser desires to purchase the Hong Kong Shares, including the rights and interest in and title to the Hong Kong Shares, upon and subject to the terms and conditions set out herein and in the APA.

WHEREAS, after Closing (as defined in Section 2.1 below) of the purchase and sale of Hong Kong Shares, the Purchaser shall own one hundred per cent (100%) of the Company's equity interests in accordance with Hong Kong laws.

AGREEMENTS

NOW THEREFORE, in consideration of the foregoing the Parties hereto agree as follows:

ARTICLE I

Purchase and Sale of Hong Kong Shares

Section 1.1 Purchase and Sale. On the basis of the representations, warranties, covenants, undertakings and agreements and subject to the conditions set forth in the Agreement and in the APA, at Closing (as defined in Section 2.1 below) the Seller agrees to sell as legal and beneficial owner of the Hong Kong Shares and the Purchaser agrees to purchase from the Seller the Hong Kong Shares owned by the Seller, free from all liens, charges, encumbrances, options, other third party rights and claims of any kind whatsoever and together with all rights now or hereafter attaching therein, for an aggregate consideration of [•] United States Dollars (US$[•]) (the "*Purchase Price*").

ARTICLE II

Closing and Delivery

Section 2.1 The closing of the purchase and sale of the Hong Kong Shares contemplated herein (the "*Closing*") shall take place at the offices of Dorsey & Whitney LLP at Suite 3008, One Pacific Place, 88 Queensway, Hong Kong (or at such other place as agreed to by the Seller Parent and Purchaser), simultaneously with the execution and delivery of this Agreement.

Section 2.2 At Closing, the Purchaser shall pay the Purchase Price payable by it in respect of the Hong Kong Shares in accordance with the terms of the APA.

Section 2.3 At Closing, the Seller shall deliver to the Purchaser:

(a) the instrument of transfer in respect of the Hong Kong Shares duly executed by the Seller in favor of the Purchaser (or its designated person(s)) accompanied by the relevant original share certificate in respect of the Hong Kong Shares which has been duly cancelled;

(b) the bought and sold notes in respect of the transfer of the Hong Kong Shares duly executed by the seller;

(c) the existing share certificate issued by the Company representing the Hong Kong Shares;

(d) original or certified copies of the board resolutions of the Seller approving the sale of the Hong Kong Shares;

(e) original or certified copies of the board resolutions of the Seller removing Joel Stuart Horn and Anthony Terrence Kulbacki from directors of the Company and appointing [TWO SCOULAR EXECUTIVES] as directors of the Company.

(f) original or certified copies of the shareholder and board resolutions of the Company:

(i) approving the registration of the transfer of the Hong Kong Shares, the issuance of new share certificate in the name of the Purchaser or its nominee(s), and cancellation of the existing share certificate referred to above;

(ii) authorizing the update of the register of members of the Company to reflect the transfer of Hong Kong Shares; and

(iii) waiving any consent rights, right of first refusal and all similar rights of the Seller in connection with the sale and transfer of the Hong Kong Shares or restrictions on transfer over any of the Hong Kong Shares.

(iv) removing Joel Stuart Horn and Anthony Terrence Kulbacki from the directors of the Company and appointing [TWO SCOULAR EXECUTIVES] as directors of the Company and authorizing the update of the register of directors of the Company

(v) removing Joel Stuart Horn, Anthony Terrence Kulbacki and Aimei Chen ("陈爱梅") from directors of the PRC Subsidiary and appointing [THREE SCOULAR EXECUTIVES] as directors of the PRC Subsidiary and authorizing the update of the register and government filings of directors of the PRC Subsidiary in China;

(g) a copy of the Company's register of members, updated and certified to reflect the sale and transfer of the Hong Kong Shares, and the new share certificate issued by the Company to the Purchaser (or its nominee) representing the Hong Kong Shares transferred to it;

(h) letters of resignation of Joel Stuart Horn and Anthony Terrence Kulbacki as directors of the Company and letters of resignation of Joel Stuart Horn, Anthony Terrence Kulbacki and Aimei Chen ("陈爱梅") as directors of the PRC Subsidiary, such resignations to include a confirmation that such person has no claim of any nature whatsoever against the Company or the PRC Subsidiary, as applicable (including without limitation, compensation for loss of office);

(i) a copy of the Company's register of directors, updated and certified to reflect the resignations of Joel Stuart Horn and Anthony Terrence Kulbacki and appointments of [TWO SCOULAR EXECUTIVES] as new directors appointed by the Purchaser;

(j) a copy of the good standing certificate of the Company and the PRC Subsidiary;

(k) in relation to each bank account of the Company and the PRC Subsidiary:

(i) bank statement of the last month (if any) prior to Closing and the cash book balances as at one (1) business day prior to Closing;

(ii) letters addressed to each bank at which the Company and the PRC Subsidiary has a bank account and executed by an appropriate director/legal representative of the Company the PRC Subsidiary which, upon delivery, will cancel all existing account signatories and mandates (and will appoint as signatories such persons as the Purchaser may nominate);

(iii) photocopies of all existing account signatories and mandates (including both signed and unsigned copies); and

(iv) all cheque books (if any) in relation to the Company and the PRC Subsidiary;

(l) copies of the current business licenses or certificate of the Company and the PRC Subsidiary (all of which shall be deemed delivered if the Seller has notified the Purchaser of their location and the Purchaser locates and controls such documents on the Closing);

(m) such documents as required to be submitted to the Hong Kong Governmental Authority for stamping of the share transfer contemplated under this Agreement, which includes the following items:

(i) Executed instrument of transfer;

(ii) Executed bought and sold notes;

(iii) Memorandum and Articles of Association of the Company;

(iv) A statement of landed properties;

(v) Latest audited accounts of the Company;

(vi) If the audited accounts are not made up to a date within 6 months prior to the date of the purchase and sale of Hong Kong Shares, a certified latest management account of the Company;

(vii) A certified copy of the Return of Allotments for increase of share capital (if relevant);

(viii) A certified copy of the resolutions of meetings of directors for dividends paid or payable (if relevant);

(n) all financial and accounting books and records of the Company and the PRC Subsidiary (all of which shall be deemed delivered if the Seller has notified the Purchaser of their location and the Purchaser locates and controls such documents on the Closing);

(o) such other documents as the Purchaser may reasonably require to obtain good title to the Hong Kong Shares and to enable the Purchaser or such party as it nominates to be registered as the holder of the Hong Kong Shares; and

(p) a "Notification of Payment/Satisfaction of Debt, Release from Charge, etc." (Form NM2) duly filed with the Hong Kong Companies Registry evidencing the discharge of a debenture dated June 17, 2011 entered into by Sino-Walker International Limited;

provided, that item 2.3(g) above shall only be delivered by the Seller to the Purchaser at Closing after the instrument of transfer has been duly stamped by the Stamp Duty Office in Hong Kong on the same day.

ARTICLE VI

Miscellaneous

Section 5.1 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China, without reference to the choice of law principles thereof. Any dispute, controversy, difference or claim arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre under the Hong Kong International Arbitration Centre Administered Arbitration rules in force when the Notice of Arbitration is submitted. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be one. The arbitration proceedings shall be conducted in English.

Section 5.2 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same document.

Section 5.3 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable Law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision was so excluded and shall be enforceable in accordance with its terms.

Section 5.4 Amendment. This Agreement may be amended at any time by a written instrument signed by all parties hereto. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

Section 5.5 Assignment. No Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement to any person without the prior written consent of the other Parties; provided, however, that prior to the Closing Date, the Purchaser may, without the prior written consent of the other Parties, assign all or any portion of its rights and/or obligations under this Agreement to one or more of its direct or indirect, wholly owned subsidiaries. No assignment shall relieve the assigning Party of any of its

obligations hereunder.

Section 5.6 Cost. Each party to this Agreement shall pay its own costs and disbursements of and incidental to this Agreement. Any stamp duty payable on the sale and purchase of the Hong Kong Shares shall be shared equally between the Seller and the Purchaser.

Section 5.7 Language. This Agreement is prepared in English.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first written above.

SELLER

Legumex Walker Canada Inc.

_____

By: _____

Its: _____

SELLER PARENT

Legumex Walker Inc.

_____

By: _____

Its: _____

PURCHASER

The Scoular Company

_____

By: _____

Its: _____

Schedule I

Transitional Services Agreement – List of Services

The following principles will be included in the Transitional Services Agreement to be to be entered into among the Vendors, the Parent and the Purchaser as of the Closing Date. All capitalized terms used but not otherwise defined herein shall have the same respective meanings as those terms defined in the Asset Purchase Agreement, dated as of September 14, 2015, by and among Legumex Walker Inc., Legumex Walker Canada Inc., St. Hilaire Seed Company, Inc., Legumex Walker Sunflower LLC, and the Scoular Company (the "Purchase Agreement").

