

This is the 2nd affidavit
of Roland Kruger in this case and was
made on March 24, 2021

No. S212628
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

**ROLAND FRIEDRICH KRUGER, ROLAND KRUGER FAMILY TRUST,
HAGEN KRUGER, AND HAGEN KRUGER FAMILY TRUST**

PETITIONERS

AND:

**WILD GOOSE VINTNERS INC., DUKE HOLDINGS LTD., THE BANK OF
MONTREAL, and KUBOTA CANADA LTD.**

RESPONDENTS

AFFIDAVIT

I, Roland Friedrich Kruger, of 143-4400 McLean Creek Road, Okanagan Falls, BC, vintner,
AFFIRM THAT:

1. I am a Petitioner in these proceedings, and I am the General Manager of Wild Goose Vintners Inc. ("**Wild Goose**"), a respondent in these proceedings. I have knowledge of the matters to which I hereinafter depose. Where my affidavit is stated to be based on information I have received from others, I believe that information to be true.
2. The purpose of this affidavit is to update with respect to developments since filing this Petition last Thursday, March 18.
3. My only dealings with Tobi Reyes, the principal of the PortLiving group, was a cursory personal interaction on Friday in which he confirmed that he'd received the court documents. I did not have any substantive discussion with him.
4. I have had significant communications with Rob Ingram, the consultant that the PortLiving Group hired to assist in soliciting investment in Wild Goose. In particular, on Monday Mr. Ingram was extremely busy at Wild Goose, sending approximately 15 to 20 e-mails to me and the Wild Goose bookkeeper with requests for information. I directed the bookkeeper to prioritize Mr. Ingram's requests, and to provide whatever he requested as quickly as she was able.

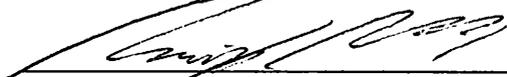


5. On Tuesday, I had a short conversation with Mr. Ingram. He asked a few questions about cash flow, and asked what the \$1 million withdrawal from the Wild Goose BMO Line of Credit was for in October, 2019. I explained that I did not know, as the money went to the PortLiving group. He told me that he did not know that the money had gone to the PortLiving group and was not used for the Wild Goose business.
6. I am not aware of Mr. Ingram's efforts being focused at all on repaying the amounts owing to me and my brother. I believe them to be focused on resolving the cash flow issues with Wild Goose, and not towards repaying its secured debts that are due at this time.
7. Once its cash flow issues are resolved, Wild Goose will continue to be a viable business, but it alone will not generate sufficient proceeds to repay the amounts owing to me. Those amounts will likely have to come from ownership.
8. Finally, since I swore my last affidavit on March 15, 2021 Wild Goose has had to make purchases of materials and supplies to commence its bottling. It has purchased labels and screwcaps, entirely on credit, as the suppliers are advancing to Wild Goose based on its reputation. One substantial current receivable is to Wild Goose's screwcap provider, which also provides Wild Goose with equipment and winemaking supplies, along with equipment repairs. If we lose that relationship now, it will be difficult to rebuild it in the future.
9. It will also have to pay for bottles, that had to be ordered in December, for shipment to Canada, and drawn upon in March through May. The bottles have to be paid for in cash as they are drawn upon. Without the reputation the business has of paying bills, if we do not pay for the bottles, the supplier will cut us off and we will not be able to bottle our wines, thus missing potential orders from major wholesalers and orders through out extensive wine club. And without cash on hand to pay those amounts, Wild Goose will not be able to bottle its 2020 vintage, which will have a substantial impact on its ability to generate revenue this year.
10. As I set out in my earlier affidavit, I expect that Wild Goose will need to pay at least \$250,000 in cash for the bottling supplies within the next month or two. But even if any of its current suppliers loses confidence that Wild Goose will be able to pay in the short term, Wild Goose will not be able to replace that supplier with a new one without cash to pay it.
11. Wild Goose will also have to incur additional cash costs in the immediate short term. Those include two seasonal labourers who arrived from Mexico, and without cash on hand to keep them here Wild Goose may lose them to another winery. This week also marks the beginning of hiring our seasonal staff as the tasting room is preparing to open.
12. We are also currently trying to negotiate contracts for grape purchases in 2021 from independent contracted growers. Rumours are spreading that Wild Goose is in financial trouble and growers are hesitant in signing with us. This could be devastating to the growth of our winery this year and beyond.



- 13. Finally, it is my personal relationship with suppliers that is keeping supplies flowing to Wild Goose. Without my relationships and the trust that suppliers place in me personally, I don't expect that suppliers will continue to supply to Wild Goose without cash up front.
- 14. I no longer wish to work with Wild Goose' current ownership. While I intend to comply with the obligations under my employment agreement, to the extent current ownership remains in control of Wild Goose, I do not intend to extend the term of my employment past its current term.
- 15. I was not physically before the Commissioner when affirming this affidavit due to health concerns due to COVID19 however I was connected to the Commissioner via video technology. I confirm that each page of this affidavit was reviewed with the Commissioner, and that we used the process described for remote commissioning of affidavits dated March 27, 2020.

AFFIRMED BEFORE ME at Vancouver,)
 British Columbia, on March 24, 2021)


 _____)
 A Commissioner for taking Affidavits)
 for British Columbia.)

Craig McCue, articulated student)

Roland Kruger

FARRIS LLP
Barristers • Solicitors
2500 - 700 West Georgia Street
P.O. Box 10028, Pacific Centre
Vancouver, BC V7Y 1B3



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Barristers & Solicitors
FARRIS LLP

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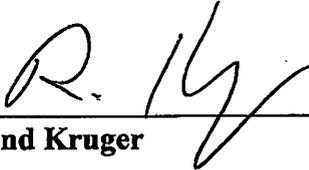
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RJK
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AFFIRMED BEFORE ME at _____,)
 British Columbia, on March 24, 2021)
)
)
 _____)
 A Commissioner for taking Affidavits)
 for British Columbia.)
)



Roland Kruger

R/K
 R/L

CANADA

No. S212628
Vancouver Registry

BRITISH COLUMBIA

Certificate for Remote Commissioning of Statutory Declaration

I, Craig McCue, administered the oath to Roland Kruger (the “Deponent”) for his affidavit dated March 24, 2021. I am an articulated student and as such am authorized by the *Evidence Act*, R.S.B.C. 1996 c. 124 and B.C. Reg. 142/2015 to take statutory declarations for use in British Columbia.

The Deponent was not physically present before me because it is medically unsafe to meet the Deponent in person due to COVID-19, but was linked with me utilizing video technology. I followed the process for remote commissioning of affidavits described in the Notice to the Profession dated March 27, 2020 issued by the Supreme Court of British Columbia, and complied with the Law Society of British Columbia’s best practices for using video-conferencing.

I certify that I am satisfied that the process for the remote commissioning of affidavits was necessary because it was unsafe for medical reasons to be physically present with the Deponent.

March 24, 2021

Dated



Signature of Commissioner
Craig McCue
Articled Student
Farris LLP
2500 – 700 West Georgia St.
Vancouver, BC, V7Y 1B3