

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF  
FRESHSTONE BRANDS INC.**

**(Applicant)**

**MOTION RECORD  
(RE: AMENDED AND RESTATED INITIAL ORDER AND SISP ORDER)  
(Returnable June 18, 2026)**

**June 13, 2026**

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Ontario M5L 1B9

**Guy Martel**  
Tel: (514) 397-3163  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**  
Tel: (514) 397-6495  
E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**  
Tel: (514) 397-3121  
E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**  
Tel: (418) 869-5563  
E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**Lawyers for the Applicant**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

**(Applicant)**

**INDEX**

<b>TAB</b>	<b>DOCUMENT</b>
<b>1</b>	Notice of Motion Returnable June 18, 2026
<b>2</b>	Affidavit of Leigh Wilson sworn June 13, 2026
<b>A.</b>	Exhibit "A"– Subscription Agreement
<b>3</b>	Draft Amended and Restated Initial Order
<b>4</b>	Redlined Version Between the Draft Amended and Restated Initial Order to the Initial Order granted on June 9, 2026
<b>5</b>	Redlined Version Between the Draft Amended and Restated Initial Order to the Model Order
<b>6</b>	Draft Sale and Investment Solicitation Process Order

**TAB 1**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c.  
C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

Applicant

**NOTICE OF MOTION  
(Returnable June 18, 2026)  
(Amended and Restated Initial Order and SISP Order)**

Freshstone Brands Inc. ("**Freshstone**" or the "**Applicant**") will make a Motion before the Honourable Justice Black or another Judge of the Ontario Superior Court of Justice (Commercial List) at 330 University Avenue, Toronto, Ontario (the "**Court**") on June 18, 2026 at 2:00 p.m (EST) or as soon after that time as the motion can be heard.

**PROPOSED METHOD OF HEARING:** The motion is to be heard:

- in writing under subrule 37.12.1 (1) because it is on consent, unopposed or made without notice;
- in writing as an opposed motion under subrule 37.12.1 (4);
- in person;
- by telephone conference;
- by video conference.

Should you require the Zoom link, please contact Anna Arapovic at [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com).

**THIS MOTION IS FOR<sup>1</sup>:**

1. An amended and restated initial order (the “**ARIO**”) substantially in the form of the draft order included at **Tab 3** of the Applicant’s supplemental motion record (the “**Motion Record**”), authorizing, *inter alia*:

- (a) Stay of Proceedings. An extension of the Stay Period (as defined below) to and including October 16, 2026;
- (b) Administration Charge and Directors’ Charge. An increase to the amount of the Administration Charge to an aggregate amount of \$650,000 (which will also secure the fees payable by Freshstone to the Sale Advisor (as defined below)) and an increase to the Directors’ Charge to a total amount of \$2,000,000; and
- (c) DIP Credit Agreement and DIP Lender’s Charge. An increase to the Authorized DIP Amount (as defined below) to a maximum aggregate principal amount at no time exceeding \$7,000,000;

2. A sale and investor solicitation order substantially in the form of the draft order included at **Tab 6** of the Motion Record (the “**SISP Order**”) authorizing, *inter alia*:

---

<sup>1</sup>All capitalized terms not otherwise defined herein have the meaning ascribed to them in: (a) the Initial Order of the Honourable Justice Black dated June 9, 2026 (the “**Initial Order**”) in the Applicant’s proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”); (b) the affidavit of Frank Burdzy sworn June 8, 2026, in support of the Initial Order (the “**Burdzy Affidavit**”); and (c) the SISP, a copy of which is appended to the draft SISP Order at **Tab 6** of the Motion Record (as defined below).

- (a) Conduct of the SISP in Accordance with the SISP Procedures. The conduct of a sale and investment solicitation process (the “**SISP**”) during the CCAA Proceedings by Freshstone, with the assistance of the Sale Advisor (as defined below) and under the supervision of the Monitor, in accordance with the procedures set out in the annex appended to the draft SISP Order (the “**SISP Procedures**”);
- (b) Engagement of Sale Advisor. The engagement by Freshstone of GlassRatner Advisory Canada (“**GR**”) pursuant to the engagement letter previously entered into between such parties (the “**Sale Advisor Engagement Letter**”), which was filed as Exhibit “T” to the Burdzy Affidavit, which provides that GR will act as Freshstone’s sale advisor (in such capacity, the “**Sale Advisor**”) during the SISP; and
- (c) Approval of the Execution of the Stalking Horse Bid. The approval, *nunc pro tunc*, of the execution by Freshstone of a Subscription Agreement dated June 12, 2026 (the “**Subscription Agreement**”), between Freshstone, as issuer, and Mr. Frank Burdzy, or a company to be designated by him, as investor (the “**Stalking Horse Bidder**”), solely for the purpose of serving as a “*stalking horse bid*” in the context of the SISP, and authorizing Freshstone to pay the Expense Reimbursement (as defined below), and granting a charge to secure the Expense Reimbursement in favour of the Stalking Horse Bidder in an amount and priority set out in the SISP Order (the “**Expense Reimbursement Charge**”);

**THE GROUNDS FOR THE MOTION ARE:**

***Background***

3. Freshstone is a leading Canadian manufacturer of prepared meals with operations strategically located mainly in Ontario, near the U.S. market, and specializing in fresh, high-quality products for retail, foodservice, and co-manufacturing channels;

4. On June 8, 2026, Freshstone sought and obtained protection under the CCAA pursuant to an Initial Order granted by the Court.

5. The Initial Order provided for, *inter alia*:

(a) Stay of Proceedings. A stay of all proceedings and remedies taken or that might be taken against Freshstone, its property, or its directors and officers (the “**Stay**”), until and including June 18, 2026 (the “**Stay Period**”);

(b) Appointment of a Monitor. The appointment of Deloitte Restructuring Inc. (“**Deloitte**” or the “**Monitor**”) as the monitor of Freshstone;

(c) Administration Charge and Directors’ Charge. The granting of an Administration Charge in an initial amount of \$250,000 and a Directors’ Charge in an initial amount of \$1,750,000 to cover the potential exposure of the beneficiaries of such charges during the initial Stay Period. The Administration Charge and the Directors’ Charge rank in priority to all other encumbrances, whether conventional or legal, including over the claims of the federal and provincial governments subject to a deemed trust, but the Directors’ Charge is subordinated to the DIP Lender’s Charge (as defined below); and

(d) DIP Financing and DIP Lender’s Charge. The approval of a DIP Facility Loan Agreement (the “**DIP Credit Agreement**”) entered into between Garrington Financial Services Inc., as lender (“**Garrington**” or the “**DIP Lender**”), and Freshstone, as borrower, and the authorization for Freshstone to borrow under the

DIP Credit Agreement an initial amount of up to \$1,600,000 during the initial Stay Period (the “**Authorized DIP Amount**”), which Authorized DIP Amount was secured by a priority charge against the assets of Freshstone for the benefit of the DIP Lender (the “**DIP Lender’s Charge**”). The DIP Lender’s Charge ranks in priority to all other encumbrances, whether conventional or legal, including over the claims of the federal and provincial governments subject to a deemed trust, but is subordinated to the Administration Charge;

### **The ARIO**

#### *Extension of the Stay Period*

6. The Applicant is seeking to extend the Stay Period to and including October 16, 2026;
7. The Applicant submits that the extension of the Stay Period is necessary and appropriate in order to allow Freshstone to pursue its restructuring efforts and implement the proposed SISP, as contemplated in the draft SISP Order sought;
8. The cash flow projections attached to the Burdzy Affidavit (Exhibit “Q”) (the “**Cash Flow Forecast**”) demonstrate that if the Authorized DIP Amount is increased, as requested herein, the Applicant is expected to have sufficient cash to fund its projected operating and restructuring costs during the proposed extension of the Stay Period;
9. In general, Freshstone’s stakeholders, including its creditors, will benefit from a stay of proceedings and an extension of the Stay Period;
10. Freshstone understands that the Monitor is supportive of an extension of the Stay Period;

#### *Increases to the Administration Charge and the Directors’ Charge*

11. Pursuant to the Initial Order, the Administration Charge and the Directors' Charge were granted up to a maximum of \$250,000 and a maximum of \$1,750,000, respectively. These charges, among other things, were respectively required to: (i) obtain the expertise, knowledge, and ongoing participation of the proposed beneficiaries of the Administration Charge throughout the course of the CCAA Proceedings; and (ii) ensure the participation of the Applicant's D&Os in the CCAA Proceedings;

12. Pursuant to the ARIO, the Applicant now seeks to increase the quantum of the Administration Charge up to a maximum of \$650,000 (which amount is proposed to also secure, on a *pari passu* basis, the fees which may become owing pursuant to the Sale Advisor Engagement Letter), and an increase to the Directors' Charge up to a maximum of \$2,000,000;

13. The increased quantum of the Administration Charge is intended to secure the fees of the Monitor, the Monitor's counsel, counsel to the applicants and the Sale Advisor, and is based on the needs of the Applicant to obtain the expertise, knowledge, and continued participation of each of those professionals during the CCAA Proceedings (including the SISF), in order to complete a successful restructuring;

14. The increased quantum of the Directors' Charge was calculated based on an estimate of the maximum potential liability of the directors and officers could have during the CCAA Proceedings;

15. Freshstone understands that in both cases, the Monitor is supportive of an increase to the quantum of the Administration Charge and to the Director's Charge;

*Increase of the Authorized DIP Amount and the DIP Lender's Charge*

16. Pursuant to the Initial Order, the DIP Credit Agreement was approved and Freshstone, as borrower, was authorized to borrow under the DIP Credit Agreement an initial amount of up to

\$1,600,000 during the initial Stay Period (i.e. the Authorized DIP Amount). The Authorized DIP Amount is secured by the DIP Lender's Charge, which is subordinated only to the Administration Charge;

17. The increase in the quantum of the Authorized DIP Amount is based on the go-forward funding needs of the Applicant to continue to operate in the ordinary course and corresponds to the full amount available to the Applicant under the Court-approved DIP Credit Agreement;

18. Furthermore, additional draws under the DIP Credit Agreement are conditional on the increase to the DIP Lenders' Charge being granted. The increase in the quantum of the DIP Lender's Charge corresponds with the full amount available to the Applicant under the DIP Credit Agreement. Should the ARIO not be granted and the DIP Lenders' Charge not be increased, the Applicant and its stakeholders stand to suffer material prejudice including, but not limited to, the cessation of its business;

19. Once more, Freshstone understands that the Monitor is supportive of an increase to the Authorized DIP Amount and corresponding DIP Lender's Charge;

### **The SISP Order**

#### *The SISP*

20. In the context of these CCAA Proceedings Freshstone, with the assistance of the Sale Advisor and under the Monitor's supervision, intends to conduct and implement a SISP in accordance with terms and conditions set out in SISP Procedures appended to the draft SISP Order;

21. The SISP Procedures provide for the accomplishment of the following milestones within the timelines set out below, subject to any extensions made in accordance with the terms of the SISP Procedures:

<b>EVENT<sup>2</sup></b>
<b>PHASE 1</b>
<b><u>Solicitation Materials</u></b>
Distribution of a Teaser Letter to Prospective Bidders
<b><u>VDR and Confidential Information</u></b>
Preparation and granting of access to parties having executed the Confidentiality Agreement (Prospective Bidders), the Data Room and other confidential information
<b><u>LOI Deadline (By no later than August 14, 2026, at 5:00 p.m. (Toronto time))</u></b>
LOI Deadline (for delivery of non-binding LOIs in accordance with the SISP Procedures)
<b><u>Determination of Qualified Phase I Bidders</u></b>
Notification to each party of whether it has been determined to be a Qualified Phase I Bidder based on the assessment of its LOI
<b>PHASE 2 (if there are Qualified Phase I Bidders that warrant the continuation of the SISP onto Phase 2)</b>
<b><u>Bid Deadline (By no later than September 29, 2026, at 5:00 p.m. (Toronto time))</u></b>
Bid Deadline (for delivery of binding offers by Qualified Phase I Bidders in accordance with the SISP Procedures)
<b><u>Auction (if required)</u></b>
<b><u>Approval Motion – Successful Bid</u></b>
Approval Motion in respect of Successful Bid to be held on a date to be scheduled by the Court and to be heard as soon as possible after selection of Successful Bid
<b><u>Closing – Successful Bid (By October 16, 2026)</u></b>
Anticipated deadline for closing of Successful Bid

<sup>2</sup> All capitalized terms in this table have the meaning ascribed to them in the SISP Procedures.

22. The SISP, the SISP Procedures and the milestones described therein are the result of discussions between Freshstone, the Sale Advisor, the DIP Lender and the Monitor, who is supportive of same;

23. The conduct of the SISP in accordance with the SISP Procedures will provide for a fair, efficient and transparent process that will allow a proper and broad canvassing of the market, which, in turn, will allow for the exploration of all available options for Freshstone in order to maximize the value of Freshstone's assets and the pursuit of its business operations as a going concern, all for the benefit of its creditors and other stakeholders;

24. Given the nature of Freshstone's business and assets and the current context faced by Freshstone, including its limited liquidities, the proposed SISP, SISP Procedures and milestones described therein are reasonable under the circumstances and should therefore be approved by this Court as part of the proposed SISP Order;

*The Engagement of a Sale Advisor*

25. The SISP Order contemplates engaging GR as Sale Advisor in accordance with the Sale Advisor Engagement Letter to assist Freshstone in the implementation and execution of the SISP in accordance with the SISP Procedure. GR has agreed to act as Sale Advisor pursuant to the terms of the Sale Advisor Engagement Letter;

26. The Sale Advisor Engagement Letter does not contemplate the payment of a work fee, but contemplates however the payment of a success fee (the "**Success Fee**"), payable on successful completion of a Transaction (as defined in the Sale Advisor Engagement Letter) as follows:

- (a) If only the first phase of the SISP is required to complete a Transaction, the Success Fee shall be \$175,000; and

- (b) If the second phase of the SISP is also required to complete a Transaction, an additional \$75,000 shall be payable, thereby increasing the Success Fee to a total amount of \$250,000.

27. All obligations of Freshstone under the Sale Advisor Engagement Letter are to be secured by the Administration Charge, on a *pari passu* basis with the other beneficiaries of such charge;

28. The engagement of GR as Sale Advisor will be beneficial to Freshstone and to all of its creditors and other stakeholders and, consequently, to Freshstone and to its stakeholders generally, and the Success Fee is reasonable in the circumstances;

29. Freshstone understands that the Monitor is supportive of the engagement of the Sale Advisor in accordance with the terms of the Sale Advisor Engagement Letter;

#### *The Subscription Agreement*

30. In connection with the above, over the course of the past week, Freshstone continued its discussions with Mr. Burdzy regarding the possibility of the latter acting as a stalking horse bidder in the context of the SISP, the purpose of which would be to establish a floor price for the sale of Freshstone's business and assets, and more importantly, ensure that if no superior offer is submitted in the context of the SISP, Freshstone's operations will still be able to continue as a going concern;

31. On June 12, 2026, Freshstone and Mr. Burdzy executed the Subscription Agreement. Freshstone. The negotiation and execution of the Subscription Agreement was conducted in consultation with Deloitte, both as proposed monitor and Monitor to Freshstone. The execution of the Subscription Agreement was unanimously approved by the Freshstone board of directors at a meeting at which Mr. Burdzy recused himself.

32. The Subscription Agreement does not contemplate the payment of any “*break fee*” in favour of Mr. Burdzy. However, as is customary in any Subscription Agreement, such agreement provides for the reimbursement of Mr. Burdzy’s reasonable, documented, out-of-pocket costs and expenses of the Investor (including the reasonable, documented expenses of outside counsel and other outside advisors) related to negotiating the Subscription Agreement up to a maximum amount of \$50,000, which amount will be payable only from the proceeds of the closing of a transaction under the SISP where the Stalking Horse Bid is not the “*Successful Bid*” (as defined in the SISP Procedures) (the “**Expense Reimbursement**”). It is requested that Freshstone’s obligation to pay the Expense Reimbursement be secured by a priority charge on the assets of Freshstone, subordinated only to the Administration Charge, the DIP Lender’s Charge, and the Directors’ Charge;

33. If approved, the Subscription Agreement will be of significant benefit to the Applicant, its creditors and other stakeholders because, among other things, it will assure the establishment of a floor price for the sale of Freshstone’s business and assets and, more importantly, ensures that if no superior offer is submitted in the context of the SISP, Freshstone’s operations will still be able to continue on a going concern basis, allowing for the preservation of a significant number of jobs;

34. At this stage, Freshstone only seeks to put the wheels in motion in order to commence the SISP and maintain a competitive environment so as to secure the highest or otherwise best offer in the circumstances for its business and assets, for the benefit of its creditors and other stakeholders;

35. This Court’s approval of Freshstone’s execution of the Subscription Agreement proposed by Mr. Burdzy will not in any way prejudice other stakeholders or restrict their ability to submit a superior proposal to the Stalking Horse Bid during the SISP;

***Other Grounds***

36. The provisions of the CCAA, including s. 11 and 36 thereof;
37. The provisions of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and in particular rules 1.04, 2.03, 3.02, and 37;
38. The inherent and equitable jurisdiction of this Court; and
39. Such further and other grounds as counsel may advise and this Honourable Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

- (a) The Affidavit of Frank Burdzy, sworn June 8, 2026;
- (b) The Affidavit of Leigh Wilson, sworn June 13, 2026;
- (c) The pre-filing report of Deloitte (as proposed monitor) dated June 8, 2026;
- (d) The First Report of the Monitor, to be filed; and
- (e) Such further and other documentary evidence as counsel may advise and this Court may permit.

**June 13, 2026**

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Ontario M5L 1B9

**Guy Martel**  
Tel: (514) 397-3163  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**  
Tel: (514) 397-6495  
E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**  
Tel: (514) 397-3121  
E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**  
Tel: (418) 869-5563  
E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

Court File No. CL-26-00000265-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**NOTICE OF MOTION  
(RETURNABLE JUNE 18, 2026)**

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Ontario M5L 1B9

**Guy Martel**  
Tel: (514) 397-3163  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**  
Tel: (514) 397-6495  
E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**  
Tel: (514) 397-3121  
E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**  
Tel: (418) 869-5563  
E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**Lawyers for the Applicant**

**TAB 2**

Court File No. CL-26-00000265-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF  
FRESHSTONE BRANDS INC.**

**(Applicant)**

**AFFIDAVIT OF LEIGH WILSON**

(Sworn June 13, 2026)

I, **LEIGH WILSON**, of the City of Edmonton, in the Province of Alberta, Canada, MAKE OATH AND SAY:

1. I am the Chief Development Officer of Freshstone Brands Inc. ("**Freshstone**" or the "**Debtor**"). In this capacity, I am part of the team responsible for overseeing the operations of Freshstone, its liquidity management and, ultimately, for assisting it in its restructuring process. As such, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated. The facts stated in this affidavit are based on my personal knowledge of Freshstone, my review of its books and records, as well as on information received from other individuals, such as directors, officers and employees of Freshstone, which information I believe to be true.
2. All references to currency in this affidavit are references to Canadian dollars, unless otherwise indicated. All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in Frank Burdzy's affidavit sworn on June 8, 2026 (the "**Burdzy Affidavit**").

**II. OVERVIEW**

3. On June 9, 2026, the Honorable Justice Black issued an Initial Order that provided for, *inter alia*:

- (a) Stay of Proceedings. A stay of all proceedings and remedies taken or that might be taken against or in respect of Freshstone, any of its property, or its directors and officers, except as otherwise set forth in the Initial Order or as otherwise permitted by law (the “**Stay**”), until and including June 18, 2026 (the “**Stay Period**”);
  - (b) Appointment of a Monitor. The appointment of Deloitte Restructuring Inc. (“**Deloitte**” or the “**Monitor**”) as the monitor of Freshstone in the CCAA Proceedings;
  - (c) Administration Charge and Directors’ Charge. The granting of an Administration Charge in an initial amount of \$250,000 and a Directors’ Charge in an initial amount of \$1,750,000 to cover the potential exposure of the beneficiaries of such charges during the initial Stay Period; and
  - (d) DIP Financing and DIP Lender’s Charge. The approval of a DIP Credit Agreement entered into between Garrington Financial Services Inc. (the “**DIP Lender**”) and Freshstone, as borrower, and the authorization for Freshstone to borrow under the DIP Credit Agreement an initial amount of up to \$1,600,000 during the initial Stay Period (the “**Authorized DIP Amount**”). The Authorized DIP Amount is secured by a DIP Lender’s Charge, which ranks in priority to all other encumbrances, whether conventional or legal, including over the claims of the federal and provincial governments subject to a deemed trust, but which ranks subordinated to the Administration Charge.
4. This affidavit is sworn in support of a motion returnable June 18, 2026, before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) seeking, *inter alia*:
- (a) an amended and restated initial order (the “**ARIO**”) providing for, *inter alia*:
    - (e) Stay of Proceedings. An extension of the Stay Period until October 16, 2026;
    - (f) Administration Charge and Directors’ Charge. An increase of the Administration Charge to a total amount of \$650,000 and of the Directors’ Charge to a total amount of \$2,000,000; and

- (g) DIP Financing. An increase of the Authorized DIP Amount to a maximum aggregate principal amount at no time exceeding \$7,000,000; and
- (b) a sale and investor solicitation process order (the “**SISP Order**”) providing for, *inter alia*:
  - (a) Conduct of the SISP in Accordance with the SISP Procedures. The authorization for Freshstone, with the assistance of the Sale Advisor and under the supervision of the Monitor, to conduct and implement the SISP in accordance with the procedures set out in the annex appended to the draft SISP Order (the “**SISP Procedures**”);
  - (b) Engagement of Sale Advisor. The engagement of GlassRatner Advisory Canada (“**GR**”) to act as sale advisor (in such capacity, the “**Sale Advisor**”) to Freshstone in the context of the sale and investor solicitation process (the “**SISP**”) which is intended to be conducted during the CCAA Proceedings, in accordance with the terms of the Sale Advisor Engagement Letter attached as Exhibit “T” to the Initial Application Affidavit;
  - (c) Approval of the Subscription Agreement. The approval, *nunc pro tunc*, of a Subscription Agreement dated June 12, 2026 (the “**Subscription Agreement**”) between Freshstone, as issuer, and Mr. Frank Burdzy, on his own behalf or on behalf of an entity to be incorporated by him and designated prior to the Closing, as investor (the “**Stalking Horse Bidder**”), solely for the purpose of serving as a “*stalking horse bid*” in the context of the SISP (the “**Stalking Horse Bid**”), and authorizing Freshstone to pay the Stalking Horse Bidder its reasonable, documented, out-of-pocket costs and expenses, up to a maximum amount of \$50,000, in accordance with the terms of the Subscription Agreement, and granting a charge in favour of the Stalking Horse Bidder to secure the payment of such expenses, which charge is to be subordinated only to the DIP Charge, the Administration Charge and the Directors’ Charge.

