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CANADA
PROVINCE OF QUEBEC
DISTRICT OF QUEBEC
COURT. No.: 500-11-063053-231

SUPERIOR COURT
Commercial Division

**IN THE MATTER OF A PLAN OF
ARRANGEMENT OR COMPROMISE OF:**

11272420 CANADA INC.

- and -

STORNOWAY DIAMONDS (CANADA) INC.

Debtors

- and -

DELOITTE RESTRUCTURING INC.

Monitor

**SECOND REPORT TO THE COURT
SUBMITTED BY DELOITTE RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR**
(Companies' Creditors Arrangement Act)

INTRODUCTION

1. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.
2. On October 27, 2023, 1127420 Canada Inc. ("**1127**") and Stornoway Diamonds (Canada) Inc. ("**SCD**") (collectively "**Stornoway**" or the "**Debtors**") filed an *Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and Ancillary Relief* (the "**Initial Application**") under the *Companies' Creditors Arrangement Act* ("**CCAA**"), before the Superior Court of Québec (the "**Court**") seeking the appointment of Deloitte Restructuring Inc. as the CCAA monitor in these proceedings (the "**Proposed Monitor**") and various other relief measures.

3. On October 27, 2023, Deloitte, then in its capacity as Proposed Monitor, issued its first report to the Court (the "**First Report**") as part of the Debtors' CCAA proceedings (the "**CCAA Proceedings**"). The purpose of the First Report was to provide information to the Court with respect to i) Deloitte's qualification to act as monitor; ii) the business, financial affairs and financial results of Stornoway; iii) Stornoway's creditors; iv) the proposed sale and investment solicitation process; v) key employees retention program; vi) critical suppliers; vii) charges sought in the proposed "First Day Initial Order" and the Proposed "Initial Order"; viii) overview of the 4-week cash flow projections; and ix) the Proposed Monitor's conclusions and recommendations.
4. Capitalized terms not otherwise defined herein are as defined in the First Report or the Initial Application.
5. On October 27, 2023, the Court granted the Initial Application and rendered the First Day Initial Order and the SISP Approval Order which provided for, inter alia, (i) a stay of proceedings against the Debtors until and including November 6, 2023 (the "**Stay Period**"); (ii) a stay of proceedings against the Directors and Officers; (iii) the appointment of Deloitte Restructuring Inc. as the monitor under the CCAA ("**Deloitte**" or the "**Monitor**"); (iv) authorization to pay critical suppliers, (v) a General Administration Charge of \$500K, a Streamers Administration Charge on the Stream Encumbered Property, a D&O Charge of \$3.9M and a KERP Charge of \$480K, and (vi) approval of the SISP.
6. On November 3, 2023, the Court rendered the Restated Initial Order which provided for an extension of the Stay Period to November 13, 2023, following its initial expiration on November 6, 2023.
7. On November 13, 2023, a full comeback hearing in this matter shall take place.
8. The purpose of this second report of the Monitor (the "**Second Report**") is to provide information to the Court with respect to the following matters:
 - I. Update regarding Stornoway's communications to stakeholders and operations;
 - II. The Monitor's activities since the First Report;
 - III. Update on the SISP;
 - IV. Payments to Critical Suppliers;
 - V. Charges sought in the Proposed Initial Order;
 - VI. Key Employee Retention Program (KERP);
 - VII. Environmental matters;
 - VIII. Cash flow results for the 2-week period ended October 29, 2023;
 - IX. Overview of the Cash Flow Projections;
 - X. The request for an extension of the Stay Period; and
 - XI. The Monitor's conclusions and recommendations.

9. In preparing the Second Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, Stornoway's books and records and financial information prepared by same and discussions with management ("**Management**") of the Stornoway (collectively, the "**Information**"). Except as described in this Second Report in respect of the Stornoway's Cash Flow Statement (as defined below):
 - (i) The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and
 - (ii) Some of the information referred to in this Second Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in Chartered Professional Accountants Canada Handbook, has not been performed.
10. Future oriented financial information referred to in this Second Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
11. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Second Report concerning Stornoway and their business is based on the Information, and not independent factual determinations made by the Monitor.