1. **Parent Transitional Employees**:

    a. The employees of the Parent (or any Vendor, as applicable) listed on the chart attached as Exhibit I-1 hereto shall be "Parent Transitional Employees".

    b. Effective as of the Closing Date, the Parent Transitional Employees will be assigned to perform the transition services specified herein (the "Transition Services") with a percentage of their time to be assigned to and supervised by the Purchaser and the balance of their time to be assigned to and supervised by the Parent. The percentage of each Parent Transitional Employee's time that will be assigned to and supervised by the Purchaser will be agreed to by the parties, acting reasonably.

    c. The Parent (or any Vendor, as applicable) will continue to employ such Parent Transitional Employee pursuant to his or her existing terms of employment as of the Closing Date until the earlier of (i) the discontinuation of services of such Parent Transitional Employee as directed by the Purchaser pursuant to paragraph (f) below; (ii) the end of the Transition Period (as defined below); or (iii) the voluntary resignation of such Parent Transitional Employee; provided that the Parent shall have the right to terminate any employee before the end of transition period for cause or if the services of such employee are not required in connection with the winding up of the operations of Parent.

    d. The Purchaser will pay the Parent in respect of each Parent Transitional Employee:

        i. An amount per day per employee equal to $22 multiplied by the percentage of each such Parent Transitional Employee's time that is allocated to the Purchaser to cover overhead for Parent Transitional Employees located in the Winnipeg and Redmond offices (but not the Transitional Employee that is located in the Saskatoon office) (the "Overhead Expense"); and

        ii. The percentage of the total payroll cost of the Parent, including all benefits and employer taxes, (or any Vendor, as applicable) for each Parent Transitional Employee that is equal to the percentage of each such Parent Transitional Employee's time that is allocated to the Purchaser pursuant to Exhibit I-1 (the "Payroll Expense").

The Payroll Expense and the Overhead Expense will be invoiced by the Parent bi-weekly to reflect the most recently ended payroll period for each Parent Transitional Employee. The payment is due from the Purchaser separate from any Purchase Price adjustment process or payment provided in the Purchase Agreement.

e. At any time during the Transition Period, the Purchaser may make an offer of regular employment to any Parent Transitional Employee; provided that the Purchaser shall give Parent at least 2 weeks' prior notice (unless such notice requirement is otherwise waived by the Parent) so that the Parent has an opportunity to re-assign the portion of that Parent Transitional Employee's work that was supervised by the Parent; provided further that (i) effective as of the date of such offer, any such Parent Transitional Employee who receives an offer of employment from the Purchaser shall be deemed to be a Scheduled Employee under the Purchase Agreement and the provisions of the Purchase Agreement related to Scheduled Employees shall apply to such Parent Transitional Employee; and (ii) if such Parent Transitional Employee accepts such offer, effective as of such date of acceptance, the Purchaser shall be required to comply with terms of the Asset Purchase Agreement as if such Parent Transitional Employee were a "Transferred Employee" (as defined under the Asset Purchase Agreement).

f. At any time during the Transition Period, the Purchaser may discontinue use of any one or more of the Parent Transitional Employees by giving at least one week advance notice thereof to the Parent. Upon cessation of that Parent Transitional Employee's duties to the Purchaser, the Purchaser will cease to have any obligation to pay the Parent any Overhead Expense or Payroll Expense with respect to such Parent Transitional Employee.

g. For the avoidance of doubt, the Purchaser will have no obligation to the Parent or any of the Vendors for any severance or bonus payments made or due to the Parent Transitional Employees, whether arising during the Transition Period or otherwise.

2. **Purchaser Transitional Employees**:

a. Subject to the approval of the Purchaser, the Parent may request that certain Transferred Employees employed by the Purchaser as of the Closing Date provide services to the Parent under the Transitional Services Agreement. Any such Transferred Employees who provide services to the Parent shall be "Purchaser Transitional Employees".

b. Effective as of the Closing Date, the Purchaser Transitional Employees will be assigned to perform the transition services for the Parent as specified in the Transitional Services Agreement, with a percentage of their time to be assigned to and supervised by the Parent and the balance of their time to be assigned to and supervised by the Purchaser, as agreed by the Parties, acting reasonably.

c. The Parent will pay the Purchaser in respect of each Purchaser Transitional Employee:

i. an amount per day per employee equal to $22 multiplied by the percentage of each such Purchaser Transitional Employee's time that is allocated to the Parent; and

ii. the percentage of the total payroll cost of the Purchaser, including all benefits and employer taxes, for each Purchaser Transitional Employee that is equal to the percentage of each such Purchaser Transitional Employee's time that is allocated to the Parent.

Such amounts will be invoiced by the Purchaser bi-weekly to reflect the most recently ended payroll period for each Purchaser Transitional Employee.

d. At any time during the Transition Period, the Parent may discontinue use of any one or more of the Purchaser Transitional Employees by giving at least one week advance notice thereof to the Purchaser. Upon cessation of that Purchaser Transitional Employee's duties to the Parent, the Parent will cease to have any obligation to pay the amounts set forth in paragraph 2(c) above with respect to such Purchaser Transitional Employee.

3. Timing

The "Transition Period" will begin on the Closing Date and terminate on the date that is 120 days following the Closing Date.

4. IT Requirements

Purchaser will allow Parent, on or promptly after the Closing Date, to copy (and save on Parent's server or other device) all data saved as at the Closing Date on the servers and computers to be acquired by the Purchaser from the Vendors and/or Parent; provided, that Parent shall deliver to the Purchaser duplicate copies of all such data that has been copied.

The Purchaser, in its sole discretion, will grant to the Parent Transitional Employees during the Transition Period access to all hardware, software, licenses, data and information of Purchaser ("Purchaser IT and Data") required for such Parent Transitional Employees to perform all of the tasks requested by the Purchaser or the Parent, acting reasonably, as part of the Transition Services; provided, that, for the avoidance of doubt, such Purchaser IT and Data shall continue to be "Purchased Assets" under the Purchased Agreement; provided, further that if the Purchaser incurs any "out of pocket" expenses in connection with granting the Parent or the Parent Transitional Employees access to the Purchaser IT and Data for purposes or tasks pertaining to obtaining copies of data as at the Closing Date requested by the Parent to be performed by Parent Transitional Employees, then such expenses shall be reimbursed by the Parent. For greater clarity, the Purchaser IT and Data shall only be used by the Parent Transitional Employees for activities requested by the Purchaser and are expected to include, but are not necessarily limited to the following:

Transition Team IT Requirements
Access to Scoular Servers
10 laptops / PC's
Licenses for required software
Access to live financial / transaction information
Access to Scoular printers / copiers / Winnipeg

At the reasonable request of Purchaser, Parent shall implement specific confidentiality measures to safeguard confidential information of the Purchaser and its Affiliates that may be included in the Purchaser IT and Data, including: physical measures (e.g., location of information, named Parent Transitional Employees with authorization to access information, activity log to track access, etc.); technical measures (e.g., passworded access to information, storage of information on identified computer servers, etc.); entry into nondisclosure agreements between Purchaser and named Parent Transitional Employees; commitments not to file patent applications with regard to confidential information of Purchaser; audit rights by Purchaser of Parent to confirm Parent's compliance with these obligations; and such other measures as the parties agree.

Purchaser acknowledges and agrees that Parent or Vendor will retain at closing the following IT hardware and software (the "Retained IT"), which are "Excluded Assets" under the Purchase Agreement:

LWI IT Requirements
1 Server (the "Server")
6 laptops / PC's
6 sets of laptop accessories (keyboard, mouse, etc.)
6 Microsoft Office licenses (Outlook, Excel, Word, OneNote)
1 Windows server license and 1 Microsoft SQL server license
Copy of financial / transaction database
Printers / copiers (from Winnipeg)

5. Payroll

Payroll services will be provided by the Parent to the Purchaser with respect to the Transferred Employees, provided that Purchaser shall reimburse the Parent for any "out of pocket" expenses incurred by the Parent for third party payroll services relating to the compensation of Transferred Employees, and provided further that the Purchaser shall use commercially reasonable efforts to transition to its own payroll service all Transferred Employees as soon as practicable, but in any event within 60 days following the Closing Date. It is expected that the first payroll will need to be run by the Parent immediately following the Closing Date.

6. **A/R Collection**

Beginning on the Closing date until the later of (a) six months following the Closing Date and (b) the expiry of the Claims Notice Period, the Purchaser and the Parent will maintain accurate books and records with respect to receipts and disbursements for the purposes of complying with Section 10.4 of the Purchase Agreement.

7. **Trade Contracts**

a. The Purchaser will provide, in the Purchaser's sole expense:

i. all physical handling of product (storage, packaging, shipping, etc.) required for the performance of any Mirror Trade Sale or Mirror Trade Purchase by the Vendors; and

ii. any necessary accounting and administrative functions required for the performance of the Mirror Trade Sales or Mirror Trade Purchases by the Vendors (issuing bills of lading, grade and weight certificates, invoices, etc.).

b. any other services related to the Unassignable Trade Contracts, Mirror Trade Sales and Mirror Trade Purchases agreed to between Purchaser and the Parent.

8. **Communications to LWI Shareholders / Investor Relations Requirements.**

Each of Purchaser and Parent agree to provide to the other such services as are (a) reasonably related to Parent's transition from the LWI websites acquired by Purchaser as of the Closing Date to a new domain owned by Parent; and (b) mutually agreed upon prior to rendering such services.

