



No. VLC-S-S-216272
Vancouver Registry

In the Supreme Court of British Columbia

Between

BANK OF MONTREAL

PETITIONER

and

FIREWEED BREWING CORP., RAW ENERGY LTD., RONALD KISIC, ROBERT MAITLAND, HER MAJESTY THE QUEEN IN RIGHT OF CANADA, HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, 49TH PARALLEL GROUP INC. dba WESTERN CRAFT ALLIANCE

RESPONDENTS



ORDER MADE AFTER APPLICATION
(Approve Sale and Vesting Order)

BEFORE THE HONOURABLE)

Mr. Justice Milner)

) September 3, 2021

THE APPLICATION of Deloitte Restructuring Inc. in its capacity as court appointed Receiver (the "Receiver") of the assets, undertakings and properties of Fireweed Brewing Corp. ("Fireweed") coming on for hearing at Vancouver, British Columbia, on the 3rd day of September 2021; AND ON HEARING, Sameer Kamboj, counsel for the Receiver, Joel Schachter, counsel for the Bank of Montreal by telephone, and no one else appearing for any of the creditors or shareholders of Fireweed although duly served; AND UPON READING the material filed, including the First Report of the Receiver, dated August 18, 2021 (the "Report");

WM
R.
Algal
appearing
for

THIS COURT ORDERS AND DECLARES THAT:

the
purchaser
and

1. The sale transaction (the "Transaction") contemplated by the Asset Purchase Agreement dated September 3, 2021 (the "Asset Purchase Agreement") between the Receiver and Big Rock Brewery Limited Partnership (the "Purchaser"), a copy of which is attached as Appendix "A" to the Report as well as this Order is hereby approved, and the Asset Purchase Agreement is commercially reasonable. The execution of the Asset Purchase Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Asset Purchase Agreement (the "Purchased IP").
2. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as Appendix "B" hereto (the "Receiver's Certificate"):

- a. all of Fireweed's right, title and interest in and to the Purchased IP described in the Asset Purchase Agreement in Appendix "A" hereto shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims" and each a "Claim") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and, for greater certainty, this Court orders that all of the Claims affecting or relating to the Purchased IP are hereby expunged and discharged as against the Purchased IP; and
 - b. all governmental authorities including those referred to below in this paragraph (collectively, "Governmental Authorities") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased IP. Without limiting the foregoing:
 - i. the Registrar of the British Columbia Personal Property Registry (the "PPR Registrar") shall and is hereby directed to forthwith cancel and discharge any registrations at the British Columbia Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of Fireweed in any of the Purchased IP which are of a kind prescribed by applicable regulations as serial-number goods
3. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Asset Purchase Agreement. Presentment of this Order and the Receiver's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased IP of any Claims.
 4. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased IP is required for the due execution, delivery and performance by the Receiver of the Asset Purchase Agreement.
 5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased IP shall stand in the place and stead of the Purchased IP, and from and after the delivery of the Receiver's Certificate all Claims shall attach to the net proceeds from the sale of the Purchased IP with the same priority as they had with respect to the Purchased IP immediately prior to the sale, as if the Purchased IP had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
 6. The net proceeds from the sale of the Purchased IP after adjustments shall be paid to OWEN BIRD LAW CORPORATION, in trust, and shall be paid out in accordance with the following priorities without further order:

- a. To Canada Revenue Agency, the amount required to pay its deemed trust claim under the *Income Tax Act*, RSC 1985, c. 1;
 - b. To Deloitte Restructuring Inc., the amount required to pay its fees and disbursements;
 - c. To Bank of Montreal, the amount required to pay the outstanding balance of the indebtedness owing from Fireweed Brewing Corp. to the Bank of Montreal, plus interest plus costs;
 - d. the balance then remaining of the proceeds of the sale, if any, to be paid into Court to the credit of this proceeding and to be held pending further Order of this Court.
7. Except as expressly provided for in the Sale Agreement or by section 97 of the British Columbia *Employment Standards Act*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against Fireweed.
 8. Upon completion of the Transaction, Fireweed and all persons who claim by, through or under Fireweed in respect of the Purchased IP, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased IP, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased IP, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased IP, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased IP, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
 9. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased IP for its own use and benefit without any interference of or by Fireweed, or any person claiming by, through or against Fireweed
 10. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
 11. The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
 12. Notwithstanding:
 - a. These proceedings;
 - b. Any applications for bankruptcy order in respect of Fireweed now or hereafter made pursuant to *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
 - c. any assignment in bankruptcy made by or in respect of Fireweed,

the vesting of the Purchased IP in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Fireweed and shall not be void or voidable by creditors of Fireweed, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under *Bankruptcy and Insolvency Act* or any other applicable federal or provincial

legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 13. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
- 14. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

for: *B Dumanowski*
 Signature of Sameer Kamboj, lawyer for the
 Receiver, Deloitte Restructuring Inc.

BRITNEY S. DUMANOWSKI
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 (604) 691-7518

By the Court. *Milman, J.*

Registrar

**Certified a true copy according to
 the records of the Supreme Court
 at Vancouver, B.C.
 DATED: SEP 07 2021**

W. Pettit
 Authorized Signing Officer
WILLIAM PETTIT