### III. THE SISP & THE STALKING HORSE BID

- 5. As part of these proceedings initiated under the *Companies’ Creditors Arrangement Act* (the “**CCAA Proceedings**”), Freshstone intends, subject to Court approval, to implement a SISP

with the assistance of the Sale Advisor and under the supervision of the Monitor. As appears from the Burdzy Affidavit, the proposed SISP contemplates the following milestones:

<b>EVENT<sup>1</sup></b>
<b>PHASE 1</b>
<p><b><u>Solicitation Materials</u></b></p> <p>Distribution of a Teaser Letter to Prospective Bidders</p>
<p><b><u>VDR and Confidential Information</u></b></p> <p>Preparation and granting access to, to parties having executed the Confidentiality Agreement (Prospective Bidders), the Data Room and other confidential information</p>
<p><b><u>LOI Deadline (By no later than August 14, 2026, at 5:00 p.m. (Toronto time))</u></b></p> <p>LOI Deadline (for delivery of non-binding LOIs in accordance with the SISP Procedures)</p>
<p><b><u>Determination of Qualified Phase I Bidders</u></b></p> <p>Notification to each party of whether it has been determined to be a Qualified Phase I Bidder based on the assessment of its LOI</p>
<b>PHASE 2 (if there are Qualified Phase I Bidders that warrant the continuation of the SISP onto Phase 2)</b>
<p><b><u>Bid Deadline (By no later than September 29, 2026, at 5:00 p.m. (Toronto time))</u></b></p> <p>Bid Deadline (for delivery of binding offers by Qualified Phase I Bidders in accordance with the SISP Procedures)</p>
<b><u>Auction (if required)</u></b>
<p><b><u>Approval Motion – Successful Bid</u></b></p> <p>Approval Motion in respect of Successful Bid to be held on a date to be scheduled by the Court and to be heard as soon as possible after selection of Successful Bid</p>
<p><b><u>Closing – Successful Bid (By October 16, 2026)</u></b></p> <p>Anticipated deadline for closing of Successful Bid</p>

---

<sup>1</sup> All capitalized terms in this table have the meaning ascribed to them in the SISP Procedures.

6. In connection with the above, over the course of the past week, Freshstone has continued its discussions with Mr. Burdzy regarding the possibility for the latter to act as a “*stalking horse bidder*” in the context of the SISP, the purpose of which would be to establish a floor price for the sale of Freshstone’s business and assets and, more importantly, ensure that if no superior offer is submitted in the context of the SISP, Freshstone’s operations will still be able to continue as a going concern.
  
7. On June 12, 2026, Freshstone and Mr. Burdzy executed the Subscription Agreement, a copy of which is attached hereto as **Exhibit “A”**.
  
8. The key terms of the Subscription Agreement are summarized below<sup>2</sup>:

Key Terms	Stalking Horse Bid
Investor	Frank Burdzy, on his own behalf or on behalf of an entity to be incorporated by him and designated prior to the Closing.
Subscription	At the Closing, the Investor shall subscribe for new common shares in the capital of Freshstone, which at Closing shall represent all of the issued and outstanding share capital of Freshstone. Concurrently with such subscription, all other Equity Interests in the capital of Freshstone shall be cancelled without consideration.
Subscription Price	<p>The subscription price for the Subscription Shares (the “<b>Subscription Price</b>”) shall be an amount equal to the aggregate of the following:</p> <ul style="list-style-type: none"> <li>• the Credit Bid Amount, being an amount equal to the outstanding amount of the Credit Bid Notes;</li> <li>• an amount equal to the Priority Payables (i.e., the amounts secured by the Administration Charge, the DIP Lender’s Charge, the Directors’ Charge, and any other Court-ordered priority Charge);</li> <li>• an amount equal to the Administrative Reserve Amount (i.e., an amount reasonably determined by the Monitor prior to Closing, in consultation with the Investor, to pay the estimated fees and expenses of (i) completing the CCAA Proceedings,</li> </ul>

---

<sup>2</sup> All capitalized terms in this paragraph shall have the meaning ascribed to them in the Subscription Agreement.

	<p>and (ii) the receivership, bankruptcy or wind-up of Residual Co 1 and Residual Co 2); and</p> <ul style="list-style-type: none"> <li>• the amount of the Retained Liabilities, i.e.:             <ul style="list-style-type: none"> <li>(i) all Liabilities arising under the Retained Contracts to the extent first arising and relating to the period on or after the Closing Time, and any Cure Costs under such Retained Contracts which are not being paid in cash on Closing as Known Cure Costs;</li> <li>(ii) all Liabilities to the extent first arising out of the operation of the Retained Assets for the periods on and after the Closing Time;</li> <li>(iii) all Liabilities of the Issuer relating to Retained Employees and/or the Retained Employee Plans;</li> <li>(iv) any Liabilities arising after the granting of the Initial Order, other than any such Liabilities to be paid in cash on Closing;</li> <li>(v) if any, unremitted employee source deductions, vacation pay and other employee priority claims as at the Closing Time;</li> <li>(vi) if any, unremitted GST/HST as at the Closing Time;</li> <li>(vii) other liabilities secured by deemed trusts and statutory priority claims existing as at the Closing Time; and</li> <li>(viii) any amounts accrued and not yet owing in respect of the Priority Payables that are not paid by the Investor at the Closing.</li> </ul> </li> </ul>
<p>Deposit</p>	<p>5% of the estimated cash portion of the Subscription Price, being \$50,665</p>
<p>Transaction Structure</p>	<p>Reverse Vesting Structure, whereby (i) all Excluded Assets (i.e., any assets associated with any Excluded Employee Plans and all other assets listed in Schedule 1.1.30 to the Subscription Agreement) will be transferred and vested into Residual Co 1, and (ii) all Liabilities, other than the Retained Liabilities, and all Excluded Contracts will be transferred and vested into Residual Co 2.</p>
<p>Employees</p>	<p>Investor may designate employees to be terminated no later than five (5) Business Days prior to the Closing Date. The Investor's intention is to retain all or substantially all of the employees on the Closing.</p>

Regulatory Approvals	None.
Bid Protections	<p><u>Break Fee:</u> None.</p> <p><u>Expense Reimbursement:</u> An amount equal to the reasonable, documented, out-of-pocket costs and expenses of the Investor (including the reasonable, documented expenses of outside counsel and other outside advisors) related to negotiating the Subscription Agreement up to a maximum amount of \$50,000, which amount will be payable only from the proceeds of the closing of a transaction under the SISP where the Subscription Agreement is not the Successful Bid (the “<b>Expense Reimbursement</b>”).</p>
Minimum Overbid	Minimum initial overbid amount and subsequent bidding increments applicable at any auction conducted under the SISP Procedures, being not less than \$250,000 above the value of the Subscription Price (inclusive of the Expense Reimbursement).
Target Closing Date	Closing shall occur five (5) Business Days following the satisfaction of all conditions to Closing, other than the payment of the Subscription Price, or any other date mutually agreed by the Parties, providing Closing shall not occur later than on the Outside Date.
Outside Date	November 27, 2026
Key Conditions to Closing	<p>Key conditions include:</p> <p>(a) Declaration of stalking horse bid as the successful bid in the SISP; and</p> <p>(b) Court approval of the transaction contemplated in the Subscription Agreement.</p>
Other	Upon Closing, the Investor shall provide and deliver a full and final release to Freshstone’s directors and officers and other representatives, as well as to the Monitor and its legal counsel.

9. Freshstone, after having consulted with the Monitor, believes and respectfully submits that the execution of the Subscription Agreement, as well as the use of same as the stalking horse bid in the SISP, is reasonable in the circumstances.
10. Freshstone believes that the conduct of the SISP in the context of the CCAA Proceedings and the execution of the Subscription Agreement provides for, *inter alia*, the following principal benefits to Freshstone’s creditors and other stakeholders:

- (a) The maximization of the value of Freshstone’s business and assets, which value will be enhanced by the establishment of a floor price for the sale of same; and
  - (b) The assurance that if no offer superior to the Stalking Horse Bid is submitted in the context of the SISP, Freshstone’s operations will be able to continue as a going concern, thereby allowing for the preservation of a significant amount of jobs.
11. At this stage, Freshstone only seeks to put the wheels in motion in order to commence a SISP and maintain a competitive environment so as to secure the highest or otherwise best offer in the circumstances for its business and assets, for the benefit of its creditors and other stakeholders.
12. This Court’s approval of Freshstone’s execution of the Subscription Agreement proposed by Mr. Burdzy will not in any way prejudice other stakeholders or restrict their ability to submit a superior proposal to the Stalking Horse Bid during the SISP.

**IV. CONCLUSION**

13. In light of the foregoing, I believe that the reliefs sought by Freshstone as part of its motion returnable before the Court on June 18, 2026, are necessary and reasonable in the circumstances.

I confirm that while connected via video )  
conference technology, the affiant showed )  
me the front and back of his government-)  
issued photo identity document and that I )  
am reasonably satisfied it is the same )  
person and the document is current and )  
valid. I also confirm that I have reviewed )  
each page of this affidavit with the affiant )  
and verify that the pages are identical. )

)  
Sworn before me via video conference by)  
Leigh Wilson stated as being located in the)  
City of Toronto (Etobicoke), in the Province)  
of Ontario, before me at the City of Toronto, )  
in the Province of Ontario, this 13th day of )  
June, 2026, in accordance with O. Reg )  
431/20 *Administering Oath or Declaration*)  
*Remotely.*

Signed by: )  
Yakin Elsim )  
C0F46441527E49B )

---

**Commissioner for Taking Affidavits**

Signed by: )  
Leigh Wilson )  
27F620AD6853409... )

---

**LEIGH WILSON**

**EXHIBIT "A"**

referred to in the Affidavit of

**LEIGH WILSON**

Sworn June 13, 2026

Signed by:

Yakin Elsim

C6F40441527E49B...

---

Commissioner for Taking Affidavits

**SUBSCRIPTION AGREEMENT**  
(the “**Agreement**”)

entered into as of June 12, 2026

**BETWEEN**                    **FRESHSTONE BRANDS INC.**, a corporation governed by the *Canada Business Corporations Act*, having its registered office at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta

(the “**Issuer**”);

**AND**                         **FRANK BURDZY**, Chief Executive Officer of the Issuer, or an entity to be incorporated by him and designated prior to Closing

(the “**Investor**”);

(the Issuer and the Investor are collectively referred to as the “**Parties**” and each individually a “**Party**”).

**PREAMBLE**

**WHEREAS** the Issuer carries on the business, taken as a whole, consisting primarily of manufacturing prepared meals specializing in high-quality products for retail, foodservice and co-manufacturing channels (the “**Business**”);

**WHEREAS** pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated June 9, 2026 (as amended and restated, the “**Initial Order**”) in the file bearing number CL-26-00000265-0000 (the “**CCAA Proceedings**”), the Issuer obtained protection from its creditors under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), and Deloitte Restructuring Inc. was appointed as monitor of the Issuer in the CCAA Proceedings (in such capacity, and not in its personal or corporate capacity, the “**Monitor**”);

**WHEREAS** within the CCAA Proceedings, the Issuer intends to seek an order from the Court (the “**SISP Order**”) that, among other things, authorizes the Issuer to conduct a sale and investment solicitation process (the “**SISP**”), under the oversight of the Monitor, in accordance with the sale and investment solicitation process procedures substantially in the form attached as Exhibit A to this Agreement (the “**SISP Procedures**”);

**WHEREAS** the Initial Order approved the DIP and granted the Administration Charge, the DIP Lender’s Charge and the Directors’ Charge (collectively, the “**Priority Court Charges**”);

**WHEREAS** the Investor is a secured creditor of the Issuer under the Notes (as defined below), which rank subordinate to the Priority Court Charges; and

**WHEREAS** the Investor has agreed to act as a “stalking horse bidder” and, if selected as or deemed to be the Successful Bidder (as defined below) in accordance with the SISP Procedures, to subscribe for the Subscription Shares (as defined below), and the Issuer has agreed to issue the Subscription Shares to the Investor, with the Excluded Assets being transferred to and vested in ResidualCo 1 (as defined below), and the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and

the Excluded Employee Plans being transferred to and vested in ResidualCo 2 (as defined below), in each case pursuant to the Reverse Vesting Order (as defined below) and in accordance with the Closing Sequence (collectively, the “**Subscription Transaction**”), pursuant to and in accordance with the SISP and subject to the granting by the Court of a Reverse Vesting Order and upon the other terms and conditions set forth herein, a portion of the consideration being satisfied by way of a Credit Bid (as defined below).

**NOW THEREFORE**, in consideration of the foregoing and the respective covenants and agreements herein contained, the Issuer and the Investor agree as follows:

## **1 INTERPRETATION**

### **1.1 Definitions**

The following capitalized terms, whenever used in this Agreement, shall have the following meaning:

- 1.1.1 “**Accounts Receivable**” means all accounts receivable, trade accounts, notes receivable, book debts and other debts due or accruing due to the Issuer in connection with the Business, and the benefit of all security, guarantees and other collateral relating thereto;
- 1.1.2 “**Administration Charge**” means the administration charge granted by the Court in the CCAA Proceedings as security for the fees and disbursements of the Monitor, its counsel and the other professionals retained in connection with the CCAA Proceedings, as more particularly set out in the applicable Order of the Court;
- 1.1.3 “**Administrative Reserve Amount**” means an amount reasonably determined by the Monitor prior to Closing, in consultation with the Investor, to pay the estimated fees and expenses of (i) completing the CCAA Proceedings and (ii) the receivership, bankruptcy or wind-up of ResidualCo 1 and ResidualCo 2;
- 1.1.4 “**Agreement**” shall mean this Subscription Agreement, including its preamble and any schedule attached thereto, as may be amended in writing by the Parties;
- 1.1.5 “**Articles of Amendment**” means, to the extent required, articles of amendment or reorganization in respect of the Issuer’s authorized and issued capital to create a new class of common shares of the Issuer (which such shares shall be the Subscription Shares for purposes of this Agreement) and/or effecting such other changes to the articles of the Issuer in order to consummate the transactions contemplated hereby, such articles of amendment to be in form and substance satisfactory to the Investor;
- 1.1.6 “**Books and Records**” shall mean all books, records, files, papers, books of account and other financial data in the possession of and reasonably available to the Issuer, including manuals and data, sales and advertising materials, sales and purchase data, trade association files, research and development records, lists of present and former customers and suppliers, personnel, employment and other records, and all records, data and information stored electronically, digitally or on computer-related media, and all Tax records and returns and books and records pertaining thereto, minute books, share ledgers, organizational documents, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Issuer as a Person;

- 1.1.7 “**Business Day**” shall mean any day excluding Saturday, Sunday, and any day on which banks are not open for regular business in Toronto (Ontario);
- 1.1.8 “**Closing**” shall mean the completion of the Subscription Transaction in accordance with the provisions hereof;
- 1.1.9 “**Closing Date**” shall mean the date of the Closing, being five (5) Business Days following the satisfaction or waiver of all conditions to the purchase and sale of the Retained Assets set out in Sections 10.1 and 10.2 as same will be confirmed by the Monitor’s Certificate, or any other date mutually agreed by the Parties, providing Closing shall not occur later than the Outside Date;
- 1.1.10 “**Closing Sequence**” means the Closing steps detailed in Schedule 1.1.10 attached hereto, as the same may be amended in accordance with the terms of this Agreement;
- 1.1.11 “**Closing Time**” shall mean 12:01 a.m. Eastern prevailing time on the Closing Date;
- 1.1.12 “**Contracts**” means contracts, deeds, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which the Issuer is a party or by which the Issuer is bound or under which the Issuer has, or will have, any right or liability or contingent right or liability (in each case, whether written or oral, express or implied) relating to the Business and includes quotations, orders, proposals, purchase orders or tenders which remain open for acceptance and warranties and guarantees;
- 1.1.13 “**Credit Bid**” means the satisfaction by the Investor, as authorized by the Reverse Vesting Order, of the portion of the Subscription Price described in Section 5.3.1 by way of a credit against, set-off of and in partial satisfaction of the Notes, in accordance with section 11 of the CCAA and the SISP Procedures;
- 1.1.14 “**Credit Bid Amount**” means the amount outstanding under the Credit Bid Notes up to Closing;
- 1.1.15 “**Credit Bid Notes**” means all indebtedness, liabilities and obligations (whether for principal, interest, fees, costs or otherwise) owing by the Issuer to the Investor, as first-ranking secured creditor, under (i) a second amended and restated secured promissory note in the original principal amount of \$1,150,000, dated as of May 8, 2026, (ii) an amended and restated secured promissory note in the original principal amount of \$2,000,000, dated as of May 8, 2026, and (iii) a secured promissory note in the original principal amount of \$2,000,000, dated as of May 8, 2026, in each case, between the Issuer and the Investor, as amended pursuant to the omnibus amending agreement dated June 4, 2026 between the Issuer and the Investor, and the security granted in connection therewith (the particulars of the outstanding amount being set out in Schedule 1.1.49 (Notes));
- 1.1.16 “**Cure Costs**” shall mean all amounts, costs and expenses required to be paid to cure all of the Issuer’s monetary defaults in relation to the Retained Contracts or as otherwise may be required pursuant to the Reverse Vesting Order;
- 1.1.17 “**Damages**” shall mean any loss, cost, liability, claim, interest, fine, penalty, assessment, damages available at law or in equity (excluding consequential and punitive damages whatsoever), expense (including consultant’s and expert’s fees and expenses and reasonable costs, fees and expenses of legal counsel and reasonable

costs, fees and expenses of investigation, defence or settlement) or diminution in value;

- 1.1.18 **“DIP”** means the priority debtor-in-possession financing made available by Garrington to the Issuer in the CCAA Proceedings pursuant to the Garrington DIP Documents and secured by the DIP Lender’s Charge;
- 1.1.19 **“DIP Lender’s Charge”** means the priority charge set out in the DIP Order;
- 1.1.20 **“DIP Obligations”** means the amounts owing under the DIP;
- 1.1.21 **“DIP Order”** means any order of the Court in the CCAA Proceedings approving the DIP and the priorities and charges securing the same, as such order or orders may be amended, restated, supplemented or extended from time to time;
- 1.1.22 **“Directors’ Charge”** means the directors’ and officers’ charge granted by the Court in the CCAA Proceedings as security for the indemnification obligations of the Issuer in favour of its directors and officers, as more particularly set out in the applicable Order of the Court;
- 1.1.23 **“Eastern”** shall mean, when used in relation to time, the time zone in which the city of Toronto, province of Ontario, is located, being, as the case may be, Eastern Standard Time and Eastern Daylight Time;
- 1.1.24 **“Employee Plans”** means any plan, arrangement, agreement, program, policy, practice or undertaking, whether oral or written, formal or informal, funded or unfunded, that provides any employee benefit, fringe benefit, supplemental unemployment benefit, bonus, retention, severance, incentive, profit sharing, termination, change of control, pension, supplemental pension, retirement, stock option, stock purchase, deferred compensation, health, welfare, medical, dental, disability, life insurance and any similar plans, in each case maintained, sponsored, funded or contributed to by the Issuer or under which the Issuer has, or will have, any liability or contingent liability, but excluding (A) any statutory plan administered by a Governmental Authority; and (B) individual Contracts of employment;
- 1.1.25 **“Employees”** shall mean all individuals who, as of the Closing Date, are employed by the Issuer, whether on a full-time or part-time basis, including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not become deemed a definitive termination of employment under applicable employment standards Laws, and **“Employee”** means any one of them;
- 1.1.26 **“Encumbrance”** shall mean any claim, liability, obligation, prior claim, right of retention, lien, security interest, charge, hypothec, trust, judgment, writ of seizure or execution, contractual right or encumbrance, whether or not registered, published or filed, and whether secured, unsecured or otherwise;
- 1.1.27 **“Equipment”** means all machinery, equipment, tooling, furniture, fixtures, vehicles, rolling stock, spare parts, supplies and other tangible personal property owned or used or held for use by the Issuer in connection with the Business;
- 1.1.28 **“Equity Interests”** means any capital share, capital stock, partnership, membership, joint venture or other ownership or equity interest, participation or securities (whether

voting or non-voting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of a Person, and any options, warrants, or other instruments exercisable into, or convertible or exchangeable for, any of the foregoing;

- 1.1.29 “**ETA**” shall mean the *Excise Tax Act*, R.S.C., 1985, c. E-15 (Canada);
- 1.1.30 “**Excluded Assets**” shall mean: (i) any assets associated with any Excluded Employee Plans; and (ii) all other assets listed in Schedule 1.1.30 (Excluded Assets), all of which are to be transferred to ResidualCo 1 pursuant to the Reverse Vesting Order;
- 1.1.31 “**Excluded Contracts**” means all Contracts of the Issuer listed in Schedule 1.1.31 (Excluded Contracts), and which are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;
- 1.1.32 “**Excluded Employee Plans**” means the Employee Plans that are listed in Schedule 1.1.32 (Excluded Employee Plans), which are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;
- 1.1.33 “**Excluded Employees**” means those Employees designated by the Investor, in its sole discretion, by written notice to the Issuer and the Monitor not later than three (3) Business Days prior to the Closing Date, whom the Investor elects not to retain, who are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;
- 1.1.34 “**Excluded Liabilities**” means all Liabilities of the Issuer other than the Retained Liabilities, which are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;
- 1.1.35 “**Expense Reimbursement**” shall mean an amount equal to the reasonable, documented, out-of-pocket costs and expenses of the Investor (including the reasonable, documented expenses of outside counsel and other outside advisors) related to negotiating this Agreement up to a maximum amount of \$50,000, which amount will be payable only from the proceeds of the closing of a transaction under the SISP where this Agreement is not the Successful Bid;
- 1.1.36 “**Garrington**” means Garrington Financial Services Inc., a third-party lender providing the DIP;
- 1.1.37 “**Garrington DIP Documents**” means the DIP financing agreement and related documents governing the DIP and the DIP Order approving same;
- 1.1.38 “**Governmental Authority**” shall mean (i) any domestic or foreign government, governmental or public department, central bank, court, commission, tribunal, board, ministry, bureau or agency, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority, and (iv) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing;
- 1.1.39 “**GST/HST**” shall mean all goods and services tax and harmonized sales tax imposed under Part IX of the ETA;
- 1.1.40 “**Intellectual Property**” means all intellectual property and industrial property rights owned or used or held for use by the Issuer in connection with the Business, including

all trademarks, trade names, business names, domain names, patents, industrial designs, copyrights, trade secrets, know-how, software and all registrations and applications for any of the foregoing, and the goodwill associated therewith;