I. UPDATE REGARDING STORNOWAY'S COMMUNICATIONS TO STAKEHOLDERS AND OPERATIONS

12. On October 27, 2023, Stornoway announced to all its employees Stornoway's current financial situation and its intent to immediately initiate the CCAA Proceedings. As previously disclosed to the Court, Stornoway proceeded with the temporary lay off of the vast majority of its workforce (approximately 450 employees) in the context of implementing its care and maintenance period.
13. Later on October 27, 2023, the Company issued a press release advising namely that the First Day Initial Order was issued by the Court, that Deloitte had been appointed as Monitor and that the Court had also issued the SISP Approval Order authorizing Stornoway to conduct the SISP with the assistance of Deloitte Corporate Finance Inc. (the "**SISP Agent**") and under the oversight of the Monitor.
14. Since the First Day Initial Order, Stornoway has had communications with many of its main suppliers and other key stakeholders to explain the current situation and the next steps relating to the proposed restructuring (the "**Restructuring Process**").
15. Stornoway has pursued its ongoing discussions with its secured lenders Osisko Gold Royalties Ltd., CDPQ Ressources Inc., TF R&S Canada Ltd., Washington State Investment Board, Albion Exploration Fund LLC (collectively, the "**Streamers**") as well as with Diaquem Inc. ("**Diaquem**"). Since the First Day Initial Order, several meetings and exchanges of information have taken place.

16. The Company and the Monitor have continued to collaborate with the Streamers and their respective legal and financial advisors, Stikeman Elliott LLP, Fasken LLP, and FTI Consulting, including by providing their representatives with all requested information and documentation relating to the Restructuring Process.
17. The Company and the Monitor have continued to collaborate with Diaquem and their legal advisor, McCarthy Tétrault LLP, including by providing their representatives with all requested information and documentation relating to the Restructuring Process.
18. Stornoway and the Monitor have had several discussions and exchanges of information in order to:
 - a) Manage the transfer, transport and sales of diamonds;
 - b) Optimize working capital and implement various cost reduction measures;
 - c) Organize individual meetings with key stakeholders of Stornoway, including main suppliers and contractors;
 - d) Ensure the continuation and viability of key contracts;
 - e) Manage the temporary lay off of the majority of Stornoway's workforce;
 - f) Coordinate the return flight of the on-site employees on October 27, 2023; and
 - g) Plan and coordinate the exit of the on-site contractors on October 31, 2023.
19. Stornoway experienced certain difficulties at the Canadian borders in connection with its October shipment to Belgium. This issue has been resolved but caused a delay in the Company's shipments of diamonds. It is unclear at this time if this event could result in further delays for the sale of diamonds budgeted for December 2023.
20. Stornoway has been proactive in responding to the different stakeholders' inquiries relating to the CCAA Proceedings and the Restructuring Process.
21. Stornoway remained careful and vigilant in managing its liquidities. Stornoway focused on limiting costs by placing the Renard mine in Care and Maintenance during the Restructuring Process. With the assistance of the Monitor, Stornoway will be exploring the possibility of further reducing the costs of the Care and Maintenance operations.
22. To the Monitor's knowledge, the Debtors remained in compliance with the provisions of the First Day Initial Order and the SISP Approval Order since their issuance.

II. THE MONITOR'S ACTIVITIES SINCE THE FIRST REPORT

23. On October 27, 2023, the Monitor posted a copy of the Initial Application, the First Report, the First Day Initial Order, the SISP Approval Order and the service list on the Monitor's website at www.insolvencies.deloitte.ca/stornoway (the "**Monitor Website**").
24. The Monitor has also provided a dedicated email address (stornoway@deloitte.ca) and a phone number (514-369-9666) to allow interested parties to contact the Monitor directly if they have questions with respect to the Restructuring Process and the CCAA Proceedings.
25. On November 1, 2023, the Monitor sent, by prepaid ordinary mail, a notice to all the Debtors' known creditors having a claim against the Debtors based on the contact information provided by the Management of such known creditors. The notice included information about the CCAA Proceedings, the Monitor's email address and the Monitor's Website (the "**Notice to Creditors**"). Approximately 474 creditors were sent a Notice to Creditors which was also posted on the Monitor's Website.

