

SUPERIOR COURT

(Commercial Division)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No.: 500-11-057679-199

DATE: May 10, 2024

BY THE HONOURABLE MARTIN F. SHEEHAN, J.S.C.

In the Matter of *The Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 (the "CCCA") of Fortress Global Enterprises et al.:

INVESTISSEMENT QUÉBEC

Applicant / Secured Creditor

and

FIERA PRIVATE DEBT INC.

Impleaded Party

and

FORTRESS GLOBAL ENTERPRISES INC.

FORTRESS SPECIALTY CELLULOSE INC.

FORTRESS BIOENERGY LTD.

FORTRESS XYLITOL INC.

9217-6536 QUÉBEC INC.

Debtors

and

DELOITTE RESTRUCTURING INC.

Monitor

ORDER EXTENDING THE STAY PERIOD

[1] Applicant, Investissement Québec ("IQ") seeks the Issuance of an Order (the "Application") extending the Stay Period until May 10, 2024 and approving the activities

of Deloitte Restructuring Inc., in its capacity as monitor to the Debtors (“**Deloitte**” or the “**Monitor**”), as described in its Twenty-Fourth Report dated May 8, 2024.

The Stay Period

[2] The current Stay Period is set to expire on May 10, 2024, as per the undersigned’s order of March 15, 2024.

[3] Since the last order, significant progress has taken place.

[4] On April 30, 2024, a Memorandum of Understanding (“**MOU**”) was signed between a potential purchaser (the “**Potential Purchaser**”) and the Ministère de l’Économie, de l’Innovation et de l’Énergie (“**MEIE**”) setting forth the parties’ agreement and understanding with respect to a contemplated transaction (the “**Contemplated Transaction**”).

[5] The Contemplated Transaction provides for:

- 5.1. The acquisition of the Debtors’ assets to a company incorporated by the MEIE, subject to this Court’s approval;
- 5.2. The lease of certain of those assets (the “**Designated Assets**”) to the Potential Purchaser, who would benefit from an option to purchase the Designated Assets, subject to certain terms and conditions agreed upon with the MEIE; and
- 5.3. The implementation of a project with respect to some of the immovable properties of the Debtors.

[6] Concurrently with the execution of the MOU, an amendment to the exclusivity agreement already in place (the “**Exclusivity Agreement**”) was also signed by the Monitor and the Potential Purchaser, to which IQ intervened. The Exclusivity Agreement provides for the payment of an exclusivity fee that will fund the Debtors’ cash-flow forecast and the current on-going proceedings until the closing of the Contemplated Transaction.

[7] IQ expects to be in a position to return before this Court to seek the approval of the Contemplated Transaction in July 2024.

[8] Thus, an extension of the Stay period is required to allow the parties to finalize an agreement. The Monitor’s Twenty-Forth Report sets out a timeline to achieve this.

[9] Absent an order to extend the Stay Period, the parties would be forced to initiate proceedings under the *Bankruptcy and Insolvency Act* which would entail useless associated costs and expenses and would further complicate the negotiation and implementation of a transaction with the Potential Purchaser.

[10] The Debtors and the Monitor support the maintenance of the CCAA proceedings. The Application was notified to the service list, and no one has opposed the Application.

FOR THESE REASONS, THE COURT:

[11] **GRANTS** the Application;

[12] **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 the Applicant with any further notification thereof;

[13] **ORDERS** that the Stay Period (as defined in the Initial Order and extended thereafter, from time to time, by Order of this Court) shall be further extended to and including July 30, 2024;

[14] **APPROVES** the activities of the Monitor, up to the date of this Order, as described in the Twenty-Fourth 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;

[15] **COINTINUES** this matter to July 25, 2024 at 9:15;

[16] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

[17] **THE WHOLE**, without costs.

MARTIN F. SHEEHAN, J.S.C.

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Hearing date: May 10, 2024