

**SUPERIOR COURT**  
(Commercial Division)

**CANADA**  
**PROVINCE OF QUÉBEC**  
**DISTRICT OF MONTRÉAL**

NO: 500-11-063053-231

DATE: June 10, 2025

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

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**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

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**LIQUIDATION ORDER**

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- [1] **ON READING** the Debtors' *Application for the Issuance of an Approval and Vesting Order, a Liquidation Order and Ancillary Relief* (the "**Application**"), pursuant to the *Companies' Creditors Arrangement Act*, RSC (1985), c. C-36, as amended (the "**CCAA**"), the affidavit and the exhibits filed in support thereof;
- [2] **CONSIDERING** the notification of the Application;
- [3] **CONSIDERING** the Fourth Amended and Restated Initial Order issued by this Court on October 8, 2024, as amended on January 17 and February 24, 2025;

[4] **GIVEN** the provisions of the CCAA, as amended.

**WHEREFORE, THE COURT:**

[1] **GRANTS** the Application.

**SERVICE AND DEFINITIONS**

[2] **DECLARES** that sufficient prior notice of the presentation of the Application has been given by the Debtors to interested parties, including the secured creditors.

[3] **ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Initial Order or in the *Commission Agreement* (the "**Commission Agreement**") among TCL Asset Group Inc. ("**TCL**") and Stornoway Diamonds (Canada) Inc. ("**Stornoway**"), filed as Exhibit R-7 in support of the Application.

**THE COMMISSION AGREEMENT**

[4] **ORDERS** that the Commission Agreement (including the transactions contemplated thereunder) is hereby approved, authorized and ratified and that the execution of the Commission Agreement by Stornoway, is hereby approved, authorized and ratified with such minor non-material amendments as the Debtors and TCL may agree to in writing, with the consent of Deloitte Restructuring Inc. (the "**Monitor**"), or further order of this Court. Subject to the provisions of this Order and the Initial Order, Stornoway and/or the Monitor is hereby authorized and directed to take any or all actions as may be necessary or desirable to implement the transactions contemplated in the Commission Agreement. Without limiting the foregoing, Stornoway and/or the Monitor is authorized to execute any other agreement, contract, deed or any other document, or take any other action, which could be required or be useful to give full and complete effect to the Commission Agreement.

[5] **ORDERS** that the commission percentage payable to TCL that appears in the Commission Agreement be redacted for distribution purposes and that the unredacted Commission Agreement be filed under seal in the Court record.

**THE SALE**

[6] **ORDERS** that the TCL is authorized to conduct the sales contemplated in the Commission Agreement in accordance with this Order and the Commission Agreement (the "**Sale**") and to advertise and promote the Sale, including within the Premises (as defined in the Commission Agreement). If there is a conflict between this Order and the Commission Agreement, the provisions of this Order shall prevail.

[7] **ORDERS** that Stornoway with the assistance of TCL, is authorized to market and sell the Assets (as defined in the Commission Agreement) in accordance with the

Commission Agreement and this Order, and, upon the sale of such Assets in accordance with this Order, all rights, title and interest in and to such Assets shall vest absolutely and exclusively in and with the applicable purchaser thereof, free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer or title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the “**Encumbrances**”), including without limiting the generality of the foregoing, all Encumbrances created by order of this Court, including the CCAA Charges (as defined in the Initial Order), and all charges, security interests or charges evidenced by registration, publication or filing pursuant to the *Civil Code of Québec* or any other applicable legislation providing for a security interest in personal or movable property, in each case effective as of the applicable time and date of the sale of the Assets.

- [8] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the net proceeds from the sale of the Assets (the “**Net Proceeds**”) shall stand in the place and stead of the Assets sold in accordance with this Order, and that upon payment of the purchase price for the Assets by the applicable purchaser, all Encumbrances shall attach to the Net Proceeds with the same priority as they had with respect to the Assets sold immediately prior to their sale, as if such Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
- [9] **ORDERS** that during the term of the Commission Agreement, TCL shall have access to the Premises in accordance with the Commission Agreement on the basis that TCL is assisting the Debtors and the Debtors have granted the right of access to the Premises to TCL, and TCL shall be entitled to carry out the Sale from and upon the premises in accordance with the Commission Agreement and this Order.
- [10] **ORDERS** that nothing contained in this Order shall be construed to create or impose upon the Debtors or TCL any additional restrictions not contained in the Commission Agreement.
- [11] **ORDERS** that, subject to and in accordance with the Commission Agreement and this Order, TCL is authorized to advertise and promote the Sale, without further consent of any person other than the Debtors as provided under the Commission Agreement.
- [12] **ORDERS** that Stornoway is hereby authorized and directed, in accordance with the Commission Agreement, to remit all amounts that become due to TCL thereunder.



[13] **ORDERS** that no Encumbrances shall attach to any amounts payable or to be credited or reimbursed to, or retained by, TCL pursuant to the Commission Agreement, and at all times TCL will retain such amounts, free and clear of all Encumbrances, notwithstanding any enforcement or other process or Claims, all in accordance with the Commission Agreement.

[14] **ORDERS** that notwithstanding:

- a) the pendency of these proceedings;
- b) any application for a bankruptcy order, receivership order or interim receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* ("BIA") in respect of the Debtors, or any order made pursuant to any such applications;
- c) any assignment in bankruptcy made or deemed to have been made in respect of the Debtors;
- d) the provisions of any federal or provincial statute; or
- e) 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, mortgage, security agreement, debenture, sublease, offer to lease or other document or agreement which binds the Debtors,

the Commission Agreement and the transactions and actions provided for and contemplated therein, including without limitation, the payment of amounts due to TCL shall be binding on any trustee in bankruptcy, receiver, receiver and manager or interim receiver that may be appointed in respect of the Debtors and shall not be void or voidable by any Person, including any creditor of the Debtors, nor shall they, or any of them, constitute or be deemed to be a preference, fraudulent conveyance, transfer at undervalue or other challengeable reviewable transaction, under the BIA or any applicable law, nor shall they constitute oppressive or unfairly prejudicial conduct under any applicable law.

#### **OTHER**

[15] **ORDERS** that the Debtors are authorized and permitted to transfer to TCL personal information in the Debtors' custody and control solely for the purposes of assisting with and conducting the Sale and only to the extent necessary for such purposes.

[16] **ORDERS** that all payments to be made to Stornoway under the Commission Agreement are to be remitted in full to the Monitor, as directed by the Monitor.

#### **GENERAL**

- [17] **ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.
- [18] **REQUESTS** the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.
- [19] **ORDERS** the provisional execution of this Order, notwithstanding any appeal.
- [20] **THE WHOLE WITHOUT COSTS.**

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