26. On November 1, 2023, the Monitor sent, by prepaid ordinary mail, based on the contact information provided by Management, a notice to all known current employees of the Debtors, which included information about the CCAA Proceedings, the Monitor's email address and the Monitor Website (the "**Notice to Employees**"). Approximately 560 employees were sent the Notice to Employees.
27. On November 6, 2023, the Monitor and the SISP Agent visited the Renard mine, located approximately 250 km north of the Cree community of Mistissini and approximately 800 km north of Montreal, in order to gain a deeper understanding of Stornoway's diamond mining operations. The focus of the visit was to gather on site information that will allow the SISP Agent to finalize the SISP materials and for the Monitor to take stock of the different issues relating to the operations, the assets and different stakeholders of Stornoway.
28. On November 7, 2023, the Monitor published a notice of the First Day Initial Order in *La Presse +* (French version) and the *Globe and Mail National Edition* (English version). On November 14, 2023, the Monitor will publish a second notice in *La Presse +* and the *Globe and Mail National Edition*, the whole in accordance with the First Day Initial Order.
29. The Monitor filed the first and second forms (Form 1 and 2) with respect to the granting of the First Day Initial Order and certain information as required by the Office of the Superintendent of Bankruptcy.
30. The Monitor assisted the Debtors in their discussions with their main suppliers and other key stakeholders. The Monitor has participated in meetings with several stakeholders since the First Day Initial Order, including with:
 - a) Stornoway's main secured creditors, the Streamers and Diaquem; and
 - b) Certain unsecured creditors, employees and other stakeholders.
31. More generally, the Monitor, with the assistance of the Debtors, has been responding to questions and inquiries of various stakeholders in relation to the CCAA Proceedings and the Restructuring Process.
32. Since the First Day Initial Order, the Monitor worked with the Company to develop and implement procedures to monitor the Company's activities in view of reporting to the Court. The Monitor and the Company have had several communications on a daily basis.
33. The Monitor has had multiple communications and discussions with the SISP Agent and the Company regarding the preparation and progress of the SISP.
34. The Monitor is also holding regular discussions with the Company and its board members and is being kept apprised, on a daily basis, in respect of:
 - a) Stornoway's operations; and
 - b) any other issues encountered by Stornoway.
35. The Monitor implemented a daily review of Stornoway's bank accounts including its receipts and disbursements. Since the First Day Initial Order, daily requests for payment of goods or services supplied to the Debtors were presented to the Monitor by the Company. The Monitor received full cooperation from Management.
36. The Monitor has continued to assist Stornoway in preparing revised cash flow projections and modeling the different scenarios regarding the funding of its operations until the end of January 2024.

III. UPDATE ON THE SISP

37. Since the issuance of, and pursuant to the SISP Approval Order, the Debtors initiated steps to implement the SISP which is intended to solicit interest in Stornoway's business and assets through one or more transactions; and/or an investment, recapitalization, refinancing or other form of reorganization transaction(s) (collectively, the "**Opportunity**"). The SISP is being conducted by Stornoway, with the assistance of the SISP Agent, and under the oversight of the Monitor, the whole in accordance with the SISP procedures approved by the Court pursuant to the SISP Approval Order (the "**Bidding Procedures**").
38. In accordance with the Bidding Procedures, Stornoway, with the assistance of the SISP Agent and Stornoway's legal advisors, has been preparing the go-to-market materials including:
 - a) The SISP terms and conditions;
 - b) A letter describing the Opportunity (the "**Solicitation Letter**") outlining the SISP and inviting recipients to express their interest pursuant to the SISP;
 - c) A non-disclosure agreement ("**NDA**") that will have to be executed by potential bidders prior to the distribution of any confidential information;
 - d) A confidential information memorandum ("**CIM**") providing additional information considered relevant to the Opportunity;
 - e) A virtual data room ("**VDR**") which will include all relevant information for those potential bidders that have executed an NDA; and,
 - f) A comprehensive list of potential bidders which includes approximately 60 international strategic and financial potential buyers.
39. It is expected that the CIM and the VDR will be finalized and available for parties having executed the NDA by November 10, 2023.
40. Although the distribution of the Solicitation Letter was initially intended to commence on November 3, 2023, the SISP Agent recommended proceeding to its distribution only once all of the go-to-market materials had been finalized and preferably at the start of a work week. Consequently, it is expected that the distribution of the Solicitation Letter will commence on Monday, November 13, 2023.
41. The Monitor believes the delay in the distribution of the Solicitation Letter will not have a negative impact on the SISP and that Stornoway and the SISP Agent will have sufficient time to properly canvas the market before the Phase 1 Bid Deadline on January 19, 2024.
42. Stornoway, the SISP Agent and the Monitor have received several inquiries relating to the SISP from parties who were informed of the initiation of the CCAA Proceedings.