9. **Office Space**

Purchaser will rent office space from the Parent in the Winnipeg and Redmond offices at a rate of $22 per day per Transferred Employee until the earlier to occur of (a) the end of the Transition Period and (b) Purchaser finding an alternative location; provided, that, for the avoidance of doubt, any cost related to the use of such offices by the Parent Transitional Employees will be covered by the Overhead Expense. Purchaser acknowledges that the Parent shall have a right to sublet to a third party the portion of the Redmond, WA and Winnipeg, MB premises not used by the Transferred Employees or the Parent Transitional Employees pursuant to the Transitional Services Agreement.

10. **Invoicing and Payment**

For all services provided under the Transitional Services Agreement (including remittance of Zero Valued Closing Accounts Receivable collected in accordance with Schedule G), commencing with the second Wednesday after the Closing Date and thereafter, continuing on every other Wednesday, each of Parent and Purchaser shall issue an invoice to the other detailing the services provided in the immediately preceding two week period (or pro rata portion thereof for the first and last two week period). The parties' respective invoices will be set off against each other and the party that

owes the net amount shall transfer the net amount via wire transfer to the other no later than 12:00 noon on the Monday immediately following the date the invoices were issued.

If any amount in the invoice is denominated in a currency other than the Canadian dollar, such amount will be converted into Canadian dollars using the closing daily rate published by the Bank of Canada on the business day just preceding the date funds are to be transferred.

If the Bank of Canada is closed on any Wednesday, the following business day on which the Bank of Canada is open will be the date on which the invoices are to be issued.

If the Bank of Canada is closed on any Monday, the following business day on which the Bank of Canada is open will be the date on which the net amount is to be paid.

Exhibit I-1

Parent Transitional Employees

EMPLOYEE NUMBER	LAST NAME	FIRST NAME	LOCATION
6163	Bogaski	Lynn	Winnipeg, MB
4000	Chan	Lenie	Winnipeg, MB
2110	Dawson	Cameron	Winnipeg, MB
7134	Jones	Wanda	Winnipeg, MB
2100	Kachhia	Pinkal	Winnipeg, MB
2088	Klassen	Lena	Winnipeg, MB
001007	Misenar	Gregory	Redmond, WA
6168	Patel	Kavita	Winnipeg, MB
001009	Tate II	Michael	Redmond, WA
001008	Von Trytek	Thomas	Redmond, WA

ASSIGNMENT AND ASSUMPTION OF RIGHTS AND OBLIGATIONS UNDER THE ASSET PURCHASE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF RIGHTS AND OBLIGATIONS UNDER THE ASSET PURCHASE AGREEMENT (this "**Assignment**"), dated as of November 17, 2015, is by and between The Scoular Company, a Nebraska corporation (the "**Assignor**") and Scoular Canada, Ltd. an Alberta corporation and a direct wholly-owned subsidiary of the Assignor (the "**Assignee**"). Capitalized terms used herein, but not otherwise defined, shall have the respective meanings ascribed to them in the Asset Purchase Agreement (as defined below).

WHEREAS, the Assignor is a party to an asset purchase agreement, dated September 14, 2015, as amended, supplemented or modified from time to time (the "**Asset Purchase Agreement**"), among Legumex Walker Canada Inc., a Canadian corporation ("**LWC**"), St. Hilaire Seed Company, Inc., a Minnesota Corporation ("**SHS**"), Legumex Walker Sunflower LLC, a Minnesota limited liability company ("**LWS**") (collectively, the "**Vendors**"), Legumex Walker Inc., a Canadian corporation (the "**Parent**"), and the Assignor, pursuant to which the Assignor agreed to purchase the Purchased Assets;

WHEREAS, Section 12.13 of the Asset Purchase Agreement permits the Assignor to assign, without the consent of Vendors and Parent, its rights and/or obligations under the Asset Purchase Agreement to a direct or indirect wholly-owned subsidiary so long as the Assignor remains obligated with respect to its obligations thereunder; and

WHEREAS, the Assignor desires to transfer, assign and convey to the Assignee, and the Assignee desires to accept the transfer and assignment of, certain of the Assignor's rights and obligations arising under the Asset Purchase Agreement.

NOW THEREFORE, for and in exchange for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, by each of the parties hereto, it is hereby agreed by and between the parties hereto as follows:

1. The Assignor hereby transfers, assigns and conveys to the Assignee: (a) the Assignor's rights (the "**Assigned Rights**") arising under the Asset Purchase Agreement to purchase and acquire from the Vendors, effective as of the Effective Time, free and clear of all Encumbrances except for Permitted Encumbrances, all of the Vendors' right, title and interest in and to: (i) the Purchased Assets that relate to, are used in or are owned, leased or held, or are necessary for use in the Business carried on in Canada; (ii) the Trade Contracts; (iii) the Inventories located in the United States; and (iv) the Intellectual Property (collectively, the "**Assigned Assets**"); and (b) the Assignor's obligations (the "**Assigned Obligations**") arising under the Asset Purchase Agreement to assume, pay, satisfy, discharge, perform and fulfill, from and after the Effective Time, the Assumed Liabilities to the extent related to or arising under the Assigned Assets.

2. The Assignee hereby accepts the foregoing assignment, transfer and conveyance of the Assigned Rights, and hereby assumes and agrees to perform and be liable for, each of the Assigned Obligations.

3. Pursuant to Section 12.13 of the Asset Purchase Agreement, the Assignor hereby confirms its agreement to remain liable for all obligations of the Assignor under the Asset Purchase Agreement, notwithstanding the present assignment to the Assignee effective on and as of the date hereof.

4. This Assignment shall be construed and interpreted and the rights of the parties governed by the internal laws of the Province of Ontario and the laws of Canada applicable in that province, without regard to any principles of conflicts of law thereof that would result in the application of the laws of any other jurisdiction.

5. This Assignment may be executed in any number of counterparts, each of which is deemed to be an original and all of which taken together constitute one agreement. Delivery of an executed counterpart of this Assignment by facsimile or transmitted electronically in legible form, in a tagged image format file (TIFF) or portable document format (PDF), is equally effective as delivery of a manually executed counterpart of this Assignment.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the day and year first above written.

ASSIGNOR:

THE SCOULAR COMPANY

Per: _____
Name: John Ikic
Title: Sr VP

ASSIGNEE:

SCOULAR CANADA, LTD.

Per: _____
Name:
Title:

(Signature Page to Assignment and Assumption Agreement with Scoular Canada, Ltd.)

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the day and year first above written.

ASSIGNOR:
THE SCOULAR COMPANY

Per: _____
Name:
Title:

ASSIGNEE:

SCOULAR CANADA, LTD.

Per: _____
Name: Joan C. Maclin
Title: Secretary

We hereby acknowledge the Assignment on the day and year first above written.

LEGUMEX WALKER CANADA INC.

Per: _____
Name:
Title:

ST. HILAIRE SEED COMPANY, INC.

Per: _____
Name:
Title:

LEGUMEX WALKER SUNFLOWER LLC

Per: _____
Name:
Title:

(Signature Page to Acknowledgement of Assignment and Assumption Agreement with Scoular Canada, Ltd.)

Appendix “C”

FOR IMMEDIATE RELEASE

Legumex Walker Provides Update on Expected Distribution to Shareholders

– Company Moving Towards Closing of Divestiture of Pacific Coast Canola –

WINNIPEG, MB (October 26, 2015) – Legumex Walker Inc. (TSX: LWP) ("**LWI**" or the "**Company**") today provided a revised estimate for the net amount available for distribution to shareholders (**"the Distribution"**) following the previously announced proposed sale of substantially all of the assets its Special Crops Division to The Scoular Company (**"Scoular"**) for CAD$94 million plus the amount of net working capital at closing, on a cash free debt free basis, paid in cash (**the "Sale Transaction"**).

The Company has completed an update of the Distribution in advance of the Special Meeting of Shareholders to be held on November 9, 2015. The Distribution has been updated to include Capital Lease Obligations in Secured Debt Repayment, increasing this required repayment by $4.4 million. As a result, the Distribution is now estimated to be $1.69 to $1.98 per share (after deducting estimated taxes, all corporate and Special Crops Division related debt and all wind-up and transaction related expenses as set out under the heading "Use of Proceeds from the Sale Transaction" in the Company's Management Information Circular dated October 12, 2015 ("**the Circular**"). In addition, the Company has also completed an update of its working capital as at October 23, 2015 and continues to be satisfied with the parameters presented in the Circular in this regard.

The revised estimated Distribution represents a 69.8% to 98.9% premium over the 20-day volume-weighted average price of the Company's Common Shares on the TSX as of September 11, 2015, the last trading day prior to the announcement of the Sale Transaction. The net amount available for distribution to shareholders is based on net working capital estimated as at September 30, 2015. The actual amount of the Distribution will be based on working capital at closing, which will be different than working capital as at September 30, 2015

The Company also reported it continues to make progress towards the intended divestiture of its 84% ownership interest in Pacific Coast Canola ("PCC") (the "PCC Transaction"). The Company has been informed that the terms have been agreed to in principle with the prospective acquirers and the parties are moving towards expected closing of the transaction, including termination of the Processing Agreement between PCC and the Scoular Company, although the outcome of any such transaction is uncertain and is subject to compliance with the terms of the forbearance from secured lenders. The Company does not expect to receive any value from the sale of its 84% interest.