- 1.1.41 **“Interim Period”** shall mean the period starting on the date hereof and ending at the Closing Time;
- 1.1.42 **“Inventory”** means all inventories of every kind and nature and wheresoever situated owned or used or held for use by the Issuer in connection with the Business, including raw materials, work-in-progress, finished goods, packaging, supplies and goods in transit;
- 1.1.43 **“ITA”** shall mean the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supplement) (Canada);
- 1.1.44 **“Known Cure Costs”** shall mean all Cure Costs which the Issuer, the Investor, the Monitor and/or of their respective Representatives has received actual notice thereof, the particulars of which are listed in Schedule 1.1.44 (Known Cure Costs);
- 1.1.45 **“Law”** shall mean any (i) law, constitution, treaty, statute, code, ordinance, order, decree, rule, regulation and by-law, (ii) judgment, order, writ, injunction, decision, award and directive of any Governmental Authority, and (iii) policy, guideline, notice and protocol of any Governmental Authority to the extent they have the force of law;
- 1.1.46 **“Liability”** shall mean, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person;
- 1.1.47 **“Minimum Overbid”** means the minimum initial overbid amount and subsequent bidding increments applicable at any auction conducted under the SISP Procedures, being not less than \$250,000 above the value of the Subscription Price (inclusive of the Expense Reimbursement), as more fully set out in the SISP Procedures;
- 1.1.48 **“Monitor’s Certificate”** means the certificate, substantially in the form attached as an exhibit to the Reverse Vesting Order, to be delivered by the Monitor to the Issuer and the Investor on Closing and thereafter filed by the Monitor with the Court certifying that it has received the Conditions Certificates;
- 1.1.49 **“Notes”** means collectively, the Credit Bid Notes and the Retained Note, and **“Note”** means any one of them (the particulars of the outstanding amounts being set out in Schedule 1.1.49 (Notes));
- 1.1.50 **“Order”** shall mean any directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority;
- 1.1.51 **“Outside Date”** shall mean November 27, 2026;
- 1.1.52 **“Permitted Encumbrances”** shall mean the Encumbrances relating to the Retained Assets;

- 1.1.53 **“Person”** shall be broadly interpreted and includes an individual, partnership, limited partnership, limited liability company, unlimited liability company, joint venture, trust, cooperative, association or corporation, Governmental Authority and the executors, administrators or other legal representatives of an individual in such capacity, as the case may be;
- 1.1.54 **“Personal Information”** shall have the meaning ascribed thereto in the Privacy Law;
- 1.1.55 **“Priority Payables”** means the amounts secured by the Administration Charge, the DIP Lender’s Charge, the Directors’ Charge and any other Court-ordered priority charge;
- 1.1.56 **“Privacy Law”** means the *Personal Information Protection and Electronic Documents Act* (Canada) and any comparable Law of any other jurisdiction;
- 1.1.57 **“Representative”** shall mean, when used with respect to a Person, each director, officer, employee, and other agent, counsel, adviser or representative appointed by that Person;
- 1.1.58 **“ResidualCo 1”** means a newly-incorporated entity designated by the Investor, with the consent of the Monitor, to which the Excluded Assets are to be transferred and in which they are to be vested pursuant to the Reverse Vesting Order and in accordance with the Closing Sequence;
- 1.1.59 **“ResidualCo 2”** means a newly-incorporated entity designated by the Investor, with the consent of the Monitor, to which the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and the Excluded Employee Plans are to be transferred and in which they are to be vested pursuant to the Reverse Vesting Order and in accordance with the Closing Sequence, and from which the Issuer is to be released;
- 1.1.60 **“Retained Assets”** means all of the Issuer’s right, title and interest in, to and under, or relating to, the assets, property and undertaking owned or used or held for use by the Issuer in connection with the Business, including all cash and cash equivalents, the Equipment, the Inventory, the Accounts Receivable, the Intellectual Property, the Retained Contracts, the Books and Records, but other than the Excluded Assets and the Excluded Contracts;
- 1.1.61 **“Retained Contracts”** shall mean those Contracts of the Issuer that are not Excluded Contracts;
- 1.1.62 **“Retained Employee Plans”** means those Employee Plans that are not Excluded Employee Plans, including those listed on Schedule 1.1.62 (Retained Employee Plans);
- 1.1.63 **“Retained Liabilities”** means: (i) all Liabilities arising under the Retained Contracts to the extent first arising and relating to the period on or after the Closing Time, and any Cure Costs under such Retained Contracts which are not being paid in cash on Closing as Known Cure Costs; (ii) all Liabilities to the extent first arising out of the operation of the Retained Assets for the periods on and after the Closing Time; (iii) all Liabilities of the Issuer relating to Retained Employees and/or the Retained Employee Plans pursuant to Section 5.4; (iv) any Liabilities arising after the granting of the Initial Order, other than any such Liabilities to be paid in cash on Closing; (v) if any, unremitted employee source deductions, vacation pay and other employee priority claims as at

the Closing Time; (vi) if any, unremitted GST/HST as at the Closing Time; (vii) the Retained Note; (viii) other liabilities secured by deemed trusts and statutory priority claims existing as at the Closing Time; and (ix) any amounts accrued and not yet owing in respect of the Priority Payables that are not paid by the Investor at the Closing;

- 1.1.64 **“Retained Note”** means all indebtedness, liabilities and obligations (whether for principal, interest, fees, costs or otherwise) owing by the Issuer to the Investor, as first-ranking secured creditor, under a secured promissory note in the original principal amount of \$2,750,000, dated as of June 4, 2026, between the Issuer and the Investor, and the security granted in connection therewith (the particulars of the outstanding amount being set out in Schedule 1.1.49 (Notes));
- 1.1.65 **“Reverse Vesting Order”** shall mean a final and definitive order of the Court issued in the CCAA Proceedings, in form and substance reasonably satisfactory to the Investor, the Issuer and the Monitor, approving (i) this Agreement, (ii) the Subscription Transaction (including the issuance to the Investor of the Subscription Shares, free and clear of all Encumbrances (other than Permitted Encumbrances), the transfer to and vesting in ResidualCo 1 of the Excluded Assets, the transfer to and vesting in ResidualCo 2 of the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and the Excluded Employee Plans, and the release of the Issuer from the Excluded Liabilities), (iii) the satisfaction of a portion of the Subscription Price by way of the Credit Bid, and (iv) any other transactions contemplated by this Agreement, including the filing for the Articles of Amendment;
- 1.1.66 **“SISP Procedures”** means the SISP Procedures, which shall reflect, among other things, this Agreement as a stalking horse bid, the Credit Bid, the bid increments and the auction procedures (including the Minimum Overbid), the whole substantially in the form attached as Schedule A to the SISP Order;
- 1.1.67 **“Subscription Shares”** means the new common shares in the capital of the Issuer to be issued to the Investor at Closing pursuant to the terms of this Agreement and the Reverse Vesting Order, representing, after giving effect to the transactions contemplated by this Agreement and the Reverse Vesting Order (including the cancellation of the existing Equity Interests (other than the Subscription Shares) in the capital of the Issuer and, if required, the Articles of Amendment), all of the issued and outstanding shares in the capital of the Issuer;
- 1.1.68 **“Successful Bidder”** shall have the meaning ascribed thereto in the SISP Procedures;
- 1.1.69 **“Superior Proposal”** shall have the meaning ascribed thereto in the SISP Procedures;
- 1.1.70 **“Target Closing Date”** shall mean five (5) Business Days immediately following the date upon which the Court has granted the Reverse Vesting Order, or such other date as the Parties and the Monitor may mutually agree to, in writing; and
- 1.1.71 **“Tax”** and **“Taxes”** shall mean taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever (including withholding on amounts paid to or by any Person) imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof.

## 1.2 Cross-Referenced Definitions

The following defined terms have the meanings ascribed thereto in the provisions of this Agreement indicated below:

Defined Term	Section
Business	Preamble above
CCAA	Preamble above
CCAA Proceedings	Preamble above
Conditions Certificates	10.3
Court	Preamble above
Deposit	5.1
Investor	Designation of the Parties above
Issuer	Designation of the Parties above
Monitor	Preamble above
Parties and Party	Designation of the Parties above
Replacement Plans	6.5
Retained Employees	6.2
SISP	Preamble above
SISP Order	Preamble above
SISP Procedures	Preamble above
Subscription Price	5.2
Subscription Transaction	Preamble above

## 1.3 Including

The word “include” or “including”, when following a general term or statement, is not to be construed as limiting the term or statement to the specific items or matters stated or to similar items or matters, but rather as referring to all items or matters that could reasonably fall within the broadest possible scope of the term or statement.

#### 1.4 **References to this Agreement**

The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

#### 1.5 **References to Documents**

All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

#### 1.6 **Currency and Payments**

Except as otherwise expressly provided in this Agreement: (a) all dollar amounts referred to in this Agreement are stated in the lawful currency of Canada; and (b) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account agreed upon by the Monitor or by any other method that provides immediately available funds as agreed to between the Parties, with the consent of the Monitor.

#### 1.7 **Calculation of Time**

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Eastern on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Eastern on the next succeeding Business Day.

#### 1.8 **Statutes**

Any reference to a statute shall include such statute and the corresponding regulations, together with all amendments made and in force from time to time, and any statute or regulation that may be passed which has the effect of supplementing or superseding the statute referred to or the corresponding regulations.

#### 1.9 **Gender and Number**

In this Agreement, unless the context requires otherwise, words importing the singular include the plural, and vice versa. Words importing the masculine gender include the feminine and neuter, and vice versa.

#### 1.10 **Headings and Table of Contents**

The headings and table of contents contained in this Agreement have been inserted for convenience of reference only, shall not be construed to affect the meaning, construction or effect of this Agreement and shall not be considered in the interpretation of any of its provisions.

#### 1.11 **Exhibit and Schedules**

The following Exhibit and Schedules form part of this Agreement:

- Exhibit A – SISP Order

- Schedule 1.1.10– Closing Sequence;
- Schedule 1.1.30 – Excluded Assets;
- Schedule 1.1.31 – Excluded Contracts;
- Schedule 1.1.32 – Excluded Employee Plans;
- Schedule 1.1.44 – Known Cure Costs;
- Schedule 1.1.49 – Notes; and
- Schedule 1.1.62 – Retained Employee Plans.

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules.

#### **1.12 Adverse Rule of Construction not to Apply**

The Parties have each had full opportunity of obtaining legal advice and accordingly any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not be applicable in the interpretation of this Agreement.

### **2 SUBSCRIPTION FOR SUBSCRIPTION SHARES**

- 2.1 At the Closing Time, subject to the terms and conditions of this Agreement and the Reverse Vesting Order, the Investor shall subscribe for and purchase from the Issuer, and the Issuer shall issue the Subscription Shares as fully paid and non-assessable shares free and clear of all Encumbrances, and which Subscription Shares, once issued, shall represent all of the issued and outstanding shares in the capital of the Issuer, in consideration for the Subscription Price. Concurrently with the issuance of the Subscription Shares, all of the Equity Interests in the capital of the Issuer (other than the Subscription Shares) shall be cancelled for no consideration (in accordance with the Closing Sequence) with the result that the Investor will be the sole holder of all Equity Interests in the capital of the Issuer as of the Closing Time.

### **3 RETAINED CONTRACTS**

- 3.1 At the Closing Time, on and subject to the terms and conditions of this Agreement and the Reverse Vesting Order, the Issuer's rights, benefits and interests in, to and under the Retained Contracts shall be retained by the Investor.
- 3.2 The Parties will use commercially reasonable efforts in order for the Reverse Vesting Order to contain sufficient provisions preventing any counterparty to the Retained Contracts from exercising any right or remedy (including any termination right or remedy) under the Retained Contracts, including by reason of: (i) non-monetary defaults, (ii) the insolvency of the Issuer, (iii) the CCAA Proceedings, or (iv) a change of control of the Issuer.
- 3.3 The Investor shall, on the Closing Date, remit to the Monitor, in trust, an amount equal to the aggregate of the Known Cure Costs and the Monitor shall in turn pay to the counterparty to each Retained Contract the applicable Known Cure Costs in accordance with the provisions of the Reverse Vesting Order. For clarity, the balance of the Cure Costs, if any, shall be the responsibility of the Issuer following Closing and shall form part of the Retained Liabilities.

### **4 RETAINED AND EXCLUDED ASSETS AND LIABILITIES**

- 4.1 Before the Closing Time, at the time and date provided for in the Closing Sequence, subject to the terms and conditions of this Agreement and the Reverse Vesting Order, all of the Issuer's right, title and interest in and to the Excluded Assets shall have been transferred to

ResidualCo 1, and the Issuer shall retain all of the Issuer's right, title and interest in and to the Retained Assets, which shall be free and clear of all Encumbrances other than Permitted Encumbrances, to the extent and as provided for in the Reverse Vesting Order. For the avoidance of doubt, notwithstanding any provision of this Agreement to the contrary, as of the Closing Time, the assets of the Issuer shall not include any of the Excluded Assets. Notwithstanding the foregoing and/or anything contained herein to the contrary, the Investor may update any (i) asset to be designated as an Excluded Asset and/or (ii) Contract to be designated as and Excluded Contract, in each case, by written notice to the Issuer and the Monitor delivered not later than July 15, 2026. Provided that no such update to the Excluded Assets and/or the Excluded Contracts shall result in any change to the Subscription Price.

- 4.2 Before the Closing Time, at the time and date provided for in the Closing Sequence, subject to the terms and conditions of this Agreement and the Reverse Vesting Order, the Investor shall retain the Retained Liabilities and shall pay, discharge and perform, as the case may be, from and after the Closing Time, the Retained Liabilities.
- 4.3 Except as expressly retained pursuant to Section 4.3, all Liabilities of or relating to the Business, the Retained Assets, the Issuer or any predecessor of the Issuer, of any kind or nature, shall remain the sole responsibility of the Issuer, and the Investor shall not retain, accept or undertake any debt, obligation, duty, contract or liability of the Issuer and its affiliates of any kind whatsoever, except as expressly retained pursuant to Section 4.1, whether accrued, contingent, known or unknown, and specifically excluding (without limitation) the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and the Excluded Employee Plans, which shall be transferred to, and shall be the sole responsibility of, ResidualCo 2, and from and after the Closing Time, neither the Issuer nor the Investor shall be liable for any such Excluded Liabilities, Excluded Contracts, Excluded Employees, and Excluded Employee Plans and the Issuer shall be forever irrevocably released and discharged from same.

## 5 SUBSCRIPTION PRICE

- 5.1 At or prior to the execution of this Agreement, the Investor has paid to the Monitor, in trust, a deposit in an amount equal to five percent (5%) of the estimated cash portion of the Subscription Price, being \$50,665 (the "**Deposit**"). The Deposit shall be held by the Monitor in trust and, at Closing, shall be applied to the cash portion of the Subscription Price payable by the Investor. If the transactions contemplated by this Agreement are not completed as a result of the failure of the Investor to satisfy the conditions to Closing for which it is responsible, or the breach or default by the Investor of its obligations under this Agreement, the Deposit shall be forfeited to, and retained by, the Issuer in addition to any and all recourses of the Issuer, including for specific performance. If the transactions contemplated by this Agreement are not completed for any other reason, the Deposit shall be returned to the Investor without deduction and/or set off of any kind.
- 5.2 The subscription price for the Subscription Shares (the "**Subscription Price**") shall be an amount equal to the aggregate of the following:
- 5.2.1 the Credit Bid Amount;
  - 5.2.2 an amount equal to the Priority Payables;
  - 5.2.3 an amount equal to the Administrative Reserve Amount; and

- 5.2.4 the amount of the Retained Liabilities, including for certainty an amount equal to the Known Cure Costs.
- 5.3 The Subscription Price shall be paid and satisfied in full at Closing as follows:
- 5.3.1 the Credit Bid Amount shall be satisfied by way of the Credit Bid, namely by a credit against, set off of and in satisfaction of the Credit Bid Notes as authorized by the Reverse Vesting Order, and no cash shall be payable by the Investor in respect thereof;
- 5.3.2 the Priority Payables and the Administrative Reserve Amount (other than (i) amounts accrued and not yet owing in respect of the Priority Payables and (ii) the DIP) shall be paid in cash, by wire transfer of immediately available funds to the Monitor (or as the Monitor may direct), for payment to the Persons entitled thereto. For clarity, any amounts accrued and not yet owing in respect of the Priority Payables shall be retained by the Issuer on Closing and form part of the Retained Liabilities;
- 5.3.3 the amount of the DIP Obligations shall be paid in cash, by wire transfer of immediately available funds, to Garrington (or to the Monitor, in trust, for remittance to Garrington), in full and final satisfaction of the DIP Obligations;
- 5.3.4 the Known Cure Costs shall be paid in accordance with Section 3.3 and the balance of the Cure Costs, if any, shall be the responsibility of the Issuer following Closing and shall form part of the Retained Liabilities; and
- 5.3.5 the Issuer shall retain the Retained Liabilities and the Issuer shall, and the Investor shall cause the Issuer to, discharge such Retained Liabilities in accordance with their terms, and no cash shall be payable by the Investor in respect thereof.
- 5.4 Notwithstanding the foregoing and/or anything contained herein to the contrary, the Parties acknowledge and agree that, at any time following the date that the Investor is selected as or deemed to be the Successful Bidder up to not less than three (3) Business Days prior to the Closing Date, the Investor shall be permitted upon written notice to the Issuer and the Monitor to designate the Retained Note, or any portion thereof, as forming part of the Credit Bid Notes.
- 5.5 Following the Closing, the Monitor shall use the Administrative Reserve Amount solely for the purposes set forth in the definition of such term. Any portion of the Administrative Reserve Amount that is not used by the Monitor for the purposes set forth in the definition of such term (once such purposes have been completed or discharged to the reasonable satisfaction of the Monitor) shall be returned pursuant to a direction from the Investor.
- 6 EMPLOYEES AND EMPLOYEE BENEFITS**
- 6.1 Subject to the Closing and the terms of this Section 5.5, the Employees, other than the Excluded Employees, shall continue in the employment of the Issuer on and after the Closing Date on terms no less favorable in the aggregate to those existing immediately prior to the Closing Date, and their prior service rendered to the Issuer shall be recognized. The Excluded Employees shall be transferred to, and shall become employees of, ResidualCo 2 pursuant to the Reverse Vesting Order. The Investor may designate Excluded Employees only by written notice to the Issuer and the Monitor delivered not later than five (5) Business Days prior to the Closing Date.

- 6.2 In this Agreement, “**Retained Employees**” shall mean those Employees (other than the Excluded Employees) who continue in the employment of the Issuer on and after the Closing Date, including any Employees whose employment continues with the Issuer by operation of applicable Law (including, in respect of Employees, section 9 of the *Employment Standards Act*, 2000 (Ontario)). For the avoidance of doubt, the Parties intend that the transactions contemplated by this Agreement shall not result in any severance, termination or redundancy payment in connection with the Retained Employees.
- 6.3 The Issuer shall comply with all obligations relating to the Retained Employees, whether contractual, statutory or otherwise under applicable Law, arising on or after the Closing Date, including with respect to future notices of termination of employment, pay in lieu thereof, termination or severance pay, and any change in the terms and conditions of employment.
- 6.4 From and after the Closing Date, the Issuer shall recognize all unused and accrued vacation or other paid time off of Retained Employees as at the Closing Date.
- 6.5 Effective as of the Closing Date, the Retained Employees shall cease to accrue benefits under all Excluded Employee Plans. The Issuer shall not assume any of the Excluded Employee Plans. The Issuer shall permit the Retained Employees to participate in benefit and pension plans sponsored or otherwise made available by the Issuer (the “**Replacement Plans**”), and shall cause each Replacement Plan to recognize the prior service of the Retained Employee rendered to the Issuer for purposes of eligibility to participate, vesting and entitlement to benefits, but not for the purpose of benefit accrual. Notwithstanding the foregoing and/or anything contained herein to the contrary, the Investor may update any Employee Plan to be designated as an Excluded Employee Plan by written notice to the Issuer and the Monitor delivered not later than July 15, 2026. Provided that no such update to the Excluded Employee Plans shall result in any change to the Subscription Price.
- 6.6 ResidualCo 2 shall be responsible for: (i) all liabilities for salary, wages, bonuses, commissions, vacation pay and other compensation relating to employment of all Persons in the Business prior to the Closing Date; (ii) all liabilities under or in respect of the Excluded Employee Plans; (iii) the transfer of the Excluded Employees to ResidualCo 2, and all severance payments, damages for wrongful dismissal and all related costs in respect of the termination by ResidualCo 2 of the employment of any Excluded Employees; and (iv) all liabilities for claims for injury, disability, death or workers’ compensation in respect of the Business arising out of matters which occurred prior to the Closing Date.
- 6.7 Without limiting the Issuer’s obligations in respect of the Retained Employees on and after the Closing Date, the Issuer shall be responsible for all liabilities for salary, wages, bonuses, commissions, vacation pay and other compensation relating to employment of all Retained Employees on and after the Closing Date, all liabilities under or in respect of the Replacement Plans, and all severance payments, damages for wrongful dismissal and related costs in respect of the termination by the Issuer of the employment of any Retained Employee on or after the Closing Date.

## 7 REPRESENTATIONS AND WARRANTIES

### 7.1 Representations and Warranties of the Investor

The Investor represents and warrants on the Closing Date to the Issuer as follows and acknowledges and confirms that the Issuer is relying upon such representations and warranties in completing the Subscription Transaction:

- 7.1.1 if the Investor is a corporation, it is duly incorporated, organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and has the power, capacity and authority to subscribe for the Subscription Shares and to enter into and perform its obligations under this Agreement;
- 7.1.2 the execution and delivery of, and performance by the Investor of its obligations under, this Agreement have been duly authorized by all necessary action on the part of the Investor;
- 7.1.3 this Agreement constitutes a valid and binding obligation of the Investor enforceable against the Investor in accordance with its terms;
- 7.1.4 the Investor is the holder of the Notes and is entitled to credit bid the Notes in accordance with the CCAA and the SISP Procedures;
- 7.1.5 the Monitor and the Issuer will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Investor; and
- 7.1.6 the Investor has sufficient financial resources or has arranged sufficient financing to pay on Closing all cash amounts payable on Closing by the Investor hereunder (including the Priority Payables and the DIP).

## 7.2 **Representations and Warranties of the Issuer**

The Issuer represents and warrants to the Investor as follows and acknowledges and confirms that the Investor is relying upon such representations and warranties in entering into this Agreement and completing the Subscription Transaction:

- 7.2.1 subject to the granting of the Reverse Vesting Order, the execution and delivery of, and performance by the Issuer of its obligations under, this Agreement have been duly authorized by all necessary corporate action on the part of the Issuer;
- 7.2.2 subject to the Reverse Vesting Order, this Agreement constitutes a valid and binding obligation of the Issuer, enforceable against it in accordance with its terms; and
- 7.2.3 the Investor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Issuer.