IV. PAYMENTS TO CRITICAL SUPPLIERS

43. The First Day Initial Order provides that Stornoway may, with the prior consent of the Monitor and subject to certain conditions, pay amounts owing for goods or services actually supplied to Stornoway prior to the First Day Initial Order by third party suppliers if, in the opinion of Stornoway and the Monitor, the supplier is critical to the business and the continued operations (the "**Critical Suppliers**").

44. Management has represented to the Monitor that it may become necessary to pay certain amounts owing to the Critical Suppliers, for the following reasons:
- a) Certain of the Critical Suppliers operate small businesses, such that if they are not paid, they will be put in financial difficulty, which would in turn jeopardize the supply of essential goods to Stornoway during the Care and Maintenance period;
 - b) Certain of the Critical Suppliers do not have a long-term contract with Stornoway, and could unilaterally cease providing the necessary goods or services to the Debtors; and
 - c) The Monitor has been informed that a limited number of Critical Suppliers will not provide goods or services for the upcoming weeks if they have not been paid their arrears, such that they would cease doing business with Stornoway, which would significantly impair Stornoway's ability to put in place its Care and Maintenance program in the coming months.
45. As indicated in its First Report, the Monitor believes that it is necessary in the circumstances that Management be authorized to (i) identify which of the suppliers are essential to the business and ongoing operations of Stornoway, and (ii) pay certain pre-filing claims of the Critical Suppliers, in accordance with the requirements of the First Day Initial Order and the Proposed Initial Order, as applicable.
46. The Monitor believes that payments to be made for reasons set forth in paragraph 44 hereof should be limited and that suppliers will generally continue to provide and maintain services in compliance with the First Day Initial Order and the Proposed Initial Order.
47. As of November 7, 2023, the Debtors had not made any payments to Critical Suppliers. Stornoway plans to make certain such payments in the coming days for a very limited number of Critical Suppliers.
48. The opportunity and extent of future payments to Critical Suppliers will depend namely on the ongoing discussions with creditors and other stakeholders, which discussions will impact the measures and steps of the Restructuring Process and allow Stornoway to maximize the value of its assets.

V. CHARGES SOUGHT IN THE PROPOSED INITIAL ORDER

Adjustments to the CCAA Charges sought in the Proposed Initial Order

49. Further to the issuance of the First Day Initial Order, the Debtors seek the issuance of the Proposed Initial Order, which provides for the following adjustments to the CCAA Charges:
- a) An increase in the General Administration Charge to the total amount of \$1M; and,
 - b) A reduction in the D&O Charge to the total amount of \$1.4M. The reduced amount results from the implementation of the Care and Maintenance scenario, and the temporary lay off of approximately 450 employees.
50. The Monitor believes that the modifications to the General Administration Charge and the D&O charge are required and are reasonable in the circumstances.
51. The priorities of the CCAA Charges are as set out in the Proposed Initial Order.

VI. KEY EMPLOYEES' RETENTION PROGRAM ("KERP")

52. On November 1, 2023, an employee initially included in the KERP was terminated for cause by Stornoway, in consultation with the Monitor and Stornoway's legal advisors. As a result, this former employee will not be entitled to benefit from the KERP.
53. Stornoway recalled the services of one of its employees who had previously been temporarily laid off to assume the responsibilities of the terminated employee. It is the intention of the Company to include this employee in the KERP (in replacement of the terminated employee).
54. The above-noted replacement will have no impact on the total cost of the KERP nor the KERP Charge. The revised detailed list of employees included in the KERP is annexed hereto as **Appendix A (under seal)**.