The revised estimated Distribution range of $1.69 to $1.98 per share assumes the Company will not be required to pay $1.2 million in respect of severance obligations for PCC nor that the Company will be required to pay to Scoular an amount of US$1.5 million in respect of the sale of the Canola Current Assets by Scoular in connection with the termination of the PCC Processing Agreement.

BOARD RECOMMENDATION

The Board of Directors ("the Board") of LWI has unanimously approved the sale of the Specialty Crops Division. The Board recommends that shareholders vote in favour of the Sale Transaction and other related matters.

ADDENDUM TO MANAGEMENT INFORMATION CIRCULAR

An addendum to Management Information Circular (**"the Addendum"**) in respect to the update described above will be mailed to shareholders as of the record date of October 9, 2015. Copies of the Addendum will be filed with Canadian securities regulators and will be available on the SEDAR profile of the Company at www.sedar.com. In addition, investors and shareholders may obtain free copies of the documents the Company files with Canadian securities regulators by directing a written request to LWI, 1345 Kenaston Boulevard, Winnipeg, MB R3P 2P2 Attention: Corporate Secretary. Investors and shareholders of the Company are urged to read the Circular and the Addendum as such materials contain important information about the transaction.

THE SPECIAL MEETING

The Special Meeting of Shareholders to consider the Resolutions will be held on November 9, 2015 at 10:00 a.m. (Toronto time) at the offices of Borden Ladner Gervais LLP, Scotia Plaza, 40 King St. W., 44th Floor, Toronto, Ontario. All shareholders are encouraged to vote.

HOW TO VOTE

Registered shareholders (shareholders who hold LWI shares in their name and represented by a physical certificate or through the Direct Registration System) may vote by mail, internet, fax or in person at the Meeting. In the interest of time, shareholders are encouraged to vote via the internet or by fax as follows:

Internet: Vote online at www.voteproxyonline.com, using the 12 digit control number located on your proxy.
Facsimile: 416-595-9593

Beneficial shareholders (shareholders who hold LWI shares through a bank, broker or other intermediary) will have different voting instructions provided to them and should follow the instructions found on their voting instruction form to vote online, by telephone or fax.

SHAREHOLDER QUESTIONS

Shareholders who have questions or require assistance with voting may contact LWI's Proxy Solicitation Agent:

Laurel Hill Advisory Group
Toll free: 1-877-452-7184 or 416-304-0211 (collect)
Email: assistance@laurelhill.com

About Legumex Walker Inc.

LWI is a growth-oriented processor and merchandiser of pulses and other special crops, and with the completion of the PCC canola seed processing facility in Washington State, canola products. The Company derives its revenue from sourcing, processing, marketing and distributing special crops, canola products and associated healthy, specialty food ingredients to a global customer base. The Company operates processing facilities in the Canadian Prairies, American Midwest, the Pacific Northwest, and China.

Cautionary Note on Forward-looking Statements

This press release contains "forward-looking information" within the meaning of Canadian securities laws which may include, but are not limited to, statements relating to the transaction value to LWI of the sale transaction, the proposed plan of liquidation and the amount of the Company's working capital as at September 30, 2015 and October 23, 2015, the estimated amount of distributions to shareholders and the proposed divestiture of PCC. Such forward-looking information reflects the Company's views with respect to future events and is subject to risks, uncertainties and assumptions, including the risk that the conditions to the completion of the sale of the Special Crops Division, including shareholder and regulatory approvals, will not be satisfied within the contemplated time frames, the risk that the amount of working capital or payment in respect thereof will be less than as at September 30, 2015 and October 23, 2015 or otherwise less than expected, the risk that the amount available for distribution to shareholders will be less than expected as a result of unforeseen liabilities and other factors, as well as those factors referred to in the section entitled "Risk Factors" in the Company's Management's Discussion and Analysis for the period ended December 31, 2014 and in the Circular which are available on SEDAR at www.sedar.com and should be reviewed in conjunction with this document. The statements with respect to the estimated distributions to the shareholders assume that the amount paid for the working capital will not be less than the working capital of LWI as at September 30, 2015 and that other adjustments to the purchase price will not result in a reduction to the purchase price payable in respect of the Special Crops Division or the amount available for distribution to shareholders. The statements relating to the estimated distributions to shareholders also assume that the sale of the Special Crops Division will be completed and that any adjustment to the sale price will not exceed projections, and that taxes, expenses and liabilities of the Company will not exceed internal estimates. Such statements are subject to significant uncertainties. The statements with respect to working capital as at October 23, 2015 assume that no negative material adverse changes have occurred to working capital from the working capital as at September 30, 2015. The statements with respect to the proposed divestiture of PCC assume that parties will enter into binding agreements in respect thereto and complete the proposed divesture and terminate the PCC Processing Agreement on terms which do not result in LWI being responsible for any additional payment to Scoular or for any severance obligations in respect of certain employees of PCC. Although the Company believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this press release. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

For additional information, please contact:

Lauren Moran
Manager, Investor Relations
investors@legumexwalker.com
(425) 250-1498

Lawrence Chamberlain
NATIONAL Equicom
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(416) 848-1457

Appendix “D”

Legumex Walker Reports Results of Special Meeting of Shareholders to Approve Sale of Special Crops Division

— Shareholders Overwhelmingly Vote in Favour of Transaction —

WINNIPEG, MB (November 9, 2015) – Legumex Walker Inc. (TSX: LWP) ("**LWI**" or the "**Company**") today announces that a two thirds majority of shareholders have voted **"FOR"** the sale of substantially all of the assets of the Company's Special Crops Division to The Scoular Company ("**the Sale Transaction**"), the voluntary liquidation and dissolution of the Company according to the Canada Business Corporations Act and other related matters ("**the Resolutions**"), all as more particularly described in the Management Information Circular ("**the Circular**") of the Company, dated October 15, 2015.

The total number of shares voted by way of ballot at the Meeting by proxy or in person was 12,394,245 or 76.06% of the total issued and outstanding shares of the Company.

Resolution	**Outcome of Vote**	**Proxies Received and Shareholders Present[1]**	
		For	**Against**
Sale of Special Crops Division	Approved	12,164,676 (99.56%)	54,150 (0.44%)
Voluntary Liquidation & Dissolution	Approved	10,960,476 (89.70%)	1,258,350 (10.30%)
Change of Registered Office	Approved	12,167,326 (99.58%)	51,500 (0.42%)
Name Change	Approved	12,329,512 (99.48%)	64,733 (0.52%)
Reduction of Stated Capital	Approved	12,157,326 (99.50%)	61,500 (0.50%)

In addition to approval by shareholders, all necessary regulatory approvals have been obtained and it is expected that the Sale Transaction will be completed by November 30, 2015, provided that all third party approvals and other closing conditions are satisfied or waived by that date.

Further information regarding the Transaction and its anticipated effects on Legumex Walker are contained in the Circular, which is available on www.sedar.com. Readers are cautioned that there is risk that the amount of working capital or payment in respect thereof pursuant to the Sale Transaction will be less than as at September 30, 2015 or otherwise less than expected, resulting in the transaction value being less than anticipated, and a risk that the amount available for distribution to shareholders will be less than expected as a result of unforeseen liabilities.

[1] The percentages listed in the columns below are percentages of the total issued and outstanding shares of the Company, excluding any and all shares held by The Scoular Company.

About Legumex Walker Inc.

LWI is a growth-oriented processor and merchandiser of pulses and other special crops, and with the completion of the PCC canola seed processing facility in Washington State, canola products. The Company derives its revenue from sourcing, processing, marketing and distributing special crops, canola products and associated healthy, specialty food ingredients to a global customer base. The Company operates processing facilities in the Canadian Prairies, American Midwest, the Pacific Northwest, and China.

Cautionary Note on Forward-looking Statements

This press release contains "forward-looking information" within the meaning of Canadian securities laws which may include, but are not limited to, statements relating to the possible completion of the sale of the Special Crops Division and the proposed plan of liquidation. Such forward-looking information reflects the Company's views with respect to future events and is subject to risks, uncertainties and assumptions, including the risk that the conditions to the completion of the sale of the Special Crops Division, including third party approvals, will not be satisfied within the time frame anticipated or contemplated by the agreement between LWI and The Scoular Company, as well as those factors referred to in the section entitled "Part II – Business of the Meeting – Risk Factors" in the Circular, which is available on SEDAR at www.sedar.com and should be reviewed in conjunction with this document. Although the Company believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this press release. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

For additional information, please contact:

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Appendix “E”

FOR IMMEDIATE RELEASE

Legumex Walker Completes Sale of Special Crops Assets to Scoular and Changes its Name to "LWP Capital Inc."

