

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
NO: 500-11-065700-250
DATE: July 30, 2025

PRESIDING: THE HONOURABLE CÉLINE LEGENDRE, J.S.C.

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

ENERKEM INC.

-and-

ENERKEM ALBERTA BIOFUELS G.P. INC.

-and-

ENERKEM LIMITED (UK)

-and-

ENERKEM CORPORATION (DELAWARE)

-and-

ENERKEM SPAIN HOLDINGS, SOCIEDAD LIMITADA (SPAIN)

-and-

9390-1783 QUÉBEC INC.

Applicants

-and-

ENERKEM ALBERTA BIOFUELS L.P.

Mise-en-cause

-and-

DELOITTE RESTRUCTURING INC.

Monitor

-and-

REPSOL QUIMICA, S.A.

-and-

MONARCH ALTERNATIVE CAPITAL LP

-and-

ESC SUSTAINABLE SOLUTIONS FUND, L.P.

Mise-en-cause / Investors

-and-

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS (QUÉBEC)

-and-

THE REGISTRAR OF ALBERTA'S PERSONAL PROPERTY REGISTRY

-and-

THE LAND REGISTRAR OF QUÉBEC FOR THE REGISTRATION DIVISION OF COMPTON

Mises-en-Cause

**ORDER EXTENDING THE STAY PERIOD, EXPANDING THE
POWERS OF THE MONITOR AND RELEASING, TERMINATING
AND DISCHARGING CERTAIN CCAA CHARGES**

- [1] **ON READING** the Applicants' *Application for the Issuance of an Approval and Reverse Vesting Order* (the "**Application**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c C-36, as amended (the "**CCAA**") and the exhibits thereto, and the affidavit of Mr. Michel Chornet filed in support thereof;
- [2] **CONSIDERING** the Third Report of Deloitte Restructuring Inc., acting in its capacity as court-appointed monitor of the Applicants (the "**Monitor**"), dated July 25, 2025 (the "**Third Report**");
- [3] **CONSIDERING** the orders granted by this Court in the context of these proceedings commenced under the CCAA (the "**CCAA Proceedings**"), including the Initial Order granted on May 12, 2025 (as amended and restated on May 22, 2025, the "**Initial Order**"), and the Sale and Investment Solicitation Process Order granted on May 12, 2025 (the "**SISP Order**"), approving, *inter alia*, the conduct of a sale and investment solicitation process in respect of the Applicants' business and property (the "**SISP**");
- [4] **CONSIDERING** the Approval and Reverse Vesting Order rendered by this Court concurrently herewith (the "**Approval and Reverse Vesting Order**") approving the transactions contemplated by the subscription agreement dated July 22, 2025, entered into by and among Enerkem Inc. and Repsol Quimica, S.A. ("**Repsol**"), Monarch Alternative Capital LP ("**Monarch**") and ESC Sustainable Solutions Fund, L.P. ("**Eyre Street Capital**", and together with Repsol and Monarch, the "**Investors**") (as

such agreement may be amended in accordance with its terms, the “**Subscription Agreement**”);

- [5] **CONSIDERING** the notification of the Application to the parties on the service list prepared in the context of these CCAA Proceedings;
- [6] **CONSIDERING** the evidence produced and the submissions of counsel present at the hearing on the Application;

THE COURT:

- [7] **GRANTS** the Application.

Definitions

- [8] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Initial Order.

Service

- [9] **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.
- [10] **PERMITS** the service of the present Order (this “**Order**”) at any time and place and by any means whatsoever.

Extension

- [11] **ORDERS** that the application of the Initial Order and the Stay Period (as defined in the Initial Order) are hereby extended up to and including November 17, 2025.
- [12] **APPROVES** the activities of the Monitor, up to the date of this Order, as described in the Third Report of the Monitor and in the testimony of its representative at the hearing on the Application, and confirms that the Monitor has fulfilled its obligations pursuant to the CCAA and the orders of this Court up until the date of this Order.

Powers of the Monitor

- [13] **DECLARES** that this Order and all other orders in these CCAA Proceedings shall have full force and effect in all provinces and territories in Canada.
- [14] **ORDERS** that as of the issuance of the Monitor’s Certificate (as defined in the Approval and Reverse Vesting Order), the Initial Order shall be deemed amended to add the following paragraph immediately following paragraph 50 of the Initial Order (provided that, for greater certainty, the Applicants subject to the Initial Order

from and after the issuance of the Monitor's Certificate shall be as amended pursuant to the Approval and Reverse Vesting Order):

[50.1] **ORDERS** that, in addition to the powers provided for in paragraph [50] of this Order, the Monitor shall also be authorized, but not required, to exercise the following powers for and on behalf of the Applicants:

- (a) conduct and control the financial affairs and operations of the Applicants and carry on the business of the Applicants;
- (b) negotiate, complete, close and implement any transaction for the sale, use or monetization of the Property or the Business;
- (c) enter into any agreements for and on behalf of the Applicants with respect to the Business or the Property;
- (d) incur obligations in the daily ordinary course of business;
- (e) retain or terminate employees or contractors;
- (f) cease to carry on all or part of the Business;
- (g) access, at all times, the places of business and the premises of the Applicants, the Property, and change the locks to such places of business and premises of the Applicants;
- (h) collect all accounts receivable and all other claims of the Applicants and transacting in respect of same, including proceeds payable pursuant to the sale of Property and/or the Business and signing any document for this purpose;
- (i) report to, meet with and discuss with the Applicants' representatives, as the Monitor deems appropriate, regarding all matters relating to the Property and these CCAA Proceedings, and sharing information with them subject to such terms as to confidentiality as the Monitor deems advisable;
- (j) exercise all rights granted to the Applicants pursuant to this Order;
- (k) take steps for the preservation and protection of the Business or the Property;
- (l) exercise such shareholder or member rights, including voting rights, as may be available to the Applicants;