VII. ENVIRONMENTAL MATTERS

55. Since the issuance of the First Report, the Monitor continues to have frequent discussions with the employee responsible for environmental matters in view of establishing whether the proper safeguards and procedures are in place and in order to identify if any actions are required in this regard.
56. There has not been any environmental incident during the reporting period that has not been addressed by Stornoway and communicated to the environmental authorities in the normal course of business. As of the date of this Second Report, the Monitor has not been made aware of any issues that would necessitate immediate action.
57. During its site visit, the Monitor did not note any indications of urgent or critical environmental issues that needed to be addressed by Stornoway.
58. Stornoway, the Monitor, the Streamers and Diaquem are reviewing and evaluating the short-term financial impact of the asset retirement obligations in the event of closure of the Renard Mine. Further analysis and information gathering will be necessary in the coming months to establish the revised total estimated amount of remediation costs and the financial impact of same on a potential transaction conducted under the SISF.

VIII. CASH FLOW RESULTS FOR THE 2-WEEK PERIOD ENDED OCTOBER 29, 2023

59. The highlights of Stornoway's financial performance for the period commencing on October 16, 2023, and ending on October 29, 2023, are presented in the Actual Cash Flow annexed hereto as **Appendix B (under seal)**.
60. The table below provides an overview of the cash balances and the cash variances of Stornoway from October 16 to 29, 2023:

Stornoway cash variation	
For the 2-week period ended October 29, 2023	
In '000 CAD	
Beginning cash	4,247
Net variation in cash	4,349
Ending cash	8,596

61. The Monitor's comments on the financial performance of Stornoway during such period are the following:

- a) Compared with the initial statement of projected cash flow presented in the First Report to the Court dated October 26, 2023 (the "**Initial Cash Flow Statement**"), Stornoway experienced a favorable variance of approximately \$239K in respect of the cash inflows. This variance is primarily attributable to higher gross diamond sales;
- b) Compared with the Initial Cash Flow Statement, Stornoway experienced an unfavorable variance of \$437K in respect to the cash outflows. This variance is mainly due to higher vendor payments in order to repatriate the employees and contractors working at the mine site shortly after the announcement of the CCAA proceedings;
- c) Compared with the Initial Cash Flow Statement, Stornoway experienced a net unfavorable variance of approximately \$164K.

62. As of the date of this Second Report, all post-filing expenses incurred by Stornoway have been or will be paid in the normal course of business.

IX. OVERVIEW OF THE CASH FLOW PROJECTIONS

63. Stornoway, with the assistance of the Monitor, has prepared the statement of projected cash flow (the "**Cash Flow Statement**") for the 15-week period from October 30, 2023, to February 11, 2024 (the "**Cash Flow Period**") for the purpose of projecting Stornoway's estimated liquidity needs during the Cash Flow Period. A copy of the Cash Flow Statement is attached as **Appendix C (under seal)** to this report.

64. The Cash Flow Statement has been prepared by the Company using probable and hypothetical assumptions set out in the notes to the Cash Flow Statement.

65. The Monitor's review of the Cash Flow Statement consisted of inquiries, analytical procedures and discussions related to information supplied to by Management. Since the hypothetical assumptions need not be supported, the Monitor's procedures with respect to these assumptions were limited to evaluating whether they were consistent with the purpose of the Cash Flow Statement. The Monitor also reviewed the documents provided by Management in support of the probable assumptions, and the preparation and presentation of the Cash Flow Statement.

66. Based on the Monitor's review and the foregoing qualifications and limitations, nothing has come to its attention that causes it to believe that, in all material respects:

- (i) The hypothetical assumptions are not consistent with the purpose of the Cash Flow Statement;
- (ii) As at the date of this First Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Cash Flow Statement, given the hypothetical assumptions; or
- (iii) The Cash Flow Statement does not reflect the probable and hypothetical assumptions.