WINNIPEG, MB (November 23, 2015) – Legumex Walker Inc. (TSX: LWP) (**"Legumex Walker"** or the "**Company**") today announced that it has completed the previously announced sale of the assets of the Company's Special Crops Division (**"the Special Crops Transaction"**) to The Scoular Company ("**Scoular**") for gross proceeds of CAD$94 million, less closing and post-closing adjustments, plus CAD$71.5 million, which represents a preliminary estimate for the amount of net working capital at closing, paid in cash. Shareholders at a Special Meeting overwhelmingly approved the Special Crops Transaction on November 9, 2015. The final purchase price payable is expected to be determined within 90 days upon determination of the final closing working capital in accordance with the Asset Purchase Agreement dated September 14, 2015.

"This is the culmination of four years of hard work combining several of the premier companies in North America into a formidable Special Crops platform," said Joel Horn, Legumex Walker's President & CEO, "We are proud of what we have accomplished and look forward to seeing that platform continue to grow with Scoular's expertise and leadership."

According to Chuck Elsea, Scoular's Chief Executive Officer, "We've been looking to enter the special crops market for some time, and we're thrilled to finalize the purchase of a business that brings a wealth of special crops experience and expertise to our growing company. We will invest additional resources to expand the business and pursue opportunities that result in more value for growers and a high-quality, reliable supply of specialty products for customers around the globe."

The Company previously estimated that the net amount available for distribution to shareholders to be $1.69 to $1.98 per share (after deducting estimated taxes, all corporate and Special Crops Division related debt and all wind-up and transaction related expenses as set out under the heading "Use

of Proceeds from the Sale Transaction" in the Company's Management Information Circular dated October 12, 2015, as amended). The Company will be able to update its estimate of the net amount available for distribution to shareholders once the final purchase price has been determined based on final working capital.

The Company expects the Common Shares to be delisted from the TSX on the date specified by the TSX following an expedited delisting review. The Company expects the effective date of the delisting of Common Shares will be by December 31, 2015 (approximately 30 days following the completion of the expedited delisting review).

The Company expects to file articles of amendment changing its name to "LWP Capital Inc." on November 24, 2015 and its new CUSIP number is 502464100 and its new ISIN is CA5024641006. The Company expects that the plan of liquidation approved by the shareholders on November 9, 2015 will become effective by December 31, 2015 or early in January 2016. Although an interim distribution to shareholders is expected to be made during the second quarter of 2016, its final distribution is not expected prior to the completion of the liquidation period in 2017.

Readers are cautioned that there is risk that the amount of working capital or payment in respect thereof pursuant to the Sale Transaction will be less than as estimated at closing or September 30, 2015 or otherwise less than expected, resulting in the transaction value being less than anticipated, and a risk that the amount available for distribution to shareholders will be less than expected as a result of unforeseen liabilities. The closing and post-closing adjustments, include the payment of fees relating to insurance policies, deductions in respect of accounts receivable of Pacific Coast Canola, LLC ("PCC"), environmental and real estate related costs.

Further information regarding the Special Crops Transaction and its anticipated effects on Legumex Walker are contained in the Management Information Circular dated October 12, 2015, as amended, which is available on www.sedar.com.

Update on the PCC Transaction

The Company is targeting to complete the proposed divestiture of its interest in Pacific Coast Canola LLC by the end of this week. The Company will not realize any proceeds from the divestiture.

About Scoular

A 123-year old company with nearly $6 billion in sales, Scoular operates 130+ independent business units that provide diverse supply chain solutions for end-users and suppliers of grain, feed ingredients, and food ingredients around the globe. From more than 120 offices and facilities, 1200+ employees are engaged in the business of buying, selling, storing, and processing grain and ingredients as well as managing transportation and logistics worldwide. For further information, visit www.scoular.com.

Cautionary Note on Forward-looking Statements

This press release contains "forward-looking information" within the meaning of Canadian securities laws which may include, but is not limited to, statements relating to the determination of closing working capital, the final purchase price, the timing of the delisting of the Common Shares, the name change of the Company, the timing and amount of distributions to shareholders, the effectiveness of the plan of liquidation, the divestiture of its interest in PCC, and Scoular's future plans. Such forward-looking information reflects the Company's views with respect to future events and is subject to risks, uncertainties and assumptions, including the risk that the divestiture of its interest in PCC will not be completed within the time frame contemplated or on terms previously announced and the risk that PCC will not be in compliance with the terms of its credit facilities and related forbearances, the risk that the net proceeds of the sale of the Special Crops Division will be less than previously disclosed and expenses of the Company will exceed the amount estimated by the Company, the risk that distributions to shareholders will be delayed, the risk that the plan of liquidation will become effective later than expected, the risk that the closing working capital will not be determined within the time frame expected, and the risk that notwithstanding the fact that the Company will not realize any proceeds from the divestiture of its interest

in PCC, the Company or its subsidiaries may incur costs and obligations in respect of such divestiture, as well as those factors referred to in the section entitled "Risk Factors" in the Company's Management Information Circular dated October 12, 20115 as amended by the Addendum dated October 26, 2015, in the Management's Discussion and Analysis for the period ended September 30, 2015 and in the Annual Information Form dated March 31, 2015 which are available on SEDAR at www.sedar.com and should be reviewed in conjunction with this press release. The Company's expectation with respect to the the net amount available for distribution to shareholders and timing for such distributions assume that the final working capital is not less than as at September 30, 201, expenses of the Company will not exceed the amount expected and the Company will receive the necessary approvals for such distributions. The Company's expectation with respect to the divestiture of its interest in PCC assume that the-divestiture of its interest in PCC will be satisfied or waived by the anticipated closing date and PCC's lenders will continue to forbear in respect of the enforcement of the credit facilities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Although the Company believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this press release. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

For additional information, please contact:

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Appendix “F”

LWP CAPITAL INC. PROVIDES UPDATE ON LIQUIDATION PROCEEDINGS

TORONTO, February 23, 2016 /CNW/ - LWP Capital Inc. (TSX: LWP) (formerly "**Legumex Walker Inc.**") ("**LWP**" or the "**Company**"), by KSV Advisory Inc., in its capacity as the Court-appointed liquidator of LWP (the "**Liquidator**"), today announced that it has received an objection notice (the "**Objection Notice**") from The Scoular Company (the "**Purchaser**") objecting to the Company's calculation of the Closing Working Capital set out in the Company's Closing Statement delivered pursuant to Section 2.7(3) of the Asset Purchase Agreement dated September 14, 2015, entered into among the Purchaser, the Company and certain wholly-owned subsidiaries of LWP, as amended (the "**Asset Purchase Agreement**").

The Liquidator provides the following update on this matter:

- The calculation prepared by the Purchaser contemplates a downward adjustment to the purchase price of approximately CAD$19 million;

- The Liquidator intends to provide an update once the Closing Working Capital has been definitively determined;

- If the Closing Working Capital is not definitively determined in a manner that is favorable to the Company, the funds available for distribution to shareholders may be materially less than the range of CAD$1.69 to CAD$1.98 per share disclosed in the Company's press release dated November 23, 2015; and

- The Purchaser's Objection Notice may not address all adjustments or claims which the Purchaser may advance under the Asset Purchase Agreement and/or the Court supervised claims process which is presently being administered by the Liquidator. The results of the claims process will be made available by the Liquidator following the claims bar date of March 15, 2016.

All Court materials filed and updates on the status of the liquidation proceedings will be available on the Liquidator's website at www.ksvadvisory.com.

Cautionary Note on Forward-looking Statements

This press release contains "forward-looking information" within the meaning of Canadian securities laws which may include, but is not limited to, statements relating to the determination of Closing Working Capital, the final purchase price, the timing and amount of distributions to shareholders and the effectiveness of the plan of liquidation. Such forward-looking information reflects the Company's views with respect to future events and is subject to risks, uncertainties and assumptions, including the risk that the amount of the Closing Working Capital will be definitively determined or resolved adversely to the Company, the risk that the net proceeds of the sale of the Special Crops Division pursuant to the Asset Purchase Agreement will be less than previously disclosed and expenses of the Company will exceed the amount estimated by the Company, the risk that distributions to shareholders will be delayed, the risk that the Closing Working Capital will not be determined within the time frame expected, as well as those factors referred to in the section entitled "Risk Factors" in the Company's Management Information Circular dated October 12, 2015 as amended by the Addendum dated October 26, 2015, in the Management's Discussion and Analysis for the period ended September 30, 2015 and in the

Annual Information Form dated March 31, 2015 which are available on SEDAR at www.sedar.com and should be reviewed in conjunction with this press release. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Although the Company believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this press release. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

For further information:

David Sieradzki
Managing Director, KSV Advisory Inc.
dsieradzki@ksvadvisory.com
(416) 932-6030

Appendix “G”

Objection Notice

Via Email, Courier and Facsimile

February 19, 2016

LWP Capital Inc. (formerly Legumex Walker Inc.)
1345 Kenaston Blvd
Winnipeg, MB R3P 2P2
Fax: (204) 808-0449
Email: bruce.scherr@informaecon.com

Attention: Bruce Scherr

Dear Sir:

Re: Asset Purchase Agreement dated September 14, 2015 (as amended, supplemented or modified from time to time, the "Asset Purchase Agreement") among Legumex Walker Canada Inc., a Canadian corporation ("LWC"), St. Hilaire Seed Company, Inc., a Minnesota Corporation ("SHS"), Legumex Walker Sunflower LLC, a Minnesota limited liability company ("LWS") (collectively, the "Vendors"), Legumex Walker Inc., a Canadian corporation (the "Parent") and The Scoular Company, a Nebraska corporation (the "Purchaser")

Capitalized terms used herein but not defined have the meanings ascribed to them in the Asset Purchase Agreement.[1]

The Purchaser acknowledges receipt of the Closing Statement from the Parent, received on January 7, 2016.