## 7.3 **No Other Representations and Warranties**

Notwithstanding any other provision of this Agreement, the Investor acknowledges, agrees and confirms that:

- 7.3.1 it is entering into this Agreement and subscribing for the Subscription Shares and the underlying acquisition of the Retained Assets on an "as is, where is" basis as they exist at the Closing Time, without any representation or warranty from the Issuer other than those set out in Section 7.2, and the retention of the Retained Assets (including the retention of the Retained Contracts) is made without legal warranty and at the Investor's own risk;

- 7.3.2 it has conducted to its satisfaction such independent searches, investigations and inspections of the Retained Assets and the Business as it deemed appropriate, and based solely thereon has determined to proceed with the transactions contemplated by this Agreement;
- 7.3.3 except as expressly stated in Section 7.2, neither the Issuer nor any other Person (including the Monitor) is making, and the Investor is not relying on, any representation, warranty, statement or promise, express or implied, statutory or otherwise, concerning the Subscription Shares, the Retained Assets, the Business or any other matter whatsoever, all of which are hereby waived in their entirety by the Investor; and
- 7.3.4 except as otherwise expressly provided in this Agreement, the Investor hereby unconditionally and irrevocably waives any and all actual or potential rights or claims it might have against the Issuer, the Monitor or any of their respective Representatives pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than the representations and warranties expressly set forth in Section 7.2.

This Section 7.3 is deemed incorporated by reference in all closing documents and deliveries and shall survive Closing. The Investor shall have no recourse or claim of any kind against the proceeds of the transactions contemplated by this Agreement following Closing, and acknowledges and confirms that it will have no recourse against the Issuer or the Monitor after Closing.

## **8 COVENANTS**

- 8.1 The Issuer and the Investor shall collaborate with each other and use their commercially reasonable efforts to complete the Closing on the Target Closing Date, provided that the Monitor shall do so solely in its capacity as Monitor in the CCAA Proceedings.
- 8.2 Promptly following the execution of this Agreement, the Issuer, with the cooperation and support of the Investor as reasonably required, shall file with the Court a motion seeking the approval of the SISP Procedures (substantially in the form set out in Schedule A to the SISP Order), providing for, among other things, the recognition of this Agreement as a stalking horse bid, the manner in which bidders may submit a Superior Proposal, the auction procedures and the Minimum Overbid, the entitlement of the Investor to satisfy a portion of the Subscription Price by way of the Credit Bid. The Investor shall cooperate with the Issuer in its efforts to obtain the issuance and entry of the Reverse Vesting Order.
- 8.3 From and after the date of this Agreement and until the Closing Date, unless otherwise agreed by the Investor, the Issuer shall deliver to the Investor drafts of any and all pleadings, motions, notices, statements, applications, schedules, reports and other papers to be filed or submitted by the Issuer in connection with or related to this Agreement, including with respect to the SISP Procedures and the Reverse Vesting Order for the Investor's prior review at least two (2) Business Days in advance of service and filing, the whole in form and substance satisfactory to the Investor, acting reasonably.
- 8.4 During the Interim Period, the Issuer shall (i) implement the steps contemplated to occur prior to the Closing Time in the Closing Sequence, in accordance with the terms thereof and the Reverse Vesting Order, (ii) cooperate with the Issuer and its advisors to determine (A) any changes to the Closing Sequence that might be required or undertaken (provided that any such changes shall not cause an adverse material impact to the creditors of the Issuer, and that no decrease to the Subscription Price shall be required in connection with such changes) and (B) the manner and sequence in which the Closing Sequence may most effectively be

undertaken, and (iii) execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things as the Issuer may request in order to effect the transactions contemplated by this Agreement, acting reasonably.

- 8.5 During the Interim Period, the Issuer shall continue to maintain the Retained Assets in substantially the same manner as conducted on the date of this Agreement and shall not dispose of any of the Retained Assets other than in the ordinary course of business unless otherwise agreed with the Investor.
- 8.6 Each Party shall collaborate with the other and deliver to the Monitor, not less than three (3) Business Days prior to the Closing Date, an updated Schedule 1.1.44 (Known Cure Costs) which, once updated, shall constitute Known Cure Costs for purposes of this Agreement and be paid on the Closing in accordance with Section 5.3.4.
- 8.7 Each Party shall comply with Privacy Law in the course of collecting, using and disclosing Personal Information in connection with the Subscription Transaction.
- 8.8 If, prior to the Closing Time, all or any material part of the Retained Assets are destroyed or materially damaged or seized by any Governmental Authority or any other Person in accordance with applicable Law, the Issuer shall promptly so notify the Investor, who shall have the option, in its discretion, exercisable by notice to the Issuer given prior to the Closing Time, either (i) to not complete the transactions contemplated by this Agreement, in which case this Agreement will terminate and the Deposit shall be immediately returned to the Investor without deduction and/or set-off of any kind, or (ii) to complete the transactions contemplated by this Agreement with no reduction in the Subscription Price.
- 8.9 The Issuer hereby indemnifies the Monitor and its Representatives, and shall save them fully harmless against, any Damages suffered, sustained, paid or incurred by any of them (i) to the extent arising or accruing on or after the Closing Date and relating to the Retained Assets (including the Retained Contracts) or the Retained Liabilities, (ii) in connection with the failure to pay any Cure Costs, and (iii) in connection with any Taxes which may be assessed against the Issuer.
- 8.10 The Issuer shall preserve and keep the Books and Records existing as of the Closing Date for a period of six (6) years after Closing, or for any longer period as may be required by applicable Law, and shall make such Books and Records available upon reasonable request, at such party's expense, to (i) the Monitor, its Representatives and their respective successors, (ii) any trustee, receiver, monitor and any of their Representatives, of ResidualCo 1 or ResidualCo 2, and (iii) any duly appointed Representative of ResidualCo 1 or ResidualCo 2.

## **9 CLOSING ARRANGEMENTS**

- 9.1 The Closing shall take place at the Closing Time by electronic exchange of documents and funds, or at such other time on the Closing Date or such other place as may be agreed in writing by the Issuer, the Investor and the Monitor.
- 9.2 At the Closing, the Issuer shall deliver or cause to be delivered to the Investor: (i) the Subscription Shares, registered in the name of the Investor, which shall constitute all of the issued and outstanding shares in the capital of the Issuer; (ii) a true copy of the Reverse Vesting Order; and (iii) such other agreements, documents and instruments as may be reasonably required to complete the transactions provided for in this Agreement.

- 9.3 At the Closing, the Investor shall deliver or cause to be delivered to the Issuer: (i) confirmation of the Credit Bid and of the corresponding reduction of the Notes; (ii) the cash payment of the Priority Payables in accordance with Section 5.3.2; (iii) the cash payment of the DIP in accordance with Section 5.3.3; (iv) the payment of all Known Cure Costs in accordance with Section 3.3; (v) a bring-down certificate executed by a senior officer of the Investor (or by the Investor, if an individual) certifying that the Investor's representations and warranties remain true and correct in all material respects and that the conditions for the benefit of the Investor have been satisfied or waived; and (vi) such other agreements, documents and instruments as may be reasonably required by the Issuer or the Monitor to complete the transactions provided for in this Agreement.

## **10 CONDITIONS PRECEDENT**

### **10.1 Conditions of the Investor**

The Investor shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below has been satisfied, it being understood that such conditions are included for the exclusive benefit of the Investor and may be waived only by the Investor, in whole or in part:

- 10.1.1 This Agreement, as may be amended in accordance with the SISP Procedures, shall have been designated as the Successful Bid in accordance with the SISP Procedures;
- 10.1.2 the Reverse Vesting Order, substantially in the form attached as Schedule 1.1.65 (Reverse Vesting Order) shall have been issued and entered by the Court (including authorization of the Credit Bid), shall not have been vacated, set aside, amended, modified, appealed or stayed, and shall be final, definitive and executory;
- 10.1.3 during the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final and non-appealable Order or Law which has the effect of making any of the transactions contemplated by this Agreement illegal or otherwise prohibiting, preventing or restraining their consummation;
- 10.1.4 the steps scheduled to occur prior to the Closing Time in the Closing Sequence shall have occurred in accordance with the terms thereof and the Reverse Vesting Order;
- 10.1.5 the Issuer shall have executed and delivered to the Investor at the Closing all the documents contemplated in Section 9.2 that are to be executed by the Issuer; and
- 10.1.6 each of the representations and warranties of the Issuer contained in Section 7.2 shall be true and correct in all material respects as of the Closing Date.

### **10.2 Conditions of the Issuer**

The Issuer shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below has been satisfied, it being understood that such conditions are included for the exclusive benefit of the Issuer and may be waived only by the Issuer, in whole or in part:

- 10.2.1 This Agreement, as may be amended in accordance with the SISP Procedures, shall have been designated as the Successful Bid in accordance with the SISP Procedures;

- 10.2.2 the Reverse Vesting Order, substantially in the form attached as Schedule 1.1.65 (Reverse Vesting Order) shall have been issued and entered by the Court (including authorization of the Credit Bid) and shall not have been vacated, set aside, amended, modified, appealed or stayed, and shall be final, definitive and executory;
- 10.2.3 during the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final and non-appealable Order or Law which has the effect of making any of the transactions contemplated by this Agreement illegal or otherwise prohibiting, preventing or restraining their consummation;
- 10.2.4 the Investor shall have executed and delivered to the Issuer at the Closing all the documents and payments contemplated in Section 9.3 that are to be made by the Investor (including the cash payment of the Priority Payables and the DIP and the payment for Known Cure Costs);
- 10.2.5 each of the representations and warranties of the Investor contained in Section 7.1 shall be true and correct in all material respects as of the Closing Date; and
- 10.2.6 the Investor shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Investor on or before the Closing.

### 10.3 **Monitor's Certificate**

- 10.3.1 When the conditions to Closing set out in Sections 10.1 and 10.2 have been satisfied and/or waived, the Investor and the Issuer will deliver to the Monitor written confirmation that such conditions have been satisfied and/or waived (the "**Conditions Certificates**"). Upon receipt of payment in full of the cash portion of the Subscription Price, confirmation of the Credit Bid and the Conditions Certificates, the Monitor shall (i) issue forthwith its Monitor's Certificate concurrently to the Issuer and the Investor, at which time the Closing will be deemed to have occurred, and (ii) file as soon as practicable a copy of the Monitor's Certificate with the Court. The Parties hereby acknowledge and agree that the Monitor will be entitled rely on the Conditions Certificates and to file the Monitor's Certificate with the Court without independent investigation and will have no liability to the Issuer or the Investor or any other Person as a result of the filing of the Monitor's Certificate.
- 10.3.2 All actions taken and transactions consummated at the Closing shall be deemed to have occurred simultaneously, and no such transaction shall be considered consummated unless all are consummated.
- 10.3.3 The Investor acknowledges and agrees that (i) its obligations to consummate the transactions contemplated by this Agreement are not conditioned or contingent in any way upon receipt of financing from a third party, and (ii) failure to consummate the transactions as a result of the failure to obtain financing shall constitute a material breach of this Agreement by the Investor.

## 11 **TERMINATION**

- 11.1 This Agreement may be terminated on or prior to the Closing Date:
  - 11.1.1 by the mutual written agreement of the Issuer, with the consent of the Monitor, and the Investor;

- 11.1.2 by the Investor or the Issuer if this Agreement is not the Successful Bid;
- 11.1.3 by the Investor or the Issuer: (i) upon the dismissal of the CCAA Proceedings; (ii) upon denial of the Reverse Vesting Order (provided that such decision has not been appealed by the Issuer or the Investor and the period to file any such appeal has expired); (iii) if the transactions contemplated by this Agreement are not completed by the Outside Date; or (iv) if it is required under any Order of a court of competent jurisdiction, including the Court;
- 11.1.4 by the Investor, if the Reverse Vesting Order has, without the Investor's prior written consent, been stayed, vacated or materially varied and the period to appeal such stay, vacating or variation has expired, or by written notice from the Investor to the Issuer in accordance with Section 8.8;
- 11.1.5 by written notice from the Investor to the Issuer if there has been a material breach by the Issuer of any representation, warranty or covenant which is not curable (and has rendered satisfaction of a condition in Section 10.1 impossible) or, if curable, has not been cured within ten (10) Business Days following written notice; or
- 11.1.6 by written notice from the Issuer to the Investor if there has been a material breach by the Investor of any representation, warranty or covenant which is not curable (and has rendered satisfaction of a condition in Section 10.2 impossible) or, if curable, has not been cured within ten (10) Business Days following written notice.
- 11.2 Any termination of this Agreement pursuant to Section 11.1 (other than pursuant to Section 11.1.1) shall be given by written notice specifying in reasonable detail the basis for such Party's exercise of its termination rights, to the other Parties. If this Agreement is terminated pursuant to Section (i) 11.1.1 to 11.1.5, inclusive, then the Deposit shall be immediately returned to the Investor without deduction and/or set off of any kind or (ii) 11.1.6, then the Deposit shall be forfeited to, and retained by the Issuer in addition to any and all recourses of the Issuer, including for specific performance.
- 11.3 If this Agreement is terminated pursuant to Section 11.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligation hereunder, except for those provisions which by their terms survive termination (including Sections 8.6, 11.3, 13.1, 13.3, 13.4, 13.6, 13.7, 13.11, 13.12, 13.15 and 13.16). For the avoidance of doubt, any Liability incurred by a Party prior to termination shall survive such termination.
- 11.4 If this Agreement is terminated pursuant to Section 11.1.2, then the Issuer shall pay to the Investor the Expense Reimbursement from the proceeds of such closing by wire transfer of immediately available funds.

## **12 CONFIDENTIALITY**

- 12.1 After the Closing Time, the Issuer shall, and shall cause its affiliates to, maintain the confidentiality of all confidential information relating to the Business and the Retained Assets, except any disclosure as may be required by applicable Law or as may be made to the Court and parties in interest in the CCAA Proceedings or as may be necessary for the purposes of the SISP Procedures. If the Issuer or any of its affiliates or Representatives become legally compelled to disclose any such information, the Issuer shall provide the Investor with reasonably prompt prior notice (to the extent legally permissible) and cooperate, at the Investor's expense, to obtain a protective order or similar remedy.

**13 MISCELLANEOUS**

**13.1 Notices**

Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be effectively given if delivered personally, sent by prepaid courier, or sent by e-mail, in each case to the applicable address set out below (or such other address as any Party may designate by notice to the other Parties):

**if to the Issuer, to:**

FRESHSTONE BRANDS INC.  
c/o Stikeman Elliott LLP  
1155, René-Lévesque Boulevard West, 41st Floor  
Montréal (Quebec) H3B 3V2  
Attention: Leigh Wilson  
Email: lnewton@homestyleselectionslp.com

with a copy to legal counsel to the Issuer:  
Stikeman Elliott LLP  
1155, René-Lévesque Boulevard West, 41st Floor  
Montréal (Quebec) H3B 3V2  
Attention : Guy Martel / Claire Zikovsky  
Email : gmartel@stikeman.com / czikovsky@stikeman.com

**if to the Monitor, to:**

Deloitte Restructuring Inc.,  
In its capacity as Monitor of Freshstone Brands Inc.  
8 Adelaide Street West, Suite 200  
Toronto (Ontario) M5H 0A9  
Attention: Nigel Meakin / Shane Connolly  
Email: nmeakin@deloitte.ca / sconolly@deloitte.ca

with a copy to legal counsel to the Monitor:

Osler, Hoskin & Harcourt LLP  
First Canadian Place  
100 King St W #6200  
Toronto (Ontario) M5H 1H1  
Attention: Marc Wasserman / Tiffany Sun  
Email: mwasserman@osler.com / tsun@osler.com

**if to the Investor, to:**

Frank Burdzy (or his designated entity)  
c/o Chaitons LLP  
5000 Yonge Street, 10<sup>th</sup> Floor  
Toronto (Ontario) M2N 7E9  
Email: fburdzy@homestyleselectionslp.com

with a copy to legal counsel to the Investor:  
Chaitons LLP

5000 Yonge Street, 10<sup>th</sup> Floor  
Toronto (Ontario) M2N 7E9  
Attention: George Benchetrit / Alex Krancevic  
Email: george@chaitons.com / alexk@chaitons.com

**13.2 Survival**

All representations, warranties, covenants and agreements made in this Agreement shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing. For greater certainty, Sections 7.3, 8.6, 8.9, 8.10, 12.1 13.1, 13.2, 13.3, 13.4, 13.6, 13.7, 13.11, 13.12, 13.14, 13.15 and 13.16 shall survive Closing.

**13.3 Expenses**

Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated hereby.

**13.4 Public Announcements**

The Issuer and the Monitor shall be entitled to disclose this Agreement and all information provided by the Investor in connection herewith to the Court and parties in interest in the CCAA Proceedings and as required for the SISP Procedures. Except as required by applicable Law or as required for the SISP Procedures, none of the Parties shall issue (prior to Closing) any press release or make any public statement with respect to this Agreement without the prior written consent of the other Parties. The Parties shall agree on the text of any press release to be issued in connection with this Agreement and any transaction contemplated herein.

**13.5 Force Majeure**

If a Party cannot fulfill its obligations under this Agreement due to any event or circumstance constituting force majeure (being an event or circumstance beyond its reasonable control that could not have been prevented by the exercise of reasonable diligence), then that Party's obligations shall be suspended during the period and to the extent that the event or circumstance continues to prevent such performance, except that a Party shall not be entitled to the benefit of this Section if the failure was caused by its failure to act in a reasonable and prudent manner.

**13.6 Enurement**

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. The Investor shall be entitled to assign this Agreement to an entity to be incorporated by Frank Burdzy prior to Closing, provided that Frank Burdzy shall remain jointly and severally liable for the obligations of the Investor hereunder unless otherwise agreed by the Issuer and the Monitor.

**13.7 Third Party Beneficiaries**

Except with respect to the Monitor as expressly set forth in this Agreement, this Agreement is for the sole benefit of the Parties, and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy.

**13.8 Entire Agreement**

This Agreement, including its preamble and any schedule attached thereto, constitutes the entire agreement between the Parties and supersedes and replaces any and all other understandings, agreements, representations, negotiations, communications and discussions, written or oral, in relation to the subject matter hereof.

**13.9 Counterparts and Electronic Delivery**

This Agreement may be executed in any number of counterparts (including by electronic means), each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Delivery by electronic transmission of an executed counterpart is as effective as delivery of an originally executed counterpart.

**13.10 Amendments**

No amendment to this Agreement shall be binding on the Parties unless made in writing and signed by the authorized representatives of each of the Issuer, the Monitor and the Investor.

**13.11 No Waiver**

No Party shall be deemed to have waived any of its rights, powers or recourses unless such waiver is in writing and signed by an authorized signatory of such Party. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

**13.12 No Liability; Monitor Holding or Disposing Funds**

The Investor and the Issuer acknowledge and agree that the Monitor, acting in its capacity as Monitor of the Issuer in the CCAA Proceedings, and its affiliates and their respective directors, officers, employees, agents, advisors, lawyers, successors and assigns, will have no liability under or in connection with this Agreement whatsoever (including in connection with the receipt, holding or distribution of any portion of the cash portion of the Subscription Price), except in respect of its gross negligence or wilful misconduct, if such standard is required by applicable Law or by Order of the Court. In the event of any dispute regarding the holding or disposition of such funds, the Monitor may seek directions from the Court or hold the funds pending a written direction signed by the Issuer and the Investor or an Order of the Court.

**13.13 Further Assurances**

Each Party shall from time to time hereafter and upon any reasonable request of the other execute, acknowledge and deliver all such further acts, documents and instruments as may be reasonably necessary or desirable to implement and carry out the true meaning of this Agreement.

**13.14 Severability**

If any term, covenant or condition of this Agreement, or its application to any Person or circumstance, is to any extent prohibited, invalid or unenforceable in any jurisdiction, such term, covenant or condition shall be ineffective to the extent of such prohibition, invalidity or unenforceability without invalidating the remainder of this Agreement.

**13.15 Governing Law**

This Agreement shall be construed, interpreted and enforced exclusively in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, to the exclusion of any conflict of law rule that would result in the application of the laws of another jurisdiction.

**13.16 Dispute Resolution and Attornment**

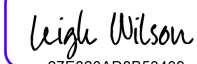
If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court may direct.

*[Signature page follows]*

**WITNESS WHEREOF** the Parties have signed this Agreement as of the date first indicated hereinabove.

**ISSUER:**

**FRESHSTONE BRANDS INC.**

Signed by:  
  
Per: \_\_\_\_\_  
Name: Leigh Wilson  
Title: Chief Development Officer

**INVESTOR:**


DocuSigned by:  
  
\_\_\_\_\_  
FRANK BURDZY

Exhibit A – SISP Order

See attached.

Court File No. CL-26-00000265-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) THURSDAY, THE 18<sup>th</sup>  
 )  
JUSTICE W.D. BLACK ) DAY OF JUNE, 2026

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

**SISP APPROVAL ORDER**

**THIS MOTION**, made by Freshstone Brands Inc. (the "**Applicant**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCA**") for an Order, substantially in the form included in the Applicant's Motion Record, was heard this day by judicial video-conference via Zoom.

**ON READING** the Motion Record of the Applicant, the affidavit of Mr. Frank Burdzy sworn June 8, 2026 (the "**Burdzy Affidavit**") and the affidavit of Ms. Leigh Wilson sworn June 12, 2026 (the "**Newton Affidavit**"), the Exhibits thereto, the pre-filing report of Deloitte Restructuring Inc. ("**Deloitte**") dated June 8, 2026, in its capacity as proposed monitor of the Applicant, and the First Report dated June 12 of Deloitte in its capacity as the court-appointed Monitor of the Applicant (in such capacity, the "**Monitor**"), filed;

**ON HEARING** the submissions of counsel for the Applicant, counsel for the Monitor, counsel for the DIP Lender, counsel for the Stalking Horse Bidder (as defined below) and such other counsel and parties listed on the Participant Information Form, no one else appearing for any party;

## **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them under the Sale and Investor Solicitation Procedures attached hereto as Schedule "A" (the "**SISP Procedures**") or the Amended and Restated Initial Order dated June 18, 2026 (the "**ARIO**"), as applicable.

## **APPROVAL OF THE SISP AND THE SISP PROCEDURES**

3. **THIS COURT ORDERS** that the SISP and the SISP Procedures, substantially in the form attached hereto, be and are hereby approved, and the Applicant, with the assistance of the Sale Advisor (as defined below), and under the supervision of the Monitor, is authorized and directed to carry out the SISP in accordance with the SISP Procedures and this Order, and is hereby authorized and directed to take such steps as it considers necessary or desirable in carrying out each of their obligations thereunder, subject to prior approval of this Court being obtained before the completion of any transaction(s) under the SISP.
4. **THIS COURT ORDERS** that the Applicant, the Monitor and their respective affiliates, partners, directors, officers, employees, advisors, lawyers, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SISP, except to the extent such losses, claims, damages or liabilities arise or result from the gross negligence or wilful misconduct of any such person (with respect to such person alone), in performing their obligations under the SISP, as determined by the Court in a final order that is not subject to appeal or other review.
5. **THIS COURT ORDERS** that in overseeing the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding, and that notwithstanding anything contained herein or in the SISP, the Monitor shall not take possession of any current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof of the Applicant (the "**Property**"), nor shall it be deemed to take possession of the Property.

