

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF AN APPLICATION BY WASANDA ENTERPRISES INC.
UNDER THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED AND BUSINESS CORPORATIONS ACT,
R.S.O. 1990, c.B-16, AS AMENDED**

**AND IN THE MATTER OF A PLAN OR PLANS OF COMPROMISE
OR ARRANGEMENT TO BE PROPOSED IN RESPECT OF
D'ANGELO BRANDS LTD. AND 1540633 ONTARIO INC.
O/A STEELBACK BREWERIES**

Applicants

**MOTION RECORD
(Third Stay Extension and Distribution of Sale Proceeds)
(Returnable May 14, 2008)**

May 9, 2008

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TO: **SERVICE LIST ATTACHED**

D'ANGELO BRANDS INC. SERVICE LIST
as at April 9, 2008

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Solicitors for Greenfield Ethanol Inc.

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF AN APPLICATION BY WASANDA ENTERPRISES INC.
UNDER THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED AND BUSINESS CORPORATIONS ACT,
R.S.O. 1990, c.B-16, AS AMENDED**

**AND IN THE MATTER OF A PLAN OR PLANS OF COMPROMISE
OR ARRANGEMENT TO BE PROPOSED IN RESPECT OF
D'ANGELO BRANDS LTD. AND 1540633 ONTARIO INC.
O/A STEELBACK BREWERIES**

Applicants

**NOTICE OF MOTION
(Third Stay Extension and Distribution of Sale Proceeds)
(Returnable May 14, 2008)**

The Applicant, Wasanda Enterprises Inc., ("Wasanda") will make a Motion to a Judge presiding over the Commercial List on Wednesday, May 14, 2008, at 10:00 a.m., or as soon after that time as the motion can be heard at the court house, 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

- (a) An Order abridging the time for service of this Notice of Motion and Motion Record herein, if necessary, and dispensing with any further service thereof, such that this motion is properly returnable on May 14, 2008;
- (b) An Order extending the Stay Period provided for and defined in the Order of the Honourable Madam Justice Pepall, dated November 15, 2007 (the "Initial Order")

(and subsequently extended by the Order of the Honourable Mr. Justice Siegel dated December 10, 2007 and the Order of the Honourable Madam Justice Hoy dated February 13, 2008) to and including August 15, 2008;

- (c) An Order authorizing and directing the Monitor, Mintz & Partners Limited, (the “Monitor”) to pay to Wasanda from monies in the hands of the Monitor arising from the sale to Steelback Brewery Inc. of certain assets of D’Angelo Brands Ltd. and 1540633 Ontario Inc. (collectively, the “Debtors”), sufficient funds to repay all indebtedness and obligations of the Debtors outstanding from time to time under the Debtor in Possession (“DIP”) credit facility extended by Wasanda;
- (d) Approving the Monitor’s Fifth Report and the activities of the Monitor set out therein; and
- (e) Such further and other relief as counsel may request and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

- (a) On November 15, 2007, Wasanda applied for and was granted an Order under the *Companies’ Creditors Arrangement Act* (“CCAA”) in respect of the Debtors;
- (b) The Initial Order included a general stay of proceedings against the Debtors until December 15, 2007 and by Orders dated December 10, 2007, and February 13, 2008, the court extended the Stay Period until February 13, 2008 and May 16, 2008, respectively;
- (c) The Debtors have proceeded in good faith and with due diligence;

- (d) Circumstances exist which make an extension of the Stay Period appropriate;
- (e) As part of its restructuring efforts and in furtherance of the goal of maximizing recoveries for its stakeholders, the Debtors have completed a sale of certain assets used in the brewery operations to Steelback Brewery Inc. pursuant to an Order of this Court dated April 15, 2008 (the “SBI Sale”);
- (f) The Monitor has received payment of \$8 million in payment of the purchase price under the SBI Sale;
- (g) Pursuant to paragraphs 34 to 37 and 40 to 44 of the Initial Order, Wasanda has extended a DIP credit facility to the Debtors, secured by a Court-ordered priority charge on all of the Debtors’ assets, subject only to the priority of the Administration Charge (as defined in the Initial Order);
- (h) Wasanda seeks repayment of advances under the DIP in accordance with paragraph 36 of the Initial Order;
- (i) Wasanda seeks an extension of the Stay Period in order to prepare, together with the Debtors, and seek leave to file with this Court, plans of compromise or arrangement in respect of the Debtors;
- (j) The Monitor supports the extension of the stay and distribution of sale proceeds to Wasanda in satisfaction of amounts owing under the DIP facility;
- (k) The provisions of the CCAA, including section 11(4);
- (l) Rules 2.03, 3.02 and 37 of the *Rules of Civil Procedure*; and

- (m) Such further and other grounds as counsel may advise and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) The Affidavit of Glen A. Huber sworn May 9, 2008;
- (b) The Fifth Report of the Monitor, to be filed; and
- (c) Such further and other material as counsel may advise and this Honourable Court may permit.

May 9, 2008

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Solicitors for the Applicants

TO: **SERVICE LIST ATTACHED**

IN THE MATTER OF AN APPLICATION BY WASANDA ENTERPRISES INC. UNDER THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND BUSINESS CORPORATIONS ACT, R.S.O. 1990, c.B-16, AS AMENDED

AND IN THE MATTER OF A PLAN OR PLANS OF COMPROMISE OR ARRANGEMENT TO BE PROPOSED IN RESPECT OF D'ANGELO BRANDS LTD. AND 1540633 ONTARIO INC., O/A STEELBACK BREWERIES

Applicants

Court File No. 07-CL-7283

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION
(Third Stay Extension and Distribution of Sale Proceeds)

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