This letter constitutes an "Objection Notice" of the Purchaser pursuant to Section 2.7(3) of the Asset Purchase Agreement. The Purchaser hereby confirms that it is disputing the calculation of the Closing Working Capital as set out in the Closing Statement.

Objections to the Closing Statement

Attached hereto as Schedule "A", is a summary of the Purchaser's objections to the Closing Statement. Detailed supporting documentation underlying these objections has previously been provided to the Parent by the Purchaser. Such supporting documentation is also available to any other recipients of this Objection Notice upon written request. For convenience's sake, attached hereto as Schedule "B", is an updated draft of the "Closing Working Capital Status Summary" that has been used by the Parties and KSV Advisory Inc. in discussing these items.

[1] Pursuant to Section 6.6 of the Asset Purchase Agreement, LWC and the Parent amalgamated immediately prior to the Effective Time (the "**Amalgamation**"). The amalgamated entity formed by the Amalgamation ("**Amalco**") was initially named "Legumex Walker Canada Inc."; the name of the amalgamated entity was then changed to "LWP Capital Inc.". Any reference to the Parent or LWC herein, depending on the time frame referenced, will be a reference to the Parent, LWC or Amalco, as applicable.

Please note that adjustments to the Environmental Undertaking Amount, and any payments arising therefrom, will be handled separately by the parties in accordance with Section 6.17 of the Asset Purchase Agreement.

Items in the Closing Statement on which the Parties Agree

Attached hereto as Schedule "C", is a summary of the items in the Closing Statement on which the parties agree.

The Purchaser hereby reserves all rights to rely on other provisions of the Asset Purchase Agreement not specifically identified in this Objection Notice in making the objections referenced herein. Furthermore, the Purchaser hereby reserves all rights and remedies pursuant to the Asset Purchase Agreement and this Objection Notice shall not be taken to represent the totality of the claims made under the Asset Purchase Agreement.

Nothing in this Objection Notice: (i) constitutes a waiver by the Purchaser of any breach by the Parent or Vendors of any of the terms, conditions, covenants, representations or warranties in the Asset Purchase Agreement; or (ii) speaks to any other or future breach by the Parent or Vendors of the Asset Purchase Agreement and/or other Transaction Documents.

We would be happy to discuss any matter raised in this Objection Notice at your convenience.

Yours truly,

THE SCOULAR COMPANY

John M. Heck
Senior Vice President

Enclosures

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Schedule "A" to the Objection Notice

OBJECTION #	Disputed Item	Parent's Position	Purchaser's Position	Explanation of Objections
1	AR rejected reinstated	$1,101,964	$0	The accounts receivable included by the Parent in this line item do not meet the definition of an Accounts Receivable per the APA.
Inventories:				
2	Inventory - onsite	$53,239,471	$32,840,907	1) Per Schedule G the Purchaser has valued all Inventory lots at the lower of cost or net realizable value. In the determination of net realizable value the Purchaser has utilized external 3rd party market experts to determine a market price if one existed. If a market price did not exist, then the Purchaser assumed feed value for the Inventory lots as was suggested by multiple external third party market experts. 2) Purchaser has made a series of reclassifications of Inventory lots based on the Inventory count/inspection that was done over Closing weekend. An example of a reclassification would be to downgrade a lot to feed value. 3) Purchaser believes there are 3 quantities confirmed by Rudy Agro and Raymont Vancouver that don't match accounting records at November 23, 2015.
3	Inventory - Tianjin	$2,173,388	$2,106,582	Per Schedule G the Purchaser has valued all Inventory lots at the lower of cost or net realizable value. In the determination of net realizable value the Purchased has utilized external 3rd party market experts to determine a market price if one existed. If a market price did not exist, then the Purchaser assumed feed value for the Inventory lots as was suggested by multiple external third party market experts.
4	Processing charges net of NRV	$357,647	$0	Parent's position utilized Inventory quantity and cost values per the financial statements dated October 31, 2015 instead of the Closing Date of November 23, 2015.
5	Processing charges net of NRV	($110,404)	$0	Parent's position utilized Inventory quantity and cost values per the financial statements dated October 31, 2015 instead of the Closing Date of November 23, 2015
Prepaids:				
6	Prepaid Expenses - LW Tianjin	$80,859	$0	Parent's figure is for a VAT refund. Purchaser is of the opinion that the refund does not meet the definition of an Accounts Receivable per the APA and is unlikely to be paid.
7	Tax Liability	$94,227	($137,755)	Purchaser believes that the 2014/2015 advance payment to Inland Revenue will not be refunded ($94,227). Purchaser believes the 2011/2012 and 2012/2013 offshore tax dispute will not be resolved in LW China's (Purchaser) favor and hence a

				liability should have been set up ($137,755).
8	SMARTsoft Accrued Liabilities	$6,192,162	$7,733,167	Parent's position utilized the working capital line item values per the financial statements dated October 31, 2015 instead of the Closing Date of November 23, 2015.
9	Omitted Accruals	$0	$696,214	Outstanding liabilities as of the Closing Date of November 23, 2015 that the Parent did not include in the final Closing Working Capital.
10	Omitted processing accrual for the Trinidad Benham contract	$0	$522,240	Post the Closing Date of November 23, 2015, there were processing charges that were incurred for a prepaid sale and cash receipts from Trinidad Benham that occurred before the Closing Date.
11	Accrued Liabilities - Customer rejected product that did not meet quality specifications - Rangen	$0	$46,601	Purchaser had to provide credit to customer for product that did not meet quality specifications.
12	Accrued Liabilities - Customer rejected product that did not meet quality specifications - Aburra	$0	$109,932	Purchaser had to provide credit to customer for product that did not meet quality specifications.