- (m) give any consent or approval on behalf of the Applicants as may be contemplated by this Order or the CCAA;
- (n) continue to engage the services of the Applicants' employees for and on behalf of the Applicants, until the Monitor, acting for and on behalf of the Applicants, terminates the employment of such employees. The Monitor shall not be liable for any employee related liabilities, including any successor-employer liabilities as provided for in section 11.8(1) of the CCAA, other than such amounts as the Monitor may specifically agree in writing to pay;
- (o) oversee and direct the preparation of cash flow statements and assist in the dissemination of financial or other information in these CCAA Proceedings;
- (p) execute, assign, issue, endorse documents of whatever nature in respect of any of the Property, whether in the Monitor's name or in the name and on behalf of any of the Applicants (including without limitation, financial statements, tax returns and tax filings);
- (q) exercise any rights which the Applicants may have;
- (r) make any distribution or payment required under any Order in these CCAA Proceedings;
- (s) shall be authorized entitled and empowered but not obligated to: (i) perform all acts, sign all documents and take any action, including with the Superintendent of Bankruptcy, to assign or cause to be assigned, the Applicants into bankruptcy; and (ii) act as trustee in the bankruptcy of the Applicants; and
- (t) perform such other duties or take any steps reasonably incidental to the exercise of such powers and obligations conferred upon the Monitor by this Order or any Order of this Court.

[51.2] **ORDERS** that notwithstanding the enhancement of the Monitor's powers and duties as set forth herein, the exercise by the Monitor of any of its powers, or the performance by the Monitor of any of its duties, the Monitor is not, and shall not be deemed to be, an owner or in possession of any of the Property for any purpose including without limitation for purposes of Environmental Legislation (for the purposes of this Order, the term "**Environmental Legislation**" shall mean any federal, provincial, territorial or other jurisdictional legislation, statute, regulation or rule of law or equity (whether in effect in Canada or any other jurisdiction) respecting the protection, conservation, enhancement, remediation or

rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Environmental Protection and Enhancement Act*, RSA 2000, c E-12; *Water Act*, RSA 2000, c W-3; *Fisheries Act*, R.S.C. 1985, c. F-14; *Canadian Environmental Protection Act*, 1999, SC 1999, c 33).

[51.3] **ORDERS** that the Monitor shall not be liable under any Environmental Legislation in respect of any Adverse Environmental Condition (for the purpose of this Order, the term "**Adverse Environmental Condition**" shall include without limitation, any injury, harm, damage, impairment or adverse effect to the environmental condition of the Property and the unlawful storage or disposal of waste or other contamination on or from the Property) with respect to the Property or any part thereof that arose or occurred before July 29, 2025.

[51.4] **ORDERS** that the Monitor shall not be liable under any Environmental Legislation in respect of any Adverse Environmental Condition with respect to the Property or any part thereof that arose, occurred, or continued after the date of this Order unless such Adverse Environmental Condition is caused by the gross negligence or wilful misconduct of the Monitor.

[51.5] **ORDERS** that notwithstanding the immediately preceding paragraph, the Monitor shall not be liable beyond the net realized cash value received and available to the Monitor from the Property under any Environmental Legislation in respect of any Adverse Environmental Condition with respect to the Property or any part thereof which is caused by the gross negligence or wilful misconduct of the Monitor.

CCAA Charges

[15] **ORDERS** that, upon issuance of the Monitor's Certificate (as defined in the Approval and Reverse Vesting Order), the Directors and Officers' Charge, the Interim Lender Charge and the KERP Charge (as these terms are defined in the Initial Order), shall be terminated, discharged and released as against any Property (as defined in the Initial Order) to which it applies, without any further formality.

[16] **ORDERS** that as of the issuance of the Monitor's Certificate (as defined in the Approval and Reverse Vesting Order), the Initial Order shall be deemed amended to replace paragraph 56 of the Initial Order by the following:

[56] **ORDERS** that the Monitor and the Monitor's legal counsel (Osler, Hoskin & Harcourt LLP), as security for the professional fees and disbursements incurred both before and after the making of this Order and directly related to these proceedings, be entitled to the benefit of and are hereby granted a charge, hypothec and security in the Property, to the extent of the aggregate amount of

\$200,000 (the "**Administration Charge**"), having the priority established by paragraphs [57] and [58] of this Order.

General

- [17] **DECLARES** that this Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.
- [18] **REQUESTS** the aid and recognition of any Court, tribunal, regulatory or administrative body in Canada, the United States of America or elsewhere, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All Courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants, and the Monitor as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor or the authorized representative of the Applicants in any foreign proceeding, to assist the Applicants, and the Monitor, and to act in aid of and to be complementary to this Court, in carrying out the terms of this Order.
- [19] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without any security or provision for costs whatsoever.
- [20] **THE WHOLE** without costs.



The Honourable Céline Legendre, J.S.C.