67. Since the Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no opinion as to whether the projections in the Cash Flow Statement will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report or, relied upon in preparing this report. Neither does the Monitor express any opinion as to the performance of Stornoway's statutory obligations with regard to projected payments to be made in accordance with the Cash Flow Statement, inter alia the payment of wages, the government remittances and the payroll deductions to be made by Stornoway.
68. The Cash Flow Statement has been prepared solely for the purpose described in the Notes to the Cash Flow Statement, and readers are cautioned that the Cash Flow Statement may not be appropriate for other purposes.
69. The sales of diamonds will take place between November and December 2023. Considering India's 2-month moratorium on rough diamond purchases some level of uncertainty remains on the blended pricing that could be obtained for the sale of Stornoway diamonds. Should market indicators and conditions change over the coming weeks, the Company could review its sale strategy by delaying the diamond sales to generate higher revenues and maximize value. Upon completion of the forecasted sales, the full inventory of diamonds will have been sold.
70. Stornoway, the Monitor, the SISP Agent and Bonas-Couzyn ("Bonas"), Stornoway's diamond broker, scheduled a meeting on November 9, 2023, to discuss and gain a deeper understanding of Bonas' outlook on the diamond market.
71. As mentioned above, the key assumptions used in the Cash Flow Statement are based on Stornoway's most recent sales and costs trends prior to the First Day Initial Order. Stornoway's consolidated cash balance as of October 30, 2023, is estimated to be \$8.6M. The Cash Flow Statement demonstrates that this liquidity level and funds generated from diamond sales in November and December 2023 would be sufficient to fund the operations during the Cash Flow Period.
72. Management still anticipates more restrictive payment terms for purchases from suppliers following the announcement of the CCAA proceedings. As such, Management has anticipated certain "cash on delivery" purchases.
73. As appears from the Cash Flow Statement and the Initial Application, in order to preserve the value of its operations with the view to completing the SISP, Stornoway intends to continue to pay its trade creditors for services rendered and goods supplied in the normal course of business during these CCAA proceedings.
74. Management has advised the Monitor that it believes that the forecast reflected in the Cash Flow Statement is reasonable.

X. THE REQUEST FOR AN EXTENSION OF THE STAY PERIOD

75. The current Stay Period expires on November 13, 2023.
76. The Debtors are seeking an extension of the Stay Period until January 24, 2024, to conduct the SISP and advance the Restructuring Process.
77. The Monitor is informed that the Debtors intend to continue to pay their trade creditors for services rendered and goods supplied in the normal course of business during the CCAA Proceedings.

78. As described in this Second Report, the Cash Flow Statement indicates that the Debtors should have sufficient liquidity to continue to meet their obligations in the ordinary course of business with access to its current liquidities and existing working capital.

XI. THE MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

79. The Monitor believes that the Debtors should be granted the continued benefit of the protection available pursuant to the CCAA in accordance with the terms of the Proposed Initial Order, including the adjustments to the amounts of the CCAA Charges provided therein, since same would provide Stornoway with the opportunity to pursue a successful restructuring.

80. As noted above, the current Stay Period expires on November 13, 2023. The extension of the Stay Period sought by the Debtors is required to continue the Restructuring Process.

81. It is the Monitor's view that the continuation of the Restructuring Process is beneficial to Stornoway's creditors, employees and stakeholders as a whole.

82. The Monitor also believes that the Debtors have acted, and are acting, in good faith and with due diligence and that the extension of the Stay Period is appropriate.

83. Accordingly, the Monitor recommends that the Stay Period be extended to January 24, 2024, and that the other relief sought by the Debtors in the Amended and Restated Initial Order be granted.

84. The Monitor respectfully submits to the Court its Second Report.

DATED AT MONTREAL, this 9th day of November 2023.

DELOITTE RESTRUCTURING INC.

In its capacity as Court-Appointed Monitor of the Debtors



Jean-François Nadon, CPA, CIRP, LIT
President



Benoit Clouâtre, CPA, CIRP, LIT
Senior Vice President

Appendix A

Key Employees Retention Program (KERP)

(UNDER SEAL)

Appendix B
Budget to actual
(UNDER SEAL)

Appendix C
Cash-flow statement
(UNDER SEAL)