Schedule "B" to the Objection Notice

Legumex Walker Canada

Closing Working Capital Schedule G 0.1722
11/23/2015 0.2089
1.3345

FINAL WORKING CAPITAL CALCULATION

Account Description	Company	Originating Nov 22/15	CDN Nov 22/15	Exclusions	Nov 22/15	SCOULAR COMMENTS	SCOULAR CALCULATION	COMMENTS	STATUS AS OF 2-18-16	AGREED AMOUNT
Accounts Receivable										
Accounts Receivable	LWCA	41,288,610	41,288,610	-	41,288,610	SCOULAR VIEWS THERE TO BE AN ACCOUNT MISCLASSIFIED	$ 41,289,416	Winkler Coco $800.00 should not be included plus a small $6.08 varaince	LWI AGREED TO SCOULAR POSITION	$ 41,289,416
AR reiected and excluded by Scoular	LWCA	(8,233,058)	(8,233,058)		(8,233,058)	SCOULAR VIEWS THERE TO BE AN ACCOUNT MISCLASSIFIED	$ (8,234,341)	Dian Hwa Foods Corp. ($961.93 USD$) - This invoice amount is classified as a Aced Account Debtor	LWI AGREED TO SCOULAR POSITION	$ (8,234,341)
									LWI AND SCOULAR AGREED TO CONTINUE TO INVESTIGATE	XXXXXXXXXXXXXXX
AR rejected reinstated	LWCA	1,101,964	1,101,964	-	1,101,964	SCOULAR DOES NOT ACCEPT THIS LINE ITEM	$ -	Certain items should not be included in working capital because they do not meet the standard the following standard: they are bona fide, arose in the Ordinary Course of Business, are related to the Business, are accurately stated as to the amount that is owed for each receivable and, to the Knowledge of the Parent, are valid, enforceable and collectible and as to which the account debtor has no excuse or defense to payment or right of setoff or counterclaim	ISSUE, SPECIAL COMMODITIES REPRESENTS LARGEST ISSUE, AWAITING RESPONSE FROM SPECIAL COMMODITIES.	
Accounts Receivable LW Sunflower	LW Sunflower	15,000	20,018	-	20,018	SCOULAR ACCEPTS THIS LINE ITEM	$ 20,018		NO CHANGE	$ 20,018
Accounts Receivable SHS	St Hilaire Seed	1,500	2,002	-	2,002	SCOULAR ACCEPTS THIS LINE ITEM	$ 2,002		NO CHANGE	$ 2,002
Accounts Receivable LW China	LW China	8,070,199	1,389,636	-	1,389,636	SCOULAR ACCEPTS THIS LINE ITEM	$ 1,389,636		NO CHANGE	$ 1,389,636
Accounts Receivable LW China Factored	LW China	688,200	118,504	-	118,504	SCOULAR ACCEPTS THIS LINE ITEM	$ 118,504		NO CHANGE	$ 118,504
Accounts Receivable Tianjin	Tianjin	212,153	44,319	-	44,319	SCOULAR ACCEPTS THIS LINE ITEM	$ 44,319		NO CHANGE	$ 44,319
Accounts Receivable Tianjin (rent deposit)	Tianjin	3,000	627	(627)	-	SCOULAR ACCEPTS THIS LINE ITEM			NO CHANGE	$ -
Total Accounts Receivable		**43,147,568**	**35,732,621**	**(627)**	**35,731,994**		**34,629,552**			
Inventories										
									Scoular does not agree with LWI's NRV values. Scoular believes there should be dockage applied to certain lots of inventory. Scoular believes there 3 quantities confirmed by Rudy Agro and Raymont Vancouver that don't match accounting records at 11/22/15	XXXXXXXXXXXXXXX
Inventory - onsite	LWCA	53,239,471	53,239,471	-	53,239,471	SCOULAR DOES NOT ACCEPT THIS LINE ITEM	$ 32,848,907	As oer Nov 22 file provided to LWI that ties to all count sheets		
Inventory - offsite	LWCA	10,220,483	10,220,483	-	10,220,483	SCOULAR ACCEPTS THIS LINE ITEM	$ 10,220,483		NO CHANGE	$ 10,220,483
Inventory	Tianjin	10,403,963	2,173,398	-	2,173,398	SCOULAR DOES NOT ACCEPT THIS LINE ITEM	$ 2,106,592	As per the MTM for Yellow Beans from LW Canada file	NRV SUBMITTAL FROM LWI BEING REVIEWED BY SCOULAR. NOT DISCUSSED ON 2-8-16 MEETING	XXXXXXXXXXXXXXX
Inventory Bags	LWCA	2,371,560	2,371,560	-	2,371,560	SCOULAR ACCEPTS THIS LINE ITEM	$ 2,371,560		NO CHANGE	$ 2,371,560
Inventory Bags	St Hilaire Seed	-	-	-	-	SCOULAR ACCEPTS THIS LINE ITEM	$ -		NO CHANGE	$ -
Inventory Bags	Tianjin	66,154	13,820	-	13,820	SCOULAR ACCEPTS THIS LINE ITEM	$ 13,820		NO CHANGE	$ 13,820
Processing charges net of NRV	LWCA	1,585,926	1,585,926		1,585,926	SCOULAR BELIEVES THAT LWI USED 10/31/15 BALANCE INSTEAD OF 11/22/15	$ 1,377,750	See variances report and includes a $357,643.03 plug with no support for the number	LWI AGREED TO SCOULAR POSITION	$ 1,377,750
Processing charges net of NRV	LWCA	357,647	357,647		357,647	SCOULAR BELIEVES THAT LWI USED 10/31/15 BALANCE INSTEAD OF 11/22/15	$ -	See variances report and includes a $357,643.03 plug with no support for the number	LWI NEEDS INTERNAL DISCUSSION TIME	XXXXXXXXXXXXXXX
Processing charges net of NRV	LWCA	(110,404)	(110,404)		(110,404)	SCOULAR DOES NOT ACCEPT THIS LINE ITEM	$ -	See variances report and includes a $357,643.03 plug with no support for the number	NRV SUBMITTAL FROM LWI BEING REVIEWED BY SCOULAR. NOT DISCUSSED ON 2-8-16 MEETING	XXXXXXXXXXXXXXX
Total Inventories		**78,134,799**	**69,851,890**	**-**	**69,851,890**		**48,931,101**			
Prepaid										
Prepaid Expenses	LWCA	51,843	51,843	-	51,843	SCOULAR ACCEPTS THIS LINE ITEM	$ 51,843		NO CHANGE	$ 51,843
Prepaid Expenses	LW Sunflower	11,048	14,743	-	14,743	SCOULAR VIEWS PREPAID SHOULD BE MARKED TO MARKET	$ 13,129	$11415.19 (mainly 1.49 per litre vs 0.929/ltr)	SCOULAR AGREES TO LWI POSITION	$ 14,743
Prepaid Expenses	LW Sunflower	1,561	2,084	-	2,084	SCOULAR VIEWS THERE TO BE A MINOR CALCUALTION ERROR ON PREPAID LEASES	$ 2,105	$11415.19 (mainly 1.49 per litre vs 0.929/ltr)	LWI AGREED TO SCOULAR POSITION	$ 2,105
Prepaid Expenses	St Hilaire Seed	42,820	57,143	-	57,143	SCOULAR ACCEPTS THIS LINE ITEM	$ 57,143		NO CHANGE	$ 57,143
Prepaid Expenses	LW Tianjin	570,792	119,238	-	119,238	SCOULAR BELIEVES THAT LWI USED 10/31/15 BALANCE INSTEAD OF 11/22/15	$ 100,507	VAT refund and prepaid rent difference	LWI AGREED TO SCOULAR POSITION	$ 100,507
Prepaid Expenses	LW Tianjin	387,069	80,859	-	80,859	SCOULAR VIEWS THE VAT RECEIVABLE AS A NON WORKING CAPITAL ITEM	$ -	VAT refund and prepaid rent difference	LWI WAITING ON EMAIL FROM TONY KAM & CO STATING LOCAL TREATEMENT VS IFRS	XXXXXXXXXXXXXXX
Prepaid Expenses	LW China	357,120	61,494	-	61,494	SCOULAR ACCEPTS THIS LINE ITEM	$ 61,494	$94,226.72 - 2011 Income tax refund difference	NO CHANGE	$ 61,494
Prepaid Expenses	LW China	547,214	94,227	-	94,227	SCOULAR BELIEVES THAT THE 2014/15 ADVANCE PAYMENT TO INLAND REVENUE WILL NOT BE REFUNDED	$ -	$94,226.72 - 2011 Income tax refund difference	SCOULAR DISAGREES TO LWI POSITION	XXXXXXXXXXXXXXX
Tax Liability	LW China					SCOULAR BELIEVES THE 2011/12 AND 2012/13 OFFSHORE TAX DISPUTE WILL NOT BE RESOLVED IN LW CHINA'S (SCOULAR) FAVOUR AND HENCE A LIABILITY SHOULD HAVE BEEN SETUP	$ (137,750)		SCOULAR DISAGREES TO LWI POSITION	XXXXXXXXXXXXXXX
SS Prepayments	LWCA	655,130	655,130	-	655,130	SCOULAR ACCEPTS THIS LINE ITEM	$ 655,130		NO CHANGE	$ 655,130
SS coverage	LWCA	7,827	10,445	-	10,445	SCOULAR ACCEPTS THIS LINE ITEM	$ 10,445		NO CHANGE	$ 10,445
Prepaid HSBC	St Hilaire Seed	3,326	4,438	-	4,438	SCOULAR DOES NOT ACCEPT THIS LINE ITEM	$ -	Treasure Valley Seeds Prepaid that TVS states is $0.00	LWI WAITING ON EMAIL INFORMATION BEFORE ACCEPTING	$ -
Total Prepaid		**2,035,790**	**1,151,644**	**-**	**1,151,644**		**814,041**			
Accounts Payable										
Accounts Payable	LWCA	33,303,830	33,303,830	-	33,303,830	SCOULAR ACCEPTS THIS LINE ITEM	$ 33,303,830		NO CHANGE	$ 33,303,830
Positidned cheques	LWCA	(9,109,657)	(9,109,657)	-	(9,109,657)	SCOULAR ACCEPTS THIS LINE ITEM	$ (9,109,657)		NO CHANGE	$ (9,109,657)
Accounts Payable	LW Sunflower	43,159	57,595	-	57,595	SCOULAR ACCEPTS THIS LINE ITEM	$ 57,595		NO CHANGE	$ 57,595
Accounts Payable	St Hilaire Seed	163,572	218,287	-	218,287	SCOULAR ACCEPTS THIS LINE ITEM	$ 218,287		NO CHANGE	$ 218,287
AP - Settlement	LWCA	(185,978)	(185,978)	-	(185,978)	SCOULAR ACCEPTS THIS LINE ITEM	$ (185,978)		NO CHANGE	$ (185,978)
AP - OS Cheques reclassed CAD	LWCA	-	-	-	-	SCOULAR ACCEPTS THIS LINE ITEM	$ -		NO CHANGE	$ -
										XXXXXXXXXXXXXXX
SMARTsoft Accrued Liabilities	LWCA	6,192,162	6,192,162	-	6,192,162	SCOULAR DOES NOT ACCEPT THIS LINE ITEM	$ 7,733,167	See Worksheet and email for exclanations	LWI NEEDS INTERNAL DISCUSSION TIME	
SS Prepayments	LWCA	720,185	720,185	-	720,185	SCOULAR BELIEVES THAT LWI USED 10/31/15 BALANCE INSTEAD OF 11/22/15	$ 738,455	They used 10/31/15 balance	LWI AGREED TO SCOULAR POSITION	$ 738,455
Accounts Payable-USD	-	-	-	-	-					
Total Accounts Payable		**31,127,272**	**31,196,423**	**-**	**31,196,423**		**32,755,699**			
Accrued Liabilities										
Accrued PTO (Vacation)	LWCA	484,917	484,917	-	484,917	SCOULAR ACCEPTS THIS LINE ITEM	$ 484,917		NO CHANGE	$ 484,917
Accrued PTO (Vacation)	LW Sunflower	20,439	27,276	-	27,276	SCOULAR ACCEPTS THIS LINE ITEM	$ 27,276		NO CHANGE	$ 27,276
Accrued PTO (Vacation)	SHS	29,962	39,971	-	39,971	SCOULAR ACCEPTS THIS LINE ITEM	$ 39,971		NO CHANGE	$ 39,971
purchase accrual kl manual 206802	LWCA	374,519	374,519	-	374,519	SCOULAR ACCEPTS THIS LINE ITEM	$ 374,519		NO CHANGE	$ 374,519
Accrued Liabilities HKD	LW China	-	-	-	-					
Accrued Liabilities	Tianjin	-	-	-	-	SCOULAR VIEWS LWI OMITTED LWT FREIGHT AND COMMISSION ACCRUAL	$ 75,072	Execution Cost Accruals	LWI AGREED TO SCOULAR POSITION	$ 75,072
Accrued Liabilities	China					SCOULAR VIEWS LWI OMITTED BANK COMMITMENT FEE	$ 8,942		LWI AGREED TO SCOULAR POSITION	$ 8,942
Accrued Liabilities	LWCA					SCOULAR VIEWS LWI OMITTED THESE ACCRUALS	$ 696,214		LIABILITIES O/S AS OF NOV 22, 2015 THAT LWI DID NOT INCLUDE IN THE FCWC	XXXXXXXXXXXXXXX
Processing Cost Accrual	SHS	-	-	-	-	SCOULAR VIEWS LWI OMITTED THE PROCESSING ACCRUAL FOR TRINIDAD BENHAM CONTRACT	$ 522,240		LWI NEEDS INTERNAL DISCUSSION TIME AND TO BRING IN FALLOWS FOR DISCUSSION	XXXXXXXXXXXXXXX
Accrued Liabilities	LWCA					RANGEN INC REJECTED PRODUCT WERE SCULAR HAD TO PROVIDE CREDIT TO CUSTOMER	$ 46,601		LIABILITIES O/S AS OF NOV 22, 2015 THAT LWI DID NOT INCLUDE IN THE FCWC	XXXXXXXXXXXXXXX
Accrued Liabilities	LWCA					ABURRA HAD PRODUCT REJECTED FOR IMPORT BY COLUMBIA CUSTOMS OFFICIALS WERE SCOULAR HAD TO PROVIDE CREDIT TO CUSTOMER	$ 109,932		LIABILITIES O/S AS OF NOV 22, 2015 THAT LWI DID NOT INCLUDE IN THE FCWC	XXXXXXXXXXXXXXX
Accrued Property Taxes		0	-	-	-	SCOULAR VIEWS LWI OMITTED SELZ AND DURBIN PROPERTY TAX ACCRUAL	$ 7,732	Property tax accrual - LWI used 2014 tax statements vs 2015 and excluded Durbin and Selz	LWI AGREED TO SCOULAR POSITION	$ 7,732
Total Accrued Liabilities		**909,827**	**926,682**	**-**	**926,682**		**2,393,416**			
Closing Currency Adjustments	LWCA	**2,875,500**	**2,875,500**		2,875,500	SCOULAR ACCEPTS THIS LINE ITEM	**$ 2,875,500**		NO CHANGE	**$ 2,875,500**
Total					**77,487,922**		**52,101,078**			