## **APPROVAL OF STALKING HORSE BID**

6. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered, *nunc pro tunc*, to execute, deliver and enter into the Subscription Agreement dated as of June 12, 2026 (the "**Stalking Horse Agreement**"), between the Applicant, as issuer, and Frank Burdzy, as investor and stalking horse bidder (the "**Stalking Horse Bidder**"), substantially in form attached as Exhibit "A" to the Newton Affidavit, together with such non-material amendments as may be acceptable to each of the parties thereto, and approved by the Monitor.

7. **THIS COURT AUTHORIZES** the Applicant to use the Stalking Horse Agreement as a "*stalking horse bid*" in the SISP (the "**Stalking Horse Bid**"). For greater certainty, nothing herein approves the transaction contemplated in the Stalking Horse Bid, and the approval of any transaction contemplated by the SISP shall be determined on a subsequent motion made to this Court.

8. **THIS COURT ORDERS** that the payment of the Expense Reimbursement (as such terms are defined in the Stalking Horse Agreement) pursuant to, and in accordance with the Stalking Horse Agreement, is hereby approved, and that the Property is hereby subject to a charge in the aggregate maximum amount of \$50,000 (the "**Expense Reimbursement Charge**") in favour of the Stalking Horse Bidder, as security for the payment of Expense Reimbursement in the manner and circumstances set out in the Stalking Horse Agreement.

9. **THIS COURT ORDERS** that the Expense Reimbursement Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person and shall constitute a "Charge" (as defined in the Amended and Restated Initial Order also granted by this Court on June 18, 2026 (the "**ARIO**"), provided however that the Expense Reimbursement Charge shall rank subordinate to the Administration Charge, the DIP Lender's Charge and the Directors' Charge (as defined in the ARIO).

## **RETENTION OF SALE ADVISOR**

10. **THIS COURT ORDERS** that the Applicant is hereby authorized to engage GlassRatner Advisory Canada Inc. as the Applicant's sale advisor (the "**Sale Advisor**") pursuant to the terms of the engagement agreement attached to the Initial Application Affidavit as Exhibit "T" (the "**Sale Advisor Engagement Letter**"). The Applicant is hereby authorized and directed to make the payments contemplated under the Sale Advisor Engagement Letter when earned and payable in accordance with its terms and conditions, which payments shall be secured by the Administration Charge (as defined in the ARIO), on a *pari passu* basis with the other beneficiaries of the Administration Charge.

11. **THIS COURT ORDERS** that the Sale Advisor and its controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of its engagement by the Applicant as Sale Advisor or any matter referred to in the Sale Advisor Engagement Letter, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Sale Advisor or its controlling person(s), in performing its obligations under the Sale Advisor Engagement Agreement.

12. **THIS COURT ORDERS** that no action or proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise, against or in respect of the Sale Advisor and its respective controlling persons, and all rights and remedies of any person against or in respect of them are hereby stayed and suspended, except with the written consent of the SISP Advisor, or with leave of this Court on notice to the Applicant, the Monitor and the Sale Advisor. Notice of any such motion seeking leave of this Court shall be served upon the Applicant, the Monitor and the Sale Advisor at least five (5) days prior to the return date of any such motion for leave.

13. **THIS COURT ORDERS AND DECLARES** that, unless agreed to by the Sale Advisor, the Sale Advisor shall be treated as unaffected in any Plan filed by any of the Applicant under the CCAA, or any proposal filed by any of the Applicant under the *Bankruptcy and Insolvency Act of Canada*, with respect to any of the Applicant's obligations under the Sale Advisor Engagement Agreement.

**PIPEDA**

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Applicant, the Sale Advisor and the Monitor, on behalf of the Applicant, and their respective advisors are hereby authorized and permitted to disclose and provide to each Prospective Bidder that is a party to a Confidentiality Agreement and their respective advisors, personal information of identifiable individuals, including employees of the Applicant, but only to the extent desirable or required to negotiate or attempt to complete a transaction pursuant to the SISP (a “**Transaction**”). Each Prospective Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and if it does not complete a Transaction, shall return all such information to the Applicant or the Monitor, as applicable, or, in the alternative, destroy all such information and provide confirmation of its destruction to the Applicant and the Monitor. The Successful Bidder shall maintain the privacy of such information and, upon closing of the Transaction contemplated in the Successful Bid, shall be entitled to use the personal information provided to it that is related to the Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such information by the Applicant, and shall return all other personal information to the Applicant or the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction to the Applicant and the Monitor.

#### **ELECTRONIC CORRESPONDENCE**

15. **THIS COURT ORDERS** that, pursuant to section 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS), the Applicant, the Sale Advisor and the Monitor are authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and to their advisors, but only to the extent required to provide information with respect to the SISP in these proceedings.

#### **GENERAL**

16. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

17. **THIS COURT ORDERS** that the Applicant or the Monitor may apply to this Court to amend, vary or supplement this Order or for advice and directions with respect to the SISP at any time.

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

---

**SCHEDULE "A"**  
**SISP PROCEDURES**

**SALE AND INVESTOR SOLICITATION PROCEDURES****FRESHSTONE BRANDS INC.****Recitals**

- A. On June 9, 2026, Freshstone Brands Inc. (“**Freshstone**”) sought and obtained an initial order (as amended, supplemented or amended and restated from time to time, the “**Initial Order**”) under Freshstone’s proceedings commenced pursuant to the *Companies’ Creditors Arrangement Act* (“**CCAA**” and the proceedings commenced thereby, the “**CCAA Proceedings**”) from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), pursuant to which, among other things, Deloitte Restructuring Inc. was appointed as monitor in the CCAA Proceedings (in such capacity, the “**Monitor**”);
- B. On June 12, 2026, Freshstone and Mr. Frank Burdzy (in such capacity, the “**Stalking Horse Bidder**”) executed a Subscription Agreement (the “**Stalking Horse Bid**”) pursuant to which the Stalking Horse Bidder agreed, among other things: (i) to act as a “stalking horse bidder” in the context of a sale and investor solicitation process to be undertaken in the CCAA Proceedings, and (ii) if the Stalking Horse Bidder is determined to be the Successful Bidder (as defined herein), to subscribe for and purchase from Freshstone, the Subscription Shares (as defined in the Stalking Horse Bid), on the terms and conditions set out in the Stalking Horse Bid, with the existing equity interests being cancelled on closing such that Stalking Horse Bidder would become the sole shareholder of Freshstone (the “**Stalking Horse Transaction**”).
- C. Pursuant to an order of the Court dated June 18, 2026 (as it may be amended, restated or supplemented from time to time, the “**SISP Order**”), the Court authorized Freshstone, with the assistance of GlassRatner Advisory Canada, as sale advisor (the “**Sale Advisor**”), and under the supervision of the Monitor, to conduct and implement a sale and investor solicitation process in respect of Freshstone’ business and assets, in accordance with the procedures, terms and conditions set out herein (as such process may be amended, restated or supplemented pursuant to the terms herein, the “**SISP**”).

- D. The property that is available for sale pursuant to the SISP (collectively, the “**Property**”) is comprised of all property, assets and undertakings of Freshstone.
- E. This SISP describes, among other things:
- (a) the manner in which the opportunity to purchase some or all of the Property can be obtained;
  - (b) the manner in which Prospective Bidders may gain access to or continue to have access to due diligence materials concerning Freshstone and the Property and the timelines applicable thereto;
  - (c) the manner and timelines in which Prospective Bidders may submit an LOI for all or substantially all of the Property or any part thereof, and the required content of an LOI;
  - (d) the manner and timelines in which Qualified Phase I Bidders may submit a Qualified Bid and the required content of a Qualified Bid;
  - (e) the manner in which an Auction may be held in the event that more than one Qualified Bid is received in accordance with the SISP;
  - (f) the process and criteria for the ultimate selection of one or more Successful Bids; and
  - (g) the process for approval of one or more Successful Bids by the Court.
- F. The SISP Order, the SISP, and any other orders of the Court made in the CCAA Proceedings relating to the SISP shall exclusively govern the process for soliciting and selecting bids for the sale of some or all of the Property or any part thereof.
- G. Unless otherwise indicated herein, any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.

## **Defined Terms**

1. All capitalized terms used herein shall have the meanings given to them in Appendix “A” hereto.

## **Conduct of the SISP**

1. Conduct of SISP. The SISP will be carried out by Freshstone, with the assistance of, and in consultation with, the Sale Advisor and the Monitor. Freshstone, the Sale Advisor and the Monitor are fully and exclusively authorized, empowered and directed to take any and all actions and steps pursuant to the SISP.
2. Advice and Directions. Either Freshstone or the Monitor may at any time seek advice and directions from the Court on notice to the Service List with respect to the conduct or any aspect of the SISP.
3. Consent to Jurisdiction of the Court. Each Qualified Phase I Bidder, upon being declared as such under the SISP, shall be deemed to have irrevocably and unconditionally attorned and submitted to the jurisdiction of the Court in respect of any action, proceeding or dispute in relation to the conduct or any aspect of the SISP.
4. Primary SISP Responsibilities. In connection with the SISP, Freshstone’s primary responsibilities include:
  - (a) assisting the Sale Advisor with the preparation of a list of Prospective Bidders;
  - (b) assisting the Sale Advisor with preparing the Teaser Letter;
  - (c) assisting legal counsel with the preparation of the template form of confidentiality agreement to be executed by Prospective Bidders (such confidentiality agreement and any other form of confidentiality agreement executed by a Prospective Bidder in favour of Freshstone, the “**Confidentiality Agreement**”);
  - (d) establishing and managing an electronic data room with confidential information in respect of Freshstone and the Property (the “**Data Room**”);

- (e) assisting legal counsel with the preparation of the template Form of Subscription Agreement;
  - (f) assisting the Sale Advisor with managing all communications with Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders, prior to and after receipt of the LOIs and Qualified Bids. These communications shall include, without limitation, facilitating the delivery of all communications, contacting Prospective Bidders and providing them with the Teaser Letter and coordinating the execution of the Confidentiality Agreements by Prospective Bidders, managing the process of answering all reasonable inquiries from Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders and arranging for site visits by Prospective Bidders, Qualified Phase I Bidders and Qualified Bidders;
  - (g) negotiating with Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders;
  - (h) reviewing and considering the LOIs and Qualified Bids; and
  - (i) if applicable, conducting an Auction in accordance with the SISP.
5. Summary of Key Dates. A summary of the key dates relevant to the conduct of the SISP is included herein in Appendix “**B**”.

### **Sale and Investment Opportunities**

6. Opportunity to Submit a Bid. Qualified Phase I Bidders will have the opportunity to submit a bid to purchase some or all of the Property substantially in the Form of Subscription Agreement (a “**Sale Proposal**”). Sale Proposals may be in respect of only a part or parts of the Property, and any such proposal will not be precluded from consideration as an acceptable LOI, Qualified Bid or Successful Bid.

### **“As is, Where is”**

7. “As is, Where is” Basis. Any Sale Proposal shall be made on an “as is, where is” basis, without surviving representations or warranties of any kind, nature or description.

8. No Representations or Warranties. Freshstone, the Sale Advisor, the Monitor, and any of their respective employees, officers, directors, agents, advisors and other representatives are not responsible for, and will have no liability with respect to, any information obtained by any Prospective Bidder, Qualified Phase I Bidder, Qualified Bidder, Auction Bidder or Successful Bidder in connection with the Property or Freshstone. Freshstone, the Sale Advisor, the Monitor, and any of their respective employees, officers, directors, agents, advisors and other representatives, do not make any representations or warranties whatsoever as to the information or the materials provided through the due diligence process or otherwise made available to any Prospective Bidder, Qualified Phase I Bidder, Qualified Bidder, Auction Bidder or Successful Bidder, including any information contained in the Teaser Letter or Data Room.

### **Solicitation of Interest**

9. Solicitation Materials. Freshstone, with the assistance of the Sale Advisor, and in consultation with the Monitor, have or will:
- (a) compile a listing (the “**Contact List**”) of prospective purchasers and investors (collectively, “**Prospective Bidders**”), which Contact List will include parties who in Freshstone’s reasonable business judgment may be interested in acquiring the Property or any part thereof;
  - (b) determine the appropriate advertising, if any, to be directed at Prospective Bidders, which may include newspaper, trade publication, internet or other advertising directed at Prospective Bidders;
  - (c) send to each Prospective Bidder a solicitation letter summarizing the acquisition opportunity with respect to the Property (the “**Teaser Letter**”);
  - (d) send to each Prospective Bidder upon request a form of Confidentiality Agreement. The Prospective Bidders will be required, among other things, to sign a Confidentiality Agreement in order to gain access to confidential information (including access to the Data Room). For greater certainty, only Prospective Bidders who submit an executed Confidentiality Agreement, which is in form and

substance acceptable to Freshstone, in consultation with the Monitor, shall have access to the Data Room and other confidential information and management presentations, if available; and

- (e) provide to each Prospective Bidder who executes a Confidentiality Agreement a copy of this SISP and/or the Process Letter.
10. Restrictions on Access to Confidential Information. Freshstone reserves the right to limit any Prospective Bidder's or Qualified Phase I Bidder's access to any confidential information (including any information in the Data Room) and to customers and suppliers of Freshstone, where, in Freshstone's discretion, such access could negatively impact the SISP, the ability to maintain the confidentiality of the confidential information, or the value of the Property. Requests for additional information are to be made to the Sale Advisor.

**Submission of Non-Binding Letters of Intent & Other Participation Requirements**

11. LOI Deadline. Unless otherwise provided for herein, ordered by the Court or agreed to by the Monitor, in order to participate in the SISP and be considered for qualification as a Qualified Phase I Bidder, a Prospective Bidder must deliver to the Sale Advisor, with a copy to the Monitor (in each case, at the addresses set out in the Process Letter), so as to be received by the Sale Advisor not later than 5:00 p.m. (Toronto Time) on August 14, 2026, or such later date and/or time as Freshstone, in consultation with the Monitor, determines appropriate or as the Court may order (the "**LOI Deadline**"), the following:
- (a) an executed Confidentiality Agreement;
  - (b) a non-binding letter of intent (a "**LOI**") which complies with the requirements of paragraph 12 below;
  - (c) to the extent not provided in the LOI, a letter setting forth the identity of the Prospective Bidder, the contact information for such Prospective Bidder, and the contact information for any business, financial or legal advisors retained or to be retained in connection with the contemplated transaction, and full disclosure of the direct and indirect owners of the Prospective Bidder and its principals; and

- (d) to the extent not provided in the LOI or the Confidentiality Agreement, a written acknowledgement of receipt of a copy of the SISP Order (including the SISP) and agreeing to accept and be bound by the provisions contained therein or herein.

12. Requirements for LOIs: An LOI in respect of a Sale Proposal must include:

- (a) a detailed listing and description of the Property to be included in the Sale Proposal and a detailed listing of the Property to be excluded from the Sale Proposal;
- (b) the low and high range of the proposed subscription price for such Sale Proposal and an explanation of what contingencies and variables may influence where in the range the final subscription price will fall. For greater certainty, the low range of the proposed subscription price must exceed the Subscription Price of the Stalking Horse Bid;
- (c) details as to the form of consideration for the Sale Proposal;
- (d) an acknowledgment that the Sale Proposal will be made on an “as is, where is” basis;
- (e) a list of the key material contracts and leases, if any, the Prospective Bidder wishes to retain and the Prospective Bidder’s proposed treatment of any related “cure costs” and a list of the contracts and leases to be excluded from the Sale Proposal;
- (f) a description of any liabilities and obligations to be assumed by the Prospective Bidder and the Prospective Bidder’s estimated value of such assumed liabilities, and which such liabilities and obligations it does not intend to assume;
- (g) a detailed description of any remaining due diligence required by the Prospective Bidder to be completed before making a Qualified Bid and an estimated timeline for the completion of such due diligence;
- (h) any anticipated regulatory and other approvals required to close the proposed transaction and the anticipated time frame and any anticipated impediments for obtaining any such approvals;

- (i) all material conditions to closing that the Prospective Bidder may wish to impose;
  - (j) the proposed target closing date and a timeline to closing with critical milestones;
  - (k) an indication as to whether the Prospective Bidder is intending to effect the Sale Proposal through a special purpose vehicle;
  - (l) any other terms and conditions which the Prospective Bidder believes are material to the transaction; and
  - (m) such other information reasonably requested by Freshstone or the Monitor.
13. Clarifications, Extensions and Waivers of LOIs. For greater certainty, Freshstone shall be entitled, either prior to or following the LOI Deadline, to seek to clarify the terms of an LOI or with respect to any of the other requirements of paragraph 12 above, and Freshstone, in consultation with the Monitor, may accept a revised, clarified LOI, provided that the initial LOI was received prior to the LOI Deadline. Freshstone may grant extensions to the LOI Deadline with the consent of the Monitor, and Freshstone shall comply with any other extensions of the LOI Deadline as may be ordered by the Court. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 12 and deem any non-compliant LOI to be a qualifying LOI.

#### **Review of LOIs**

14. LOI Criteria. Promptly following the LOI Deadline, Freshstone, in consultation with the Sale Advisor and the Monitor, will review and assess the LOIs and other materials submitted by Prospective Bidders, and in making such assessment will consider, among other things, the following (the “**LOI Criteria**”):
- (a) the subscription price and net value (including all assumed liabilities and other obligations to be performed by the Prospective Bidder) provided by such LOI;
  - (b) the evidence of the financial ability of the Prospective Bidder to consummate the

Sale Proposal;

- (c) the claims, if any, likely to be created against Freshstone by the transaction contemplated by the LOI, relative to alternatives available to Freshstone;
- (d) the nature and amount of debt and other liabilities and obligations to be assumed by the Prospective Bidder and which such liabilities and obligations it does not intend to assume;
- (e) the planned treatment of stakeholders, including lenders, trade creditors and shareholders; and
- (f) other factors affecting the speed, certainty and value of the Sale Proposal (including any remaining due diligence, regulatory approvals and other conditions required to close the Sale Proposal), including whether the Sale Proposal is reasonably likely to close on or before the target closing date indicated by the Prospective Bidder in its LOI.

#### **Identification of Qualified Phase I Bidders**

15. Determination of Qualified Phase I Bidders. Freshstone, in consultation with the Sale Advisor and the Monitor, shall apply the LOI Criteria and consider each LOI and the other materials submitted by a Prospective Bidder pursuant to paragraph 12 and determine whether it will be in the best interests of Freshstone to permit the Prospective Bidder to continue to participate in the SISF based upon the terms set out in the applicable LOI (any such Prospective Bidder, a “**Qualified Phase I Bidder**”). The determination by Freshstone as to whether a Prospective Bidder is a Qualified Phase I Bidder will be made as promptly as practicable after such Prospective Bidder has satisfied the requirements described in paragraph 12 (subject to any waiver thereof under paragraph 13), and any clarification that may be sought by Freshstone pursuant to paragraph 13. For greater certainty, an LOI may be in respect of only a part or parts of the Property.
16. Notification of Qualified Phase I Bidders. If it is determined by Freshstone, in consultation with the Sale Advisor and the Monitor, that a Prospective Bidder is a Qualified Phase I

Bidder, the Sale Advisor will promptly notify the Prospective Bidder of such determination, and such Qualified Phase I Bidder will thereafter be provided an opportunity to complete due diligence and submit a binding offer in respect of such Sale Proposal. Except as otherwise provided for herein, no LOIs will be considered pursuant to the SISP after the LOI Deadline. Prospective Bidders not identified as Qualified Phase I Bidders by Freshstone will no longer be able to participate in the SISP or continue to have access to any confidential information in connection therewith.

17. Stalking Horse Bid to be Successful Bid if no Suitable LOI. If at any point before or after the LOI Deadline Freshstone determines, in consultation with the Sale Advisor and the Monitor, that there are or will be no Qualified Phase I Bidders, the Stalking Horse Bid will be declared the Successful Bid and Freshstone shall as soon as reasonably practicable file a motion with the Court on notice to the Service List for approval of the Stalking Horse Bid.

#### **Submissions of Binding Qualified Bids**

18. Bid Deadline. Binding offers must be submitted in writing by a Qualified Phase I Bidder to the Sale Advisor, with a copy to the Monitor (in each case, at the address set out in the Process Letter) by September 29, 2026 (the “**Bid Deadline**”).

