

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
NO: 500-11-063053-231
DATE: January 24, 2024

PRESIDING: THE HONOURABLE KAREN M. ROGERS, J.S.C.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c C-36 OF:

STORNOWAY DIAMONDS (CANADA) INC.

-and-

11272420 CANADA INC.

Debtors

-and-

DELOITTE RESTRUCTURING INC.

Monitor

ORDER APPROVING CERTAIN PAYMENTS TO UNAFFECTED CREDITORS

JR1825

- [1] **ON READING** the *Application for the issuance of a Second Amended and Restated Initial Order and Ancillary Relief* dated January 19, 2024 (the "**Application**") of the Debtors pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**"), the affidavit and the exhibits filed in support thereof, as well as the Monitor's report entitled *Third Report to the Court submitted by Deloitte Restructuring inc.* (the "**Monitor's Report**");
- [2] **CONSIDERING** the notification of the Application;
- [3] **CONSIDERING** the submissions of the attorneys present at the hearing on the Application and the testimony of the witnesses heard;

- [4] **CONSIDERING** the provisions of the CCAA;
- [5] **CONSIDERING** the terms of the initial order rendered on October 27, 2023, as amended and restated on November 3, 2023 and November 13, 2023 (as same may be further amended and restated, the “**Initial Order**”);
- [6] **CONSIDERING** that the Streamers and Diaquem are unaffected creditors pursuant to the Initial Order and that the December Payments (as defined hereunder) are owed to them;

THE COURT:

- [7] **GRANTS** the Application.
- [8] **ISSUES** an order pursuant to the CCAA (this “**Order**”).
- [9] **ORDERS** that all capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Second Amended and Restated Initial Order.
- [10] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses with further service thereof.
- [11] **DECLARES** that sufficient prior notice of the presentation of this Application has been given by the Debtors to interested parties.
- [12] **AUTHORIZES** the Debtors to proceed with the payments to the applicable Streamers and Diaquem (in their capacity as unaffected creditors pursuant to the Initial Order), as identified and provided in the financial projections filed as **Appendix C** to the Monitor’s report entitled *Second Report to the Court Submitted by Deloitte Restructuring Inc.*, dated November 9, 2023, in the lines “Royalties to IQ”, “Senior Loan Interest” and “Cash Sweep 2022” therein and in **Appendix B** to the Monitor’s Report, and totalling \$ 14,535,732.37 (the “**December Payments**”).
- [13] **DECLARES** that this Order and any proceeding or affidavit leading to this Order, shall not, in and of themselves, constitute a default or failure to comply by the Debtors under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.
- [14] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.

[15] **ORDERS** the provisional execution of this Order notwithstanding any appeal.

A handwritten signature in cursive script that reads "Karen M. Rogers". The signature is written in black ink and is positioned above a horizontal line.

The Honourable Karen M. Rogers, J.S.C.