Schedule "C" to the Objection Notice

Special Crops Working Capital Line Items
Closing Working Capital
11/23/2015

Working Capital Line Item	Company		AGREED AMOUNT
Accounts Receivable			
Accounts Receivable	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 41,289,416
AR rejected and excluded by Scoular	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ (8,234,341)
Accounts Receivables LW Sunflower	LW Sunflower	PARENT AND SCOULAR AGREE TO AMOUNT	$ 20,018
Accounts Receivable SHS	St Hilaire Seed	PARENT AND SCOULAR AGREE TO AMOUNT	$ 2,002
Accounts Receivable LW China	LW China	PARENT AND SCOULAR AGREE TO AMOUNT	$ 1,389,636
Accounts Receivable LW China Factored	LW China	PARENT AND SCOULAR AGREE TO AMOUNT	$ 118,504
Accounts Receivable Tianjin	Tianjin	PARENT AND SCOULAR AGREE TO AMOUNT	$ 44,319
Accounts Receivable Tianjin (rent deposit)	Tianjin	PARENT AND SCOULAR AGREE TO AMOUNT	$ -
Inventories			
Inventory – offsite	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 10,220,483
Inventory Bags	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 2,371,560
Inventory Bags	St Hilaire Seed	PARENT AND SCOULAR AGREE TO AMOUNT	$ -
Inventory Bags	Tianjin	PARENT AND SCOULAR AGREE TO AMOUNT	$ 13,820
Processing charges net of NRV	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 1,377,750
Prepaid			
Prepaid Expenses	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 51,843
Prepaid Expenses	LW Sunflower	PARENT AND SCOULAR AGREE TO AMOUNT	$ 14,743
Prepaid Expenses	LW Sunflower	PARENT AND SCOULAR AGREE TO AMOUNT	$ 2,105
Prepaid Expenses	St Hilaire Seed	PARENT AND SCOULAR AGREE TO AMOUNT	$ 57,143
Prepaid Expenses	LW Tianjin	PARENT AND SCOULAR AGREE TO AMOUNT	$ 100,507
Prepaid Expenses	LW China	PARENT AND SCOULAR AGREE TO AMOUNT	$ 61,494
SS Prepayments	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 655,130
S/S coverage	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 10,445
Accounts Payable			
Accounts Payable	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 33,303,830
Postdated cheques	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ (9,109,657)
Accounts Payable	LW Sunflower	PARENT AND SCOULAR AGREE TO AMOUNT	$ 57,595
Accounts Payable	St Hilaire Seed	PARENT AND SCOULAR AGREE TO AMOUNT	$ 218,287
A/P – Settlement	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ (185,978)
AP – OS Cheques reclassed CAD	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ -
SS Prepayments	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 738,455
Accrued Liabilities			
Accrued PTO (Vacation)	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 484,917
Accrued PTO (Vacation)	LW Sunflower	PARENT AND SCOULAR AGREE TO AMOUNT	$ 27,276
Accrued PTO (Vacation)	SHS	PARENT AND SCOULAR AGREE TO AMOUNT	$ 39,971
purchase accrual kit manual 206802	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 374,519
Accrued Liabilities	Tianjin	PARENT AND SCOULAR AGREE TO AMOUNT	$ 75,072
Accrued Liabilities	LW China	PARENT AND SCOULAR AGREE TO AMOUNT	$ 8,942
Accrued Liabilities HKD	LW China	PARENT AND SCOULAR AGREE TO AMOUNT	-
Accrued Property Taxes		PARENT AND SCOULAR AGREE TO AMOUNT	$ 7,732
Closing Currency Adjustments	LWCA	PARENT AND SCOULAR AGREE TO AMOUNT	$ 2,875,500

Appendix “H”

David Sieradzki

From: David Sieradzki
Sent: March 2, 2016 4:30 PM
To: 'Tom Wortmann'
Subject: RE: Clancey Scope of Servies Document.

Tom,

I acknowledge receipt of your e-mail and enclosures of Sunday night (Feb 28). While I appreciate your efforts on narrowing the items in dispute, there continues to be a fundamental difference of approach between Scoular's calculations of net realizable value and the calculations used for the preliminary closing working capital calculation and LWP's calculation of final closing working capital in the APA between the parties.

There appears to be a significant disagreement in respect of the terms of the APA and how working capital is intended to be calculated. Given that the determination of working capital will have a material impact on the recovery to the corporation's shareholders and the significant issues that may be in dispute, LWP, by its court appointed liquidator, KSV Advisory Inc., intends to bring an application to the Ontario Court to seek the court's assistance in resolving these matters. The application will be filed by the end of the week unless the matter can be resolved consensually.

We have also discussed these matters with LWP's inspectors who have directed the Court appointed liquidator to take this action. If you want to go over LWP's approach to the calculation of NRV again, please give me a call and we can review LWP's position in this respect.

David

David Sieradzki
KSV Advisory Inc.
Managing Director
T +1 416 932 6030
M +1 416 428 7211

From: Tom Wortmann [mailto:TWortmann@scoular.com]
Sent: February 28, 2016 10:43 PM
To: David Sieradzki <dsieradzki@ksvadvisory.com>
Subject: Clancey Scope of Servies Document.

David,

Please find 4 files.

The first is Scoular's recommendation for a scope of services outline for Brian Clancey.

The second is the related Exhibit A. This file represents all lots where the $ difference between the 2 companies is greater than $5000. The excluded lots represent a cumulative difference of $84K, Exhibit A represents over 99% of the $ difference between the two parties related to NRV. This will allow Clancey to focus on 102 lots instead of over 250 lots as detailed in each parties NRV submittals.

The other two files are Scoular's and LWP's individual NRV submittals.

Please review and let me know when you would like to talk.

Tom Wortmann
Managing Director, Business Development
402-449-1464 Office
402-881-2908 Mobile
Scoular