#### **Requirements for Qualified Bid**

19. Requirements for Qualified Bids. A Sale Proposal (other than the Stalking Horse Bid), will be considered a “**Qualified Bid**” only if (i) it is submitted by a Qualified Phase I Bidder on or before Bid Deadline, and (ii) the Sale Proposal complies with the following requirements:
  - (a) it is a Superior Proposal;
  - (b) it fully discloses the identity of each person or entity that will be sponsoring or participating in the Sale Proposal, including the identification of the Qualified Phase I Bidder’s direct and indirect owners and their principals, and the complete terms of such participation;
  - (c) it fully discloses any connections or agreements with Freshstone or any of its affiliates, any other bidder participating in the SISP or any officer, manager,

- director, member or equity or security holder of Freshstone or any of its affiliates;
- (d) it contains evidence of authorization and approval from the Qualified Phase I Bidder's board of directors, investment committee, credit committee or comparable governing body, as applicable, with respect to the submission, execution, delivery and closing of the transaction contemplated by the Sale Proposal;
  - (e) it includes a letter confirming that the Sale Proposal is a binding offer capable of acceptance by Freshstone, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid;
  - (f) it includes (A) a duly authorized and executed subscription agreement based on the Form of Subscription Agreement; (B) all exhibits and schedules thereto, including a detailed description of the Property to be included and excluded from the proposed transaction, and such ancillary agreements as may be required by the Qualified Phase I Bidder with all exhibits and schedules thereto; and (C) a mark-up of the Form of Subscription Agreement showing all amendments and modifications made thereto;
  - (g) it includes a cash deposit in an amount equal to five percent (5%) of the cash subscription price contemplated therein, payable by wire transfer of immediately available funds (to a bank account specified by the Monitor) payable to the order of the Monitor, in trust, which will be dealt with in accordance with paragraphs 34 to 37, or such other form of deposit or amount as is acceptable to Freshstone and the Monitor (each, a "**Deposit**");
  - (h) it includes an acknowledgement and representation that the Qualified Phase I Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid, including the applicable Property; (ii) has not relied upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including Freshstone, the Monitor and

their respective employees, officers, directors, agents, advisors and other representatives regarding the applicable Property, the proposed transaction, the SISP, or any liabilities and obligations to be assumed or the completeness of any information provided in connection therewith, including but not limited, to (A) the enforceability, validity or status of any of the applicable Property, and (B) the nature and condition (environmental, financial and otherwise) of the applicable Property or Freshstone; (iii) is a knowledgeable, experienced and sophisticated purchaser with respect to the applicable Property; and (iv) has been provided the opportunity to conduct any and all due diligence it deemed appropriate and is relying on its own due diligence and expertise and that of its own consultants, accountants, and legal and tax advisors in making its Qualified Bid;

- (i) it includes either written evidence of a firm, irrevocable commitment for all required funding and/or financing from a credit-worthy bank or financial institution, or other evidence of financial ability to close the transaction, that will allow Freshstone, in consultation with the Monitor, to make a reasonable determination as to the Qualified Phase I Bidder's (and its direct and indirect owners') financial and other capabilities to consummate the transaction contemplated by the Sale Proposal; if the Qualified Phase I Bidder is an entity newly formed for the purpose of the transaction, or if the Qualified Phase I Bidder intends to complete the sale transaction through a special purpose vehicle, (A) the direct and indirect equity holders or sponsors of such newly formed entity or special purpose vehicle must guarantee the special purpose vehicle's obligations under all definitive transaction documents, and (B) the Sale Proposal shall contain an equity or debt commitment letter from the parent entity or sponsor, which is satisfactory to Freshstone, in consultation with the Monitor, and names Freshstone as a third party beneficiary of any such commitment letter with recourse against such parent entity or sponsor;
- (j) it shall not be conditional upon, among other things:
  - (i) the outcome of unperformed due diligence by the Qualified Phase I Bidder;
  - (ii) obtaining any financing; or

- (iii) approval of the Qualified Bid by the Qualified Phase I Bidder's board of directors, investment committee, credit committee or comparable governing body, as applicable;
  - (k) it includes the anticipated time frame and any anticipated impediments for obtaining any regulatory or other approvals indicated in the executed purchase agreement as conditions to closing; and
  - (l) it provides a timeline to closing with critical milestones and provides for a closing of the proposed transaction by no later than the applicable Target Closing Date;
    - (i) it does not request or entitle the Qualified Phase I Bidder to any break-fee, termination fee, expense reimbursement or other type of compensation or payment; and
    - (ii) it contains such other information reasonably requested by Freshstone or the Monitor.
20. Stalking Horse Bid Deemed to be Qualified Bid. Notwithstanding the requirements for a Qualified Bid detailed in paragraph 19 above, the Stalking Horse Bid shall be deemed to be a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder. Notwithstanding anything to the contrary herein, the Stalking Horse Bidder will not be required to provide a Deposit other than as provided for in the Stalking Horse Bid.

#### **Assessment of Qualified Bids**

21. Review of Qualified Bids. Promptly following the Bid Deadline, Freshstone, in consultation with the Sale Advisor and Monitor, will review and assess the Qualified Bids, other than the Stalking Horse Bid, in respect of a Sale Proposal, and in making such assessment will consider, among other things, the following (the "**Sale Proposal Bid Criteria**"):
- (a) the subscription price and net value (including all assumed liabilities and other obligations to be performed by the Qualified Phase I Bidder) provided by such Qualified Bid;

- (b) the firm, irrevocable commitment for financing the transaction or other evidence of ability to consummate the Sale Proposal;
  - (c) the claims, if any, likely to be created against Freshstone by the transaction contemplated by the Sale Proposal, relative to alternatives available to Freshstone;
  - (d) the nature and amount of debt and other liabilities to be assumed or acquired by the Qualified Phase I Bidder;
  - (e) the counterparties to the Sale Proposal;
  - (f) the proposed revisions to the Form of Subscription Agreement and the terms of the proposed sale transaction documents;
  - (g) the assets included in or excluded from the Sale Proposal;
  - (h) the planned treatment of stakeholders, including lenders, trade creditors and shareholders; and
  - (i) other factors affecting the speed, certainty and value of the Sale Proposal (including any regulatory approvals and other conditions required to close the Sale Proposal by the applicable Target Closing Date), including the likelihood of closing the Sale Proposal on or before the applicable Target Closing Date.
22. Clarifications, Extensions and Waivers of Qualified Bids. For greater certainty, Freshstone shall be entitled either prior to or following the applicable Bid Deadline, to seek to clarify the terms of a Qualified Bid and Freshstone, in consultation with the Monitor, may accept a revised, clarified Qualified Bid, provided that the initial Qualified Bid was received prior to the applicable Bid Deadline. Freshstone may grant extensions to the Bid Deadline with respect to any Qualified Bid with the consent of the Monitor, and Freshstone shall comply with any other extensions of the Bid Deadline as may be ordered by the Court. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 19, as applicable, and deem any non-compliant bid to be a Qualified Bid.

23. Identification of Suitable Qualified Bids. Freshstone, in consultation with the Sale Advisor and Monitor, shall apply the Sale Proposal Bid Criteria and consider each Qualified Bid, other than the Stalking Horse Bid, upon its submission and determine whether it will be in the best interests of Freshstone to pursue a transaction on the terms set out in the applicable Qualified Bid. This determination by Freshstone will be made as promptly as practicable after the applicable Bid Deadline, and any clarification that may be sought by Freshstone pursuant to paragraph 22.
24. Stalking Horse Bid to be Successful Bid if no Qualified Bid other than the Stalking Horse Bid. If at any point before or after the applicable Bid Deadline Freshstone determines, in consultation with the Sale Advisor and the Monitor, that there are or will be no Qualified Bids other than the Stalking Horse Bid, or that it is appropriate to reject all Qualified Bids received (other than that submitted by the Stalking Horse Bidder) because none are in the best interests of Freshstone, the Stalking Horse Bid shall be deemed to be the Successful Bid, and Freshstone shall as soon as reasonably practicable file a motion with the Court on notice to the Service List for approval of the Stalking Horse Bid.
25. Next Steps if Qualified Bid(s) in addition to the Stalking Horse Bid. If, after consultation with the Sale Advisor and Monitor, Freshstone determines in its reasonable business judgment that one or more Qualified Bids in addition to the Stalking Horse Bid was received with respect to the Property that is in the best interests of Freshstone, then Freshstone shall conduct an auction (the “**Auction**”) to determine the highest and/or best Sale Proposal. In the event that an Auction is to be held, the Stalking Horse Bidder and all Qualified Phase I Bidders who submitted a Qualified Bid that Freshstone determines, in consultation with the Sale Advisor and the Monitor, entitles such Qualified Phase I Bidder to participate in the Auction (each, an “**Auction Bidder**”) will be promptly advised by the Sale Advisor of such determination. A Qualified Phase I Bidder not identified as an Auction Bidder will no longer be able to participate in the SISP or any Auction.
26. Discretion of Freshstone. Freshstone, upon consultation with the Sale Advisor and Monitor, and with the consent of the Monitor, where applicable, may at any time (including prior to or during an Auction), (a) reject any bid, other than the Stalking Horse Bid, that is (i)

inadequate or insufficient, (ii) not in conformity with the requirements of the CCAA, the SISP or any applicable orders of the Court, or (iii) contrary to the best interests of Freshstone; (b) in accordance with the terms hereof, accept bids not in conformity with the SISP to the extent that Freshstone determines, in its reasonable business judgment after consultation with the Sale Advisor and Monitor, that doing so would benefit Freshstone; (c) in accordance with the terms hereof, extend the LOI Deadline and/or Bid Deadlines, and/or change the date of an Auction; and/or (d) reject all bids, other than the Stalking Horse Bid. For greater certainty, Freshstone shall be under no obligation to accept the highest or best offer and the selection of the Successful Bid shall be entirely in the discretion of Freshstone after consultation with the Sale Advisor and Monitor.

### **Auction**

27. **Place and Time.** If the Auction is to be conducted pursuant to paragraph 28, the Auction shall commence on a date and time and at a place to be determined by Freshstone, in consultation with the Sale Advisor and the Monitor, or as fixed by the Court. Notice of the place, date and time of the Auction will be delivered to all Auction Bidders by the Sale Advisor not less than three (3) Business Days before the date of the Auction.
28. **Procedures for the Auction.** Any Auction shall be conducted according to the following procedures:
- (a) **Notice of Participation.** At least one (1) Business Day prior to the Auction, each Auction Bidder who has been notified by the Sale Advisor or Freshstone that it has qualified as an Auction Bidder must inform Freshstone whether it intends to attend the Auction; provided that in the event an Auction Bidder elects not to attend the Auction, such Auction Bidder's Qualified Bid shall remain binding, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid;
  - (b) **Participation at the Auction.** Freshstone and its advisors (including the Sale Advisor), with the oversight of the Monitor, shall direct and preside over the Auction. Only Auction Bidders that have provided notice in accordance with paragraph 28(a) will be eligible to participate in the Auction. Only the authorized

representatives (including legal counsel and other advisors) of each of the Auction Bidders, Freshstone, the Sale Advisor and the Monitor shall be permitted to attend the Auction. For the avoidance of doubt, the Stalking Horse Bidder shall be deemed to be an Auction Bidder.

- (c) Anti-Collusion. Each Auction Bidder shall be required to confirm that: (i) it has not engaged, and will not engage, in any collusion with respect to the bidding or any Sale Proposal, and if such Auction Bidder is a special purpose vehicle, each of the direct or indirect equity holders of such Auction Bidder shall be required to confirm that it has not engaged, and will not engage, in any collusion with respect to the bidding or any Sale Proposal, such confirmation, in each case, in form and substance satisfactory to Freshstone and the Monitor in their sole discretion; and (ii) its bid is a good-faith *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bid.
- (d) Rounds. Bidding at an Auction shall be conducted in rounds. In each round, an Auction Bidder may submit no more than one Overbid. If at the end of any round of bidding, an Auction Bidder (other than the Auction Bidder who submitted the Opening Bid for such round) did not submit an Overbid, then such Auction Bidder shall be barred from participating in any further round of bidding at the Auction. Any Auction Bidder who submits an Overbid in a round, as well as the Auction Bidder who submitted the Opening Bid for such round shall be entitled to participate in the next round of bidding at the Auction.
- (e) Determination of Opening Bids. Freshstone, in consultation with the Sale Advisor and Monitor, shall apply the Sale Proposal Bid Criteria to determine which Qualified Bid is the highest and/or best bid received by the Bid Deadline, which shall constitute the “Opening Bid” for the first round of an Auction. Freshstone, in consultation with the Monitor, shall follow the same process to determine the highest and/or best Overbid submitted in each round of an Auction, which shall constitute the “Opening Bid” for the following round. As soon as practicable prior to the start of the Auction, Freshstone shall distribute a copy of the Opening Bid for

the first round to all Auction Bidders eligible to participate in the applicable Auction.

- (f) Overbids. Subject to paragraph 28(g), all bids made at an Auction shall be Overbids and shall be made and received on an open, non-confidential basis and the identity of each Auction Bidder and all material terms of each Overbid shall be fully disclosed to all other Auction Bidders participating in the applicable round of the applicable Auction. The Sale Advisor shall maintain a transcript of the Opening Bids and all Overbids made and announced at an Auction.
- (g) Requirements for Overbids. A Sale Proposal submitted at an Auction will be considered an “**Overbid**” only if it complies with the following requirements:
- (i) *Minimum Consideration*. The amount of the subscription price shall not be less than the subscription price or consideration of the Opening Bid of the applicable round of such Auction, plus an amount (the “**Minimum Overbid Increment**”) to be set by Freshstone, in consultation with the Sale Advisor and Monitor; and
  - (ii) *Qualified Bid Criteria*. Except as modified herein, an Overbid shall comply with all requirements for a Qualified Bid as set forth in paragraph 19 (including in respect of its binding and irrevocable nature, and being open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid); provided, however, that the Bid Deadline shall not apply and Overbids need not be accompanied by additional cash deposits during the Auction.
- (h) Determination and Announcing Highest Overbids. At the end of each round of bidding, Freshstone, in consultation with the Sale Advisor and Monitor, shall (i) review each Overbid made in such round, (ii) in its reasonable business judgement, identify the highest and/or best such Overbid in accordance with paragraph 28(e), and (iii) announce to all Auction Bidders entitled to participate in the next round of bidding the terms of the highest and/or best Overbid and the identity of the Auction

Bidder who submitted such Overbid. Such highest and/or best Overbid shall be the Opening Bid for the next round of such Auction.

- (i) Adjournments. Freshstone shall have the right, in its reasonable business judgment, and after consultation with the Sale Advisor and Monitor, to make one or more adjournments in an Auction to, among other things: (i) facilitate discussions between Freshstone, the Monitor and individual Auction Bidders; (ii) allow individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (iv) give Auction Bidders the opportunity to provide Freshstone with such additional evidence as it may require, in its reasonable business judgment and in consultation with the Sale Advisor and Monitor, to show that the Auction Bidder's bid complies with the requirements of an Overbid (including in respect of the required internal corporate or credit committee approvals and evidence of sufficient funding commitments or other financial capability to consummate the proposed transaction).
- (j) Closing the Auction. If, in any round of bidding, no new Overbid is made, such Auction shall be closed and Freshstone shall, in consultation with the Sale Advisor and Monitor, declare the last Opening Bid as the "**Successful Bid**" and the Auction Bidder submitting such Successful Bid the "**Successful Bidder**", and advise such Successful Bidder of such determination and all other applicable Auction Bidders that they are not a Successful Bidder. For greater certainty, the selection of a Successful Bid and a Successful Bidder shall not be deemed a rejection of any other Overbid or Qualified Bid and each Overbid and Qualified Bid shall remain binding, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid relating to the same Property.
- (k) Successful Bidder's Deposit. To the extent not already provided, the Successful Bidder (except in the case the Stalking Horse Bidder is the Successful Bidder) shall, within two (2) Business Days of the conclusion of the Auction, provide the Monitor with an additional Deposit to increase its original Deposit to equal five percent (5%)

of the total cash subscription price contemplated by the Successful Bid.

- (l) Clarifications of Overbids and Waivers. For greater certainty, Freshstone and the Monitor shall be entitled during the Auction, to discuss and clarify the terms of any and all Overbids and accept a revised, clarified Overbid, provided it is submitted before the end of the applicable round of bidding. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 28(g), and deem any non-compliant Overbid to be a qualifying Overbid.
  
- (m) Additional Procedures. Freshstone may, with the assistance of their advisors (including the Sale Advisor) and in consultation with the Monitor, adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction and that are not inconsistent with any of the provisions of the SISP or the SISP Order; provided that no such rules may change the requirement that all Overbids shall be made and received on an open, non-confidential basis, and all Auction Bidders entitled to participate in a further round of bidding shall be entitled to be present for all such bidding.

### **Approval Motion**

- 29. Application to Court. After a definitive agreement in respect of a Successful Bid has been finalized in accordance with the SISP, Freshstone shall apply to the Court as soon as reasonably practicable for an order approving such Successful Bid and authorizing Freshstone to enter into any and all necessary agreements with respect to such Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to such Successful Bid (the “**Approval Motion**”).
  
- 30. Closing Subject to Court Approval. The consummation of any transaction between a Successful Bidder and Freshstone is expressly conditional upon the approval of such Successful Bid by the Court at the Approval Motion. The presentation of a Successful Bid to the Court for approval does not obligate Freshstone to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. Freshstone will be deemed to have accepted a bid only when such bid has been approved by the Court

at the Approval Motion.

31. Scheduling of Approval Motion. The Approval Motion will be held on a date to be scheduled by the Court and to be heard as soon as possible. The Approval Motion may be adjourned or rescheduled by Freshstone, with the consent of the Monitor, by an announcement of the adjourned date at the Approval Motion or by notice to the Service List and no further notice shall be required.
32. Deemed Rejection. All Qualified Bids and Overbids (other than the Successful Bid) will be deemed rejected at 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid.
33. Statutory Approvals. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid.

#### **Treatment of Deposit**

34. Investment of Deposit. All Deposits will be held by the Monitor in a trust account. No interest shall accrue or be paid on any Deposit.
35. Application of Deposit. If there is a Successful Bid, the Deposit paid by a Successful Bidder whose bid is approved by the Court, will be released by the Monitor to Freshstone and applied to the subscription price to be paid, or investment to be made, by such Successful Bidder upon closing of the approved transaction or as otherwise set out in the definitive agreement.
36. Return of Deposits. The Deposits of Qualified Phase I Bidders not selected as a Successful Bidder will be returned to such Qualified Phase I Bidders within ten (10) Business Days of the date of closing of the Successful Bid. If there is no Successful Bid, subject to the following paragraph 37, all Deposits will be returned to Qualified Phase I Bidders, within ten (10) Business Days of the date on which the SISF is terminated in accordance with the SISF.

37. Forfeit of Deposit. If (i) a Successful Bidder breaches any of its obligations under the terms of the SISP or any definitive transaction documentation, or (ii) a Qualified Phase I Bidder fails to complete the transaction contemplated by its Qualified Bid or Overbid if required by Freshstone to complete such transaction, then, in each case, such bidder's Deposit will be forfeited to Freshstone as liquidated damages and not as a penalty. Freshstone shall apply and use its share of any forfeited Deposit in a manner agreed upon by Freshstone and the Monitor.

### **Reservation of Rights and Conduct of the SISP**

38. No Binding Agreement. The SISP does not, and will not be interpreted to, create any contractual or other legal relationship between Freshstone and any bidder, other than as specifically set forth in a Confidentiality Agreement and other definitive agreement that any such bidder may enter into with Freshstone.
39. Extension of Time Limits. Freshstone may from time to time extend any of the time limits set out in the SISP, as Freshstone determines appropriate, with the consent of the Monitor.

### **Miscellaneous**

40. The SISP is solely for the benefit of Freshstone and nothing contained in the SISP Order or herein shall create any rights in any other person (including, without limitation, any Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the SISP Order.
41. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Qualified Bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction, including, without limitation, any actions within the Auction.
42. The Monitor will oversee the conduct of the SISP and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out herein and in the SISP Order, and is entitled to receive all information in relation to the SISP.

43. Any amendments to the SISP may only be made by Freshstone with the written consent of the Monitor, or by further order of the Court.

**APPENDIX “A”  
DEFINED TERMS**

The following capitalized terms shall have the following meanings when used in the SISP:

- a. **“Approval Motion”** shall have the meaning given to it in paragraph 29;
- b. **“Auction”** shall have the meaning given to it in paragraph 25;
- c. **“Auction Bidder”** shall have the meaning given to it in paragraph 25;
- d. **“Bid Deadline”** shall have the meaning given to it in paragraph 18;
- e. **“Business Day”** shall mean any day other than (i) a Saturday or Sunday, or (ii) a day which is a statutory holiday in Toronto, Ontario;
- f. **“CCAA”** shall have the meaning given to it in Recital A;
- g. **“CCAA Proceedings”** means Freshstone’s proceedings under the CCAA commenced by the Initial Order, under Court file no. CL-26-00000265-0000;
- h. **“Confidentiality Agreement”** shall have the meaning given to it in paragraph 4(c);
- i. **“Contact List”** shall have the meaning given to it in paragraph 9(a);
- j. **“Court”** shall have the meaning given to it in Recital A;
- k. **“Data Room”** shall have the meaning given to it in paragraph 4(d);
- l. **“Deposit”** shall have the meaning given to it in paragraph 19(g);
- m. **“Form of Subscription Agreement”** means the form of subscription agreement to be provided to Qualified Phase I Bidders who submitted an LOI in respect of a Sale Proposal as part of the SISP, based on the form of the Stalking Horse Bid;
- n. **“Freshstone”** shall have the meaning given to it in Recital A;

- o. “**Initial Order**” shall have the meaning given to it in Recital A;
- p. “**Initial Overbid Amount**” means \$250,000;
- q. “**LOI**” shall have the meaning given to it in paragraph 11(b);
- r. “**LOI Criteria**” shall have the meaning given to it in paragraph 14;
- s. “**LOI Deadline**” shall have the meaning given to it in paragraph 11;
- t. “**Minimum Overbid Increment**” shall have the meaning given to it in paragraph 28(g)(i);
- u. “**Monitor**” shall have the meaning given to it in Recital A;
- v. “**Monitor’s Website**” means the Monitor’s website for the CCAA Proceedings located at <http://www.insolvencies.deloitte.ca/Freshstone>;
- w. “**Opening Bid**” shall have the meaning given to it in paragraph 28(e);
- x. “**Overbid**” shall have the meaning given to it in paragraph 28(g);
- y. “**Process Letter**” means a letter from the Sale Advisor to Prospective Bidders outlining, among other things, the SISP and the SISP timelines and which sets out the contact information for the Sale Advisor and the Monitor for the submission of any LOIs and Qualified Bids;
- z. “**Property**” shall have the meaning given to it in Recital D;
- aa. “**Prospective Bidders**” shall have the meaning given to it in paragraph 9(a), and “**Prospective Bidder**” shall mean any one of them;
- bb. “**Qualified Bid**” shall have the meaning given to it in paragraph 19, as applicable, and “**Qualified Bids**” means more than one of them;
- cc. “**Qualified Bidder**” shall mean a person who submits a Qualified Bid pursuant to the SISP and “**Qualified Bidders**” means more than one of them;

- dd. “**Qualified Phase I Bidder**” shall have the meaning given to it in paragraph 15, and “**Qualified Phase I Bidders**” means more than one of them;
- ee. “**Sale Advisor**” shall have the meaning given to it in the SISP Order;
- ff. “**Sale Proposal**” shall have the meaning given to it in paragraph 6;
- gg. “**Sale Proposal Bid Criteria**” shall have the meaning given to it in paragraph 21;
- hh. “**Service List**” means the service list in the CCAA Proceedings as posted on the Monitor’s Website, as it may be updated from time to time;
- ii. “**SISP**” shall have the meaning given to it in Recital B;
- jj. “**SISP Order**” shall have the meaning given to it in Recital B;
- kk. “**Successful Bid**” shall have the meaning given to it in paragraph 28(j);
- ll. “**Successful Bidder**” shall have the meaning given to it in paragraph 28(j);
- mm. “**Superior Proposal**” means a credible, reasonably certain and financially viable offer made by a Qualified Bidder that (i) provides for consideration in excess of the aggregate of the “**Subscription Price**” as defined in and contemplated by the Stalking Horse Transaction plus the Initial Overbid Amount, and (ii) Freshstone and the Monitor, each with the assistance of their legal advisors, consider to be better than the Stalking Horse Transaction;
- nn. “**Target Closing Date**” shall mean the date or dates determined by Freshstone, in consultation with the Sale Advisor and the Monitor, and such later date or dates as Freshstone, in consultation with the Sale Advisor and the Monitor, may determine from time to time; and
- oo. “**Teaser Letter**” shall have the meaning given to it in paragraph 9(c).

**APPENDIX “B”**  
**SUMMARY OF KEY DATES<sup>1</sup>**

<b>EVENT</b>
<b>PHASE 1</b>
<b><u>Qualified Phase I Bidders &amp; LOI Deadline (By no later than August 14, 2026, at 5:00 p.m. (Toronto time))</u></b> LOI Deadline (for delivery of non-binding LOIs by Qualified Phase I Bidders in accordance with the SISP)
<b>PHASE 2 (if suitable LOIs are received, which warrants to the continuation of the SISP onto Phase 2. If no suitable LOIs are received, Stalking Horse Bid shall be deemed to be the Successful Bid.)</b>
<b><u>Bid Deadline (By no later than September 29, 2026, at 5:00 p.m. (Toronto time))</u></b> Bid Deadline (for delivery of binding offers by Qualified Phase I Bidders in accordance with the SISP)
<b><u>Closing – Successful Bid(s) (October 16, 2026)</u></b> Anticipated deadline for closing of Successful Bid(s)

---

<sup>1</sup> The dates or time limits indicated in the table may be extended by Freshstone, in consultation with the Sale Advisor and with the consent of the Monitor, as Freshstone deems necessary or appropriate, or by order of the Court.

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.  
1985, C. C 36, AS AMENDED**

Court File No.:CL-26-00000265-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

---

**SISP APPROVAL ORDER**

---

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Ontario M5L 1B9

**Guy Martel**  
Tel: (514) 397-3163  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**  
Tel: (514) 397-6495  
E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**  
Tel: (514) 397-3121  
E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**  
Tel: (416) 869-5563  
E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**Lawyers for the Applicant**

Schedule 1.1.10 – Closing Sequence

- (a) First, the Investor shall pay the Subscription Price to the Monitor, to be held in escrow by the Monitor on behalf of the Investor;
- (b) Second, (i) the Issuer shall be deemed to transfer to ResidualCo 1 the Excluded Assets in consideration for the issuance by Residual Co 1 of a non-interest bearing promissory note in the amount of \$1.00 (the “**Promissory Note**”), and (ii) the Issuer shall be deemed to transfer to ResidualCo 2 the Excluded Liabilities and Excluded Contracts in consideration for the assignment of its rights under the Promissory Note in favour of ResidualCo 2;
- (c) Third, the Retained Assets will be retained by the Issuer, free and clear of and from any and all Encumbrances (other than Permitted Encumbrances) pursuant to the Reverse Vesting Order and, for greater certainty, all of the Encumbrances, other than Permitted Encumbrances, affecting or relating to the Retained Assets are hereby expunged and discharged as against the Retained Assets, and the Retained Liabilities will be retained by the Issuer;
- (d) Fourth, the following shall occur concurrently:
  - (i) The Issuer shall file the Articles of Amendment to provide for (x) the creation of a new class of common shares in the capital of the Issuer (being the Subscription Shares for purposes of this Agreement), and (y) the deemed cancellation for no consideration of all Equity Interests (other than the Subscription Shares) as well as any agreement, contract, plan, indenture, deed, certificate, subscription right, conversion right, pre-emptive right, option (including stock options or share purchase or equivalent plans) or other document or instrument governing or having been created or granted in connection with the share capital of the Company, the whole in accordance with and pursuant to the Reverse Vesting Order;
  - (ii) The Issuer shall issue the Subscription Shares to the Investor and the Investor shall subscribe for and purchase the Subscription Shares in accordance with the terms of this Agreement; and
  - (iii) The Subscription Price shall be released from escrow;
- (e) Fifth, the Monitor shall be directed to (i) use a portion of the Subscription Price to pay the Priority Payables and the Known Cure Costs and (ii) retain a portion of the Subscription Price equal to the Administrative Reserve Amount, to be used for the purposes set forth in the definition of such term. Any balance of the Subscription Price shall be used distributed by the Monitor in accordance with further instructions and directions from the Court.

Schedule 1.1.30 – Excluded Assets

1. Any asset located at 1604 Victoria Street North, Kitchener, Ontario as at the date hereof other than the assets situate on such premises that are designated by the Investor to be Retained Assets, which designation shall be made no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement;
2. Any asset located at 1326 Victoria Street North, Kitchener, Ontario as at the date hereof other than the assets situate on such premises that are designated by the Investor to be Retained Assets, which designation shall be made no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement;
3. Any asset located at 500 Valleyview Drive, Delisle, Saskatchewan as at the date hereof other than the assets situate on such premises that are designated by the Investor to be Retained Assets, which designation shall be made no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement;
4. Any asset located at 24 4 St, Charlottetown, Prince-Edward-Island as at the date hereof other than the assets situate on such premises that are designated by the Investor to be Retained Assets, which designation shall be made no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement; and
5. Any other asset designated as an Excluded Asset by no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement.

Schedule 1.1.31 – Excluded Contracts

1. The lease agreements in respect of the following premises leased by the Issuer and located at:
  - (a) 1604 Victoria Street North, Kitchener, Ontario;
  - (b) 1326 Victoria Street North, Kitchener, Ontario
  - (c) 500 Valleyview Drive, Delisle, Saskatchewan;
  - (d) 24 4 St, Charlottetown, Prince-Edward-Island
2. Any Contracts exclusively related to the leased premises set out in paragraph 1 above; and
3. Any other Contract designated as an Excluded Contract by no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement.

Schedule 1.1.32 – Excluded Employee Plans

1. Any Employee Plan designated as an Excluded Employee Plan by no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement.

## Schedule 1.1.44 – Known Cure Costs

Known Cure Costs as of June 12, 2026:

1.	Due in respect of the premises leased by the Issuer and located at 1801, 1811, 1821 Albion Rd, Etobicoke, Ontario;	\$26,508
2.	Due in respect of the premises leased by the Issuer and located at 1335 Fewster Dr, Mississauga, Ontario; and	\$51,543
3.	Due in respect of the premises leased by the Issuer and located at 195 Steinway Blvd., Etobicoke, Ontario.	\$211,749

Schedule 1.1.49 – Notes

<b><u>Credit Bid Notes</u></b>			
Note	Principal Outstanding	Accrued Interest / Fees to June 5, 2026	Total as at June 5, 2026
Second amended and restated secured promissory note dated as of May 8, 2026	\$1,150,000.00	\$210,292.70	\$1,360,292.70
Amended and restated secured promissory note dated as of May 8, 2026	\$2,000,000.00	\$2,000,000.00	\$4,000,000.00
Secured promissory note dated as of May 8, 2026	\$2,000,000.00	\$38,464.06	\$2,038,464.06
		Total:	\$7,398,756.76
<b><u>Retained Note</u></b>			
Note	Principal Outstanding	Accrued Interest / Fees to June 5, 2026	Total as at June 5, 2026
Retained Note	\$2,750,000.00	\$376.71	\$2,750,376.71

Schedule 1.1.62 – Retained Employee Plans

1. Group Retirement Savings Plan and Deferred Profit Sharing Plan for Freshstone Brands Inc. issued by the Canada Life Assurance Company effective July 1, 2023 under Policy/Plan Number 76137;
2. Employee Benefit Plan issued by ClaimSecure Inc. under Policy Number 37769;
3. Class 1 Corporate and Support Group Benefits Plan issued by Industrial Alliance Life Insurance;
4. Class 1 Corporate and Support Group Health and Dental Benefits Plan issued by ClaimSecure Inc.;
5. Class 2 Hourly Full Time Group Benefits Plan issued by Industrial Alliance Life Insurance;  
and
6. Class 2 Hourly Full Time Group Health and Dental Benefits Plan issued by ClaimSecure Inc.

**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

Court File No. CL-26-00000265-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

---

**AFFIDAVIT OF LEIGH WILSON  
(RETURNABLE JUNE 18, 2026)**

---

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Ontario M5L 1B9

**Guy Martel**  
Tel: (514) 397-3163  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**  
Tel: (514) 397-6495  
E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**  
Tel: (514) 397-3121  
E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**  
Tel: (418) 869-5563  
E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**Lawyers for the Applicant**

**TAB 3**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) THURSDAY, THE 18<sup>th</sup>  
 )  
JUSTICE W.D. BLACK ) DAY OF JUNE, 2026

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED**  
**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

**AMENDED AND RESTATED INITIAL ORDER  
(Amending the Initial Order dated June 9, 2026)**

**THIS MOTION**, made by Freshstone Brands Inc. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an Amended and Restated Initial Order was heard this day by judicial video-conference via Zoom.

**ON READING** the affidavit of Frank Burdzy sworn June 8, 2026 and the Exhibits thereto (the "**Burdzy Affidavit**"), the affidavit of Leigh Wilson sworn June 13, 2026 and the Exhibits thereto, the pre-filing report of Deloitte Restructuring Inc. ("**Deloitte**") dated June 8, 2026, in its capacity as proposed monitor of the Applicant, the consent of Deloitte to act as the Court-appointed monitor of the Applicant, and the First Report dated June 13, 2026 of Deloitte in its capacity as the court-appointed Monitor of the Applicant (in such capacity, the "**Monitor**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice; and

**UPON HEARING** the submissions of counsel for the Applicant, counsel for the Monitor, counsel for the DIP Lender (as defined herein) and such other counsel and parties listed on the Participant Information Form (as defined herein), no one else appearing for any party;

## **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that, for the avoidance of doubt, references in this Order to the “date of this Order”, the “date hereof” or similar phrases refer to the date the Initial Order of this Court was granted in these proceedings, being June 9, 2026 (the “**Initial Order**”).

## **APPLICATION**

3. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

## **PLAN OF ARRANGEMENT**

4. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

## **POSSESSION OF PROPERTY AND OPERATIONS**

5. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, independent contractors, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by it, with liberty, subject to the terms of the Definitive Documents (as defined herein), to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.
6. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilize the central cash management system currently in place as described in the Burdzy Affidavit or, with the consent of the Monitor, replace it with another substantially similar central cash management

system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. **THIS COURT ORDERS** that, subject to and in accordance with the Definitive Documents, the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the Definitive Documents, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

9. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

10. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in

respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

12. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$50,000 in one transaction or \$250,000 in the aggregate, provided that such limits shall not apply in respect of redundant assets sold by public auction with the consent of the Monitor;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business.

13. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

14. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY**

15. **THIS COURT ORDERS** that until and including October 16, 2026, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH RIGHTS**

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right,

contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

### **CONTINUATION OF SERVICES**

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

### **NON-DEROGATION OF RIGHTS**

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until

a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

## **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

21. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, including with respect to the obligations and liabilities that may have accrued prior to the commencement of these proceedings but which may become due and payable after the commencement of these proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$2,000,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 39 and 41 herein.

23. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 herein.

## **APPOINTMENT OF MONITOR**

24. **THIS COURT ORDERS** that Deloitte is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

25. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination of reports and other information to the DIP Lender and its counsel, pursuant to and in accordance with the Definitive Documents, or as may otherwise be reasonably requested by the DIP Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender and the Definitive Documents, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel in accordance with the Definitive Documents;
- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (h) hold and administer funds in connection with arrangements made among the Applicant, any counterparties and the Monitor or by Order of this Court;
- (i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (j) perform such other duties as are required by this Order or by this Court from time to time.

26. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the

Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

27. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law 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 *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

28. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

29. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant, shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and

counsel for the Applicant on a weekly basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor and counsel to the Applicant reasonable retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

31. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

32. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the Applicant's counsel and the Sale Advisor (as defined in the Burdzy Affidavit), shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$[650,000], as security for their professional fees and disbursements incurred at their respective standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 39 and 41 herein.

#### **DIP FINANCING**

33. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from Garrington Financial Services Inc. (the "**DIP Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$7,000,000 unless permitted by further Order of this Court.

34. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Facility Loan Agreement between the Applicant and the DIP Lender dated as of June 8, 2026 (the "**DIP Credit Agreement**"), filed.

35. **THIS COURT ORDERS** that, in addition to the DIP Credit Agreement, the Applicant is also hereby authorized and empowered to execute and deliver such other credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (the "**Definitive Documents**"), as are contemplated by the DIP Credit Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Credit Agreement and

the other Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

36. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 39 and 41 hereof.

37. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon five (5) days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the DIP Credit Agreement, the Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the DIP Credit Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

38. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"), with respect to any advances made under the Definitive Documents.

## VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

39. **THIS COURT ORDERS** that the priorities of the Administration Charge, the DIP Lender's Charge and the Directors' Charge (collectively, the "**Charges**"), as among them, shall be as follows:

*First* – Administration Charge (to the maximum amount of \$650,000);

*Second* – DIP Lender's Charge; and

*Third* – Directors' Charge (to the maximum amount of \$2,000,000).

40. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

41. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

42. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and of the applicable beneficiaries of the Charge(s) (collectively, the "**Chargees**") or further Order of this Court.

43. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; 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, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Credit Agreement or the other Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Credit Agreement, the creation of the Charges, or the execution, delivery or performance of the other Definitive Documents; and
- (c) the payments made by the Applicant pursuant to this Order, the DIP Credit Agreement or the other Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

44. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

#### **SERVICE AND NOTICE**

45. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe and Mail (National Edition) (and in its online version) a notice containing the information prescribed under the CCAA, (ii) within five (5) days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make available the claims, names and addresses of any individual persons who are creditors.

46. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure.

Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '[www.insolvencies.deloitte.ca/Freshstone](http://www.insolvencies.deloitte.ca/Freshstone)'.

47. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

48. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

49. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

50. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

51. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative

in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

53. **THIS COURT ORDERS** that the Initial Order of this Court dated June 9, 2026, is hereby amended and restated pursuant to this Order, and this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Standard/Daylight Time) on the date of this Order without any need for filing or entry.

---

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.  
1985, C. C 36, AS AMENDED**

Court File No.: CL-26-00000265-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

---

**AMENDED AND RESTATED INITIAL  
ORDER**

---

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Ontario M5L 1B9

**Guy Martel**  
Tel: (514) 397-3163  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**  
Tel: (514) 397-6495  
E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**  
Tel: (514) 397-3121  
E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**  
Tel: (416) 869-5563  
E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**Lawyers for the Applicant**



**TAB 4**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) ~~TUESDAY~~THURSDAY, THE ~~9<sup>th</sup>~~18<sup>th</sup>  
JUSTICE W.D. BLACK ) DAY OF JUNE, 2026

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED**  
**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

**AMENDED AND RESTATED INITIAL ORDER**  
**(Amending the Initial Order dated June 9, 2026)**

**THIS ~~APPLICATION~~MOTION**, made by ~~the~~ Freshstone Brands Inc. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an Amended and Restated Initial Order was heard this day by judicial video-conference via Zoom.

**ON READING** the affidavit of Frank Burdzy sworn June 8, 2026 and the Exhibits thereto (the "**Burdzy Affidavit**") ~~and the~~ the affidavit of Leigh Wilson sworn June 13, 2026 and the Exhibits thereto, the pre-filing report of Deloitte Restructuring Inc. ("**Deloitte**") dated June 8, 2026, in its capacity as proposed monitor of the Applicant, the consent of Deloitte to act as the Court-appointed monitor of the Applicant, and the First Report dated June 13, 2026 of Deloitte in its capacity as the court-appointed Monitor of the Applicant (in such capacity, the "**Monitor**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice; and

**UPON HEARING** the submissions of counsel for the Applicant, counsel for the ~~proposed~~ Monitor, counsel for the DIP Lender (as defined herein) and such other counsel and parties listed on the Participant Information Form (as defined herein), no one else appearing for any party ~~and on reading the consent of Deloitte to act as the Monitor;~~

## SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Application~~Motion and the ~~Application~~Motion Record is hereby abridged and validated so that this ~~Application~~Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that, for the avoidance of doubt, references in this Order to the "date of this Order", the "date hereof" or similar phrases refer to the date the Initial Order of this Court was granted in these proceedings, being June 9, 2026 (the "Initial Order").

## APPLICATION

3. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

## PLAN OF ARRANGEMENT

4. ~~3.~~ **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

## POSSESSION OF PROPERTY AND OPERATIONS

5. ~~4.~~ **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, independent contractors, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty, subject to the terms of the Definitive Documents (as defined herein), to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. ~~5.~~ **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilize the central cash management system currently in place as described in the Burdzy Affidavit or, with the consent of the Monitor, replace it with another substantially similar central cash

management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. ~~6.~~ **THIS COURT ORDERS** that, subject to and in accordance with the Definitive Documents, the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

8. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the Definitive Documents, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

9. ~~8.~~ **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

10. ~~9.~~ **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

11. ~~10.~~ **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

12. ~~11.~~ **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$50,000 in one transaction or \$250,000 in the aggregate, provided that such limits shall not apply in respect of redundant assets sold by public auction with the consent of the Monitor;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business.

13. ~~12.~~ **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice

to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

14. ~~13.~~ **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY**

15. ~~14.~~ **THIS COURT ORDERS** that until and including ~~June 18~~October 16, 2026, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

16. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the

CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH RIGHTS**

17. ~~16.~~ **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

### **CONTINUATION OF SERVICES**

18. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.—

### **NON-DEROGATION OF RIGHTS**

19. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

## PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

## DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. ~~20.~~ **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, including with respect to the obligations and liabilities that may have accrued prior to the commencement of these proceedings but which may become due and payable after the commencement of these proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. ~~21.~~ **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$~~1,750,000~~2,000,000, as security for the indemnity provided in paragraph ~~20~~21 of this Order.- The Directors' Charge shall have the priority set out in paragraphs ~~38~~39 and ~~40~~41 herein.

23. ~~22.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~20~~21 herein.

## APPOINTMENT OF MONITOR

24. ~~23.~~ **THIS COURT ORDERS** that Deloitte is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

25. ~~24.~~ **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination of reports and other information to the DIP Lender and its counsel, pursuant to and in accordance with the Definitive Documents, or as may otherwise be reasonably requested by the DIP Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender and the Definitive Documents, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel in accordance with the Definitive Documents;
- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the

Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

- (h) hold and administer funds in connection with arrangements made among the Applicant, any counterparties and the Monitor or by Order of this Court;
- (i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (j) perform such other duties as are required by this Order or by this Court from time to time.

26. ~~25.~~ **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

27. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law 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 *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

28. ~~27.~~ **THIS COURT ORDERS** ~~that~~ that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor.

The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

29. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

30. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant, shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a weekly basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor and counsel to the Applicant reasonable retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

31. ~~30.~~ **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

32. ~~31.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor ~~and~~, the Applicant's counsel and the Sale Advisor (as defined in the Burdzy Affidavit), shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$~~250,000~~[650,000], as security for their professional fees and disbursements incurred at their respective standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 3839 and 4041 herein.

## DIP FINANCING

33. ~~32.~~ **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from Garrington Financial Services Inc. (the "**DIP Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$~~1,600,000~~7,000,000 unless permitted by further Order of this Court.

34. ~~33.~~ **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Facility Loan Agreement between the Applicant and the DIP Lender dated as of June 8, 2026 (the "**DIP Credit Agreement**"), filed.

35. ~~34.~~ **THIS COURT ORDERS** that, in addition to the DIP Credit Agreement, the Applicant is also hereby authorized and empowered to execute and deliver such other credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (the "**Definitive Documents**"), as are contemplated by the DIP Credit Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Credit Agreement and the other Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

36. ~~35.~~ **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs ~~38~~39 and ~~40~~41 hereof.

37. ~~36.~~ **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon five (5) days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the DIP Credit Agreement, the Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts

owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the DIP Credit Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

38. ~~37.~~ **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

39. ~~38.~~ **THIS COURT ORDERS** that the priorities of the Administration Charge, the DIP Lender's Charge and the Directors' Charge (collectively, the "**Charges**"), as among them, shall be as follows:

*First* – Administration Charge (to the maximum amount of \$~~250,000~~650,000);-

*Second* – DIP Lender's Charge; and

*Third* – Directors' Charge (to the maximum amount of \$~~1,750,000~~2,000,000).

40. ~~39.~~ **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

41. ~~40.~~ **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all

other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

42. ~~41.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and of the applicable beneficiaries of the Charge(s) (collectively, the "**Chargees**") or further Order of this Court.

43. ~~42.~~ **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; 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, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Credit Agreement or the other Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Credit Agreement, the creation of the Charges, or the execution, delivery or performance of the other Definitive Documents; and
- (c) the payments made by the Applicant pursuant to this Order, the DIP Credit Agreement or the other Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

44. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

## **SERVICE AND NOTICE**

45. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe and Mail (National Edition) (and in its online version) a notice containing the information prescribed under the CCAA, (ii) within five (5) days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make available the claims, names and addresses of any individual persons who are creditors.

46. ~~45.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL 'www.insolvencies.deloitte.ca/Freshstone'.

47. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be

deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

## GENERAL

48. ~~47.~~ **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

49. ~~48.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

50. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

51. ~~50.~~ **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. ~~51.~~ **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

53. ~~52.~~ **THIS COURT ORDERS** that [the Initial Order of this Court dated June 9, 2026, is hereby amended and restated pursuant to this Order, and](#) this Order and all of its provisions are

effective as of 12:01 a.m. (Eastern Standard/Daylight Time) on the date of this Order without any need for filing or entry.

---

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, C. C 36, AS AMENDED

Court File No.: [●] [CL-26-0000265-0000](#)

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.-

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**AMENDED AND RESTATED INITIAL  
ORDER**

**STIKEMAN ELLIOTT LLP**

Barristers & Solicitors

5300 Commerce Court West,-

-199 Bay Street

Toronto, ~~Canada~~[Ontario](#) M5L 1B9

**Guy Martel**

Tel: (514) 397-3163

E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**

Tel: (514) 397-6495

E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**

Tel: (514) 397-3121

E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**

Tel: (416) 869-5563

E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**Lawyers for the Applicant**



<b>Summary report:</b>	
<b>Litera Compare for Word 11.9.1.1 Document comparison done on 2026-06-12 14:14:46</b>	
<b>Style name:</b> Office 2016	
<b>Intelligent Table Comparison:</b> Active	
<b>Original filename:</b> Freshstone - Draft Initial Order.doc	
<b>Modified filename:</b> Freshstone - Draft ARIO.docx	
<b>Changes:</b>	
<u>Add</u>	98
<del>Delete</del>	89
<del>Move From</del>	0
<u>Move To</u>	0
<u>Table Insert</u>	0
<del>Table Delete</del>	0
<u>Table moves to</u>	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>187</b>

**TAB 5**

Court File No. — CL-26-00000265-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE — ) ~~WEEKDAY~~THURSDAY, THE #18<sup>th</sup>  
)  
~~JUSTICE~~—JUSTICE W.D. BLACK ) DAY OF ~~MONTH~~JUNE, ~~20~~YR2026

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
~~[APPLICANT'S NAME]~~ (the "Applicant")  
FRESHSTONE BRANDS INC.**

**AMENDED AND RESTATED INITIAL ORDER**  
**(Amending the Initial Order dated June 9, 2026)**

**THIS ~~APPLICATION~~MOTION**, made by Freshstone Brands Inc. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCA**"), for an Amended and Restated Initial Order was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ by judicial video-conference via Zoom.

**ON READING** the affidavit of ~~[NAME]~~Frank Burdzy sworn ~~[DATE]~~June 8, 2026 and the Exhibits thereto (the "**Burdzy Affidavit**"), the affidavit of Leigh Wilson sworn June 13, 2026 and the Exhibits thereto, the pre-filing report of Deloitte Restructuring Inc. ("**Deloitte**") dated June 8, 2026, in its capacity as proposed monitor of the Applicant, the consent of Deloitte to act as the Court-appointed monitor of the Applicant, and the First Report dated June 13, 2026 of Deloitte in its capacity as the court-appointed Monitor of the Applicant (in such capacity, the "**Monitor**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice; ~~and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME]~~<sup>1</sup>~~although duly served as appears from the affidavit of~~

<sup>1</sup> ~~Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2), and 36(2).~~

~~service of [NAME] sworn [DATE] and on reading the consent of [MONITOR'S NAME] to act as the Monitor,~~

UPON HEARING the submissions of counsel for the Applicant, counsel for the Monitor, counsel for the DIP Lender (as defined herein) and such other counsel and parties listed on the Participant Information Form (as defined herein), no one else appearing for any party;

## SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Application~~Motion and the ~~Application~~Motion Record is hereby abridged and validated<sup>2</sup> so that this ~~Application~~Motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS that, for the avoidance of doubt, references in this Order to the "date of this Order", the "date hereof" or similar phrases refer to the date the Initial Order of this Court was granted in these proceedings, being June 9, 2026 (the "Initial Order").

## APPLICATION

3. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

## PLAN OF ARRANGEMENT

4. ~~3.~~ **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

## POSSESSION OF PROPERTY AND OPERATIONS

5. ~~4.~~ **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**").- Subject to further Order

---

~~<sup>2</sup>If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property.- The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, independent contractors, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty, subject to the terms of the Definitive Documents (as defined herein), to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. ~~5.~~ **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilize the central cash management system<sup>3</sup> currently in place as described in the Burdzy Affidavit of [NAME] sworn [DATE] or, with the consent of the Monitor, replace it with another substantially similar central cash management system (the "Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under ~~the any~~ Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.}]

7. ~~6.~~ **THIS COURT ORDERS** that, subject to and in accordance with the Definitive Documents, the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred

---

~~<sup>3</sup>This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross border and inter company transfers of cash.~~

in the ordinary course of business and consistent with existing compensation policies and arrangements; and

- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

8. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the Definitive Documents, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

9. ~~8.~~ **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

10. ~~9.~~ **THIS COURT ORDERS** that until a real property lease is disclaimed ~~for resiliated~~<sup>4</sup> in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears).- On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

11. ~~10.~~ **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.-

## **RESTRUCTURING**

12. ~~11.~~ **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, ~~and~~ to dispose of redundant or non-material assets not exceeding

---

~~<sup>4</sup>The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

~~50,000~~ in ~~any~~ one transaction or ~~250,000~~ in the aggregate<sup>5</sup>, provided that such limits shall not apply in respect of redundant assets sold by public auction with the consent of the Monitor;

- (b) ~~terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate};-~~ and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business ~~(the "Restructuring")~~.

13. ~~12.~~ **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. ~~The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims ~~for resiliates~~ the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer ~~for resiliation~~ of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.~~

14. ~~13.~~ **THIS COURT ORDERS** that if a notice of disclaimer ~~for resiliation~~ is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time

---

~~<sup>5</sup>Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

of the disclaimer ~~for resiliation~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer ~~for resiliation~~, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY**

15. ~~14.~~ **THIS COURT ORDERS** that until and including ~~[DATE — MAX. 30 DAYS]~~ October 16, 2026, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

16. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being **"Persons"** and each being a **"Person"**) against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH RIGHTS**

17. ~~16.~~ **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right,

contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

### **CONTINUATION OF SERVICES**

18. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.–

### **NON-DEROGATION OF RIGHTS**

19. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant.– Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.<sup>6</sup>

### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

20. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any

---

~~<sup>6</sup>This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

## **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

21. ~~20.~~ **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings,<sup>7</sup> including with respect to the obligations and liabilities that may have accrued prior to the commencement of these proceedings but which may become due and payable after the commencement of these proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. ~~21.~~ **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**")<sup>8</sup> on the Property, which charge shall not exceed an aggregate amount of \$~~2,000,000~~ 2,000,000, as security for the indemnity provided in paragraph ~~{20}~~21 of this Order. - The Directors' Charge shall have the priority set out in paragraphs ~~{38}~~39 and ~~{40}~~41 herein.

23. ~~22.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is

---

~~<sup>7</sup>The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

~~<sup>8</sup>Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

insufficient to pay amounts indemnified in accordance with paragraph ~~{20} of this Order~~21 herein.

#### APPOINTMENT OF MONITOR

24. ~~23.~~ **THIS COURT ORDERS** that ~~{MONITOR'S NAME}~~Deloitte is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

25. ~~24.~~ **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination, of reports and other information to the DIP Lender and its counsel ~~on a [TIME INTERVAL] basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with,~~ pursuant to and in accordance with the Definitive Documents, or as may otherwise be reasonably requested by the DIP Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender and the Definitive Documents, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel ~~on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender~~ in accordance with the Definitive Documents;

- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (h) hold and administer funds in connection with arrangements made among the Applicant, any counterparties and the Monitor or by Order of this Court;
- (i) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (j) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

26. ~~25.~~ **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

27. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law 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 *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable

Environmental Legislation.- The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

28. ~~27.~~ **THIS COURT ORDERS** ~~that~~ that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor.- The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph.- In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

29. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part.- Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

30. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant, shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings.- The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a ~~[TIME INTERVAL]~~ weekly basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, ~~and~~ and counsel to the Applicant, reasonable retainers ~~in the amount[s] of \$●[-, respectively,]~~ to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

31. ~~30.~~ **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

32. ~~31.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, ~~if any, and~~ the Applicant's counsel and the Sale Advisor (as defined in the Burdzy Affidavit), shall be entitled to

the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$●[650,000], as security for their professional fees and disbursements incurred at ~~the~~their respective standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~{38}~~39 and ~~{40}~~hereof41 herein.

## DIP FINANCING

33. ~~32.~~ **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from ~~{DIP LENDER'S NAME}~~Garrington Financial Services Inc. (the "**DIP Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$●7,000,000 unless permitted by further Order of this Court.

34. ~~33.~~ **THIS COURT ORDERS** ~~THAT~~that such credit facility shall be on the terms and subject to the conditions set forth in the ~~commitment letter~~DIP Facility Loan Agreement between the Applicant and the DIP Lender dated as of ~~{DATE}~~ (the "~~Commitment Letter~~"June 8, 2026 (the "DIP Credit Agreement")), filed.

35. ~~34.~~ **THIS COURT ORDERS** that, in addition to the DIP Credit Agreement, the Applicant is also hereby authorized and empowered to execute and deliver such other credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (~~collectively,~~ the "**Definitive Documents**"), as are contemplated by the ~~Commitment Letter~~DIP Credit Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the ~~Commitment Letter~~DIP Credit Agreement and the other Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

36. ~~35.~~ **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's

Charge shall not secure an obligation that exists before this Order is made.— The DIP Lender's Charge shall have the priority set out in paragraphs ~~38~~39 and ~~40~~41 hereof.

37. ~~36.~~ **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon ~~five~~ five (5) days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the ~~Commitment Letter~~, DIP Credit Agreement, the Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the ~~Commitment Letter~~ DIP Credit Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

38. ~~37.~~ **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

**VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

39. ~~38.~~ **THIS COURT ORDERS** that the priorities of the ~~Directors' Charge, the Administration Charge and~~, the DIP Lender's Charge and the Directors' Charge (collectively, the "Charges"), as among them, shall be as follows<sup>9</sup>:

*First* – Administration Charge (to the maximum amount of \$●650,000);

*Second* – DIP Lender's Charge; and

*Third* – Directors' Charge (to the maximum amount of \$●2,000,000).

40. ~~39.~~ **THIS COURT ORDERS** that the filing, registration or perfection of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, the "Charges")~~ shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

41. ~~40.~~ **THIS COURT ORDERS** that each of the ~~Directors' Charge, the Administration Charge and the DIP Lender's Charge~~ Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

42. ~~41.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge~~ Charges, unless the Applicant also obtains the prior written consent of the Monitor, ~~the DIP Lender and the~~ and of the applicable

---

<sup>9</sup>~~The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

beneficiaries of the ~~Directors' Charge and the Administration Charge~~, Charge(s) (collectively, the "Chargees") or further Order of this Court.-

43. ~~42.~~ **THIS COURT ORDERS** that the ~~Directors' Charge, the Administration Charge, the Commitment Letter, the Definitive Documents and the DIP Lender's Charge~~ Charges shall not be rendered invalid or unenforceable and the rights and remedies of the ~~chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lender thereunder~~ shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; 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, sublease, offer to lease or other agreement (collectively, an **"Agreement"**) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the ~~Commitment Letter~~ DIP Credit Agreement or the other Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the ~~Commitment Letter~~ DIP Credit Agreement, the creation of the Charges, or the execution, delivery or performance of the other Definitive Documents; and
- (c) the payments made by the Applicant pursuant to this Order, the ~~Commitment Letter~~ DIP Credit Agreement or the other Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

44. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

## **SERVICE AND NOTICE**

45. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in ~~[newspapers specified by the Court]~~ the Globe and Mail (National Edition) (and in its online version) a notice containing the information prescribed under the CCAA, (ii) within five (5) days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than ~~\$1000~~ 1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make available the claims, names and addresses of any individual persons who are creditors.

46. ~~45.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '~~@~~ [www.insolvencies.deloitte.ca/Freshstone](http://www.insolvencies.deloitte.ca/Freshstone)'.

47. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any

such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

## **GENERAL**

48. ~~47.~~ **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

49. ~~48.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

50. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.-

51. ~~50.~~ **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.-

52. ~~51.~~ **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

53. ~~52.~~ **THIS COURT ORDERS** that the Initial Order of this Court dated June 9, 2026, is hereby amended and restated pursuant to this Order, and this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Standard/Daylight Time) on the date of this Order without any need for filing or entry.

---

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, C. C 36, AS AMENDED

Court File No.: CL-26-0000265-0000

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceeding commenced at Toronto

AMENDED AND RESTATED INITIAL  
ORDER

STIKEMAN ELLIOTT LLP

Barristers & Solicitors

5300 Commerce Court West

199 Bay Street

Toronto, Ontario M5L 1B9

Guy Martel

Tel: (514) 397-3163

E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

Danny Duy Vu

Tel: (514) 397-6495

E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

Anna Arapovic

Tel: (514) 397-3121

E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

Nick Avis (LSO #76781Q)

Tel: (416) 869-5563

E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

Lawyers for the Applicant



<b>Summary report: Litera Compare for Word 11.9.1.1 Document comparison done on 2026-06-12 14:13:36</b>	
<b>Style name:</b> Office 2016	
<b>Intelligent Table Comparison:</b> Active	
<b>Original filename:</b> intital-order-ccaa-en.doc	
<b>Modified filename:</b> Freshstone - Draft ARIO.docx	
<b>Changes:</b>	
<u>Add</u>	175
<del>Delete</del>	211
<del>Move From</del>	1
<u>Move To</u>	1
<u>Table Insert</u>	1
<del>Table Delete</del>	0
<u>Table moves to</u>	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>389</b>

**TAB 6**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE	)	THURSDAY, THE 18 <sup>th</sup>
	)	
JUSTICE W.D. BLACK	)	DAY OF JUNE, 2026

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.**

**SISP APPROVAL ORDER**

**THIS MOTION**, made by Freshstone Brands Inc. (the "**Applicant**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCA**") for an Order, substantially in the form included in the Applicant's Motion Record, was heard this day by judicial video-conference via Zoom.

**ON READING** the Motion Record of the Applicant, the affidavit of Mr. Frank Burdzy sworn June 8, 2026 (the "**Burdzy Affidavit**") and the affidavit of Ms. Leigh Wilson sworn June 13, 2026 (the "**Newton Affidavit**"), the Exhibits thereto, the pre-filing report of Deloitte Restructuring Inc. ("**Deloitte**") dated June 8, 2026, in its capacity as proposed monitor of the Applicant, and the First Report dated June 13 of Deloitte in its capacity as the court-appointed Monitor of the Applicant (in such capacity, the "**Monitor**"), filed;

**ON HEARING** the submissions of counsel for the Applicant, counsel for the Monitor, counsel for the DIP Lender, counsel for the Stalking Horse Bidder (as defined below) and such other counsel and parties listed on the Participant Information Form, no one else appearing for any party;

## **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them under the Sale and Investor Solicitation Procedures attached hereto as Schedule "A" (the "**SISP Procedures**") or the Amended and Restated Initial Order dated June 18, 2026 (the "**ARIO**"), as applicable.

## **APPROVAL OF THE SISP AND THE SISP PROCEDURES**

3. **THIS COURT ORDERS** that the SISP and the SISP Procedures, substantially in the form attached hereto, be and are hereby approved, and the Applicant, with the assistance of the Sale Advisor (as defined below), and under the supervision of the Monitor, is authorized and directed to carry out the SISP in accordance with the SISP Procedures and this Order, and is hereby authorized and directed to take such steps as it considers necessary or desirable in carrying out each of their obligations thereunder, subject to prior approval of this Court being obtained before the completion of any transaction(s) under the SISP.
4. **THIS COURT ORDERS** that the Applicant, the Monitor and their respective affiliates, partners, directors, officers, employees, advisors, lawyers, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SISP, except to the extent such losses, claims, damages or liabilities arise or result from the gross negligence or wilful misconduct of any such person (with respect to such person alone), in performing their obligations under the SISP, as determined by the Court in a final order that is not subject to appeal or other review.
5. **THIS COURT ORDERS** that in overseeing the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding, and that notwithstanding anything contained herein or in the SISP, the Monitor shall not take possession of any current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof of the Applicant (the "**Property**"), nor shall it be deemed to take possession of the Property.

## **APPROVAL OF STALKING HORSE BID**

6. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered, *nunc pro tunc*, to execute, deliver and enter into the Subscription Agreement dated as of June 12, 2026 (the “**Stalking Horse Agreement**”), between the Applicant, as issuer, and Frank Burdzy, as investor and stalking horse bidder (the “**Stalking Horse Bidder**”), substantially in form attached as Exhibit “A” to the Newton Affidavit , together with such non-material amendments as may be acceptable to each of the parties thereto, and approved by the Monitor.

7. **THIS COURT AUTHORIZES** the Applicant to use the Stalking Horse Agreement as a “*stalking horse bid*” in the SISP (the “**Stalking Horse Bid**”). For greater certainty, nothing herein approves the transaction contemplated in the Stalking Horse Bid, and the approval of any transaction contemplated by the SISP shall be determined on a subsequent motion made to this Court.

8. **THIS COURT ORDERS** that the payment of the Expense Reimbursement (as such terms are defined in the Stalking Horse Agreement) pursuant to, and in accordance with the Stalking Horse Agreement, is hereby approved, and that the Property is hereby subject to a charge in the aggregate maximum amount of \$50,000 (the “**Expense Reimbursement Charge**”) in favour of the Stalking Horse Bidder, as security for the payment of Expense Reimbursement in the manner and circumstances set out in the Stalking Horse Agreement.

9. **THIS COURT ORDERS** that the Expense Reimbursement Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person and shall constitute a “Charge” (as defined in the Amended and Restated Initial Order also granted by this Court on June 18, 2026 (the “**ARIO**”), provided however that the Expense Reimbursement Charge shall rank subordinate to the Administration Charge, the DIP Lender’s Charge and the Directors’ Charge (as defined in the ARIO).

## **RETENTION OF SALE ADVISOR**

10. **THIS COURT ORDERS** that the Applicant is hereby authorized to engage GlassRatner Advisory Canada Inc. as the Applicant's sale advisor (the "**Sale Advisor**") pursuant to the terms of the engagement agreement attached to the Initial Application Affidavit as Exhibit "T" (the "**Sale Advisor Engagement Letter**"). The Applicant is hereby authorized and directed to make the payments contemplated under the Sale Advisor Engagement Letter when earned and payable in accordance with its terms and conditions, which payments shall be secured by the Administration Charge (as defined in the ARIO), on a *pari passu* basis with the other beneficiaries of the Administration Charge.

11. **THIS COURT ORDERS** that the Sale Advisor and its controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of its engagement by the Applicant as Sale Advisor or any matter referred to in the Sale Advisor Engagement Letter, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Sale Advisor or its controlling person(s), in performing its obligations under the Sale Advisor Engagement Agreement.

12. **THIS COURT ORDERS** that no action or proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise, against or in respect of the Sale Advisor and its respective controlling persons, and all rights and remedies of any person against or in respect of them are hereby stayed and suspended, except with the written consent of the SISP Advisor, or with leave of this Court on notice to the Applicant, the Monitor and the Sale Advisor. Notice of any such motion seeking leave of this Court shall be served upon the Applicant, the Monitor and the Sale Advisor at least five (5) days prior to the return date of any such motion for leave.

13. **THIS COURT ORDERS AND DECLARES** that, unless agreed to by the Sale Advisor, the Sale Advisor shall be treated as unaffected in any Plan filed by any of the Applicant under the CCAA, or any proposal filed by any of the Applicant under the *Bankruptcy and Insolvency Act of Canada*, with respect to any of the Applicant's obligations under the Sale Advisor Engagement Agreement.

**PIPEDA**

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Applicant, the Sale Advisor and the Monitor, on behalf of the Applicant, and their respective advisors are hereby authorized and permitted to disclose and provide to each Prospective Bidder that is a party to a Confidentiality Agreement and their respective advisors, personal information of identifiable individuals, including employees of the Applicant, but only to the extent desirable or required to negotiate or attempt to complete a transaction pursuant to the SISP (a “**Transaction**”). Each Prospective Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and if it does not complete a Transaction, shall return all such information to the Applicant or the Monitor, as applicable, or, in the alternative, destroy all such information and provide confirmation of its destruction to the Applicant and the Monitor. The Successful Bidder shall maintain the privacy of such information and, upon closing of the Transaction contemplated in the Successful Bid, shall be entitled to use the personal information provided to it that is related to the Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such information by the Applicant, and shall return all other personal information to the Applicant or the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction to the Applicant and the Monitor.

#### **ELECTRONIC CORRESPONDENCE**

15. **THIS COURT ORDERS** that, pursuant to section 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS), the Applicant, the Sale Advisor and the Monitor are authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and to their advisors, but only to the extent required to provide information with respect to the SISP in these proceedings.

#### **GENERAL**

16. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

17. **THIS COURT ORDERS** that the Applicant or the Monitor may apply to this Court to amend, vary or supplement this Order or for advice and directions with respect to the SISP at any time.

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

---

**SCHEDULE "A"**  
**SISP PROCEDURES**

## SALE AND INVESTOR SOLICITATION PROCEDURES

### FRESHSTONE BRANDS INC.

#### Recitals

- A. On June 9, 2026, Freshstone Brands Inc. (“**Freshstone**”) sought and obtained an initial order (as amended, supplemented or amended and restated from time to time, the “**Initial Order**”) under Freshstone’s proceedings commenced pursuant to the *Companies’ Creditors Arrangement Act* (“**CCAA**” and the proceedings commenced thereby, the “**CCAA Proceedings**”) from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), pursuant to which, among other things, Deloitte Restructuring Inc. was appointed as monitor in the CCAA Proceedings (in such capacity, the “**Monitor**”);
- B. On June 12, 2026, Freshstone and Mr. Frank Burdzy (in such capacity, the “**Stalking Horse Bidder**”) executed a Subscription Agreement (the “**Stalking Horse Bid**”) pursuant to which the Stalking Horse Bidder agreed, among other things: (i) to act as a “stalking horse bidder” in the context of a sale and investor solicitation process to be undertaken in the CCAA Proceedings, and (ii) if the Stalking Horse Bidder is determined to be the Successful Bidder (as defined herein), to subscribe for and purchase from Freshstone, the Subscription Shares (as defined in the Stalking Horse Bid), on the terms and conditions set out in the Stalking Horse Bid, with the existing equity interests being cancelled on closing such that Stalking Horse Bidder would become the sole shareholder of Freshstone (the “**Stalking Horse Transaction**”).
- C. Pursuant to an order of the Court dated June 18, 2026 (as it may be amended, restated or supplemented from time to time, the “**SISP Order**”), the Court authorized Freshstone, with the assistance of GlassRatner Advisory Canada, as sale advisor (the “**Sale Advisor**”), and under the supervision of the Monitor, to conduct and implement a sale and investor solicitation process in respect of Freshstone’ business and assets, in accordance with the procedures, terms and conditions set out herein (as such process may be amended, restated or supplemented pursuant to the terms herein, the “**SISP**”).

- D. The property that is available for sale pursuant to the SISP (collectively, the “**Property**”) is comprised of all property, assets and undertakings of Freshstone.
- E. This SISP describes, among other things:
- (a) the manner in which the opportunity to purchase some or all of the Property can be obtained;
  - (b) the manner in which Prospective Bidders may gain access to or continue to have access to due diligence materials concerning Freshstone and the Property and the timelines applicable thereto;
  - (c) the manner and timelines in which Prospective Bidders may submit an LOI for all or substantially all of the Property or any part thereof, and the required content of an LOI;
  - (d) the manner and timelines in which Qualified Phase I Bidders may submit a Qualified Bid and the required content of a Qualified Bid;
  - (e) the manner in which an Auction may be held in the event that more than one Qualified Bid is received in accordance with the SISP;
  - (f) the process and criteria for the ultimate selection of one or more Successful Bids; and
  - (g) the process for approval of one or more Successful Bids by the Court.
- F. The SISP Order, the SISP, and any other orders of the Court made in the CCAA Proceedings relating to the SISP shall exclusively govern the process for soliciting and selecting bids for the sale of some or all of the Property or any part thereof.
- G. Unless otherwise indicated herein, any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.

## **Defined Terms**

1. All capitalized terms used herein shall have the meanings given to them in Appendix “A” hereto.

## **Conduct of the SISP**

1. Conduct of SISP. The SISP will be carried out by Freshstone, with the assistance of, and in consultation with, the Sale Advisor and the Monitor. Freshstone, the Sale Advisor and the Monitor are fully and exclusively authorized, empowered and directed to take any and all actions and steps pursuant to the SISP.
2. Advice and Directions. Either Freshstone or the Monitor may at any time seek advice and directions from the Court on notice to the Service List with respect to the conduct or any aspect of the SISP.
3. Consent to Jurisdiction of the Court. Each Qualified Phase I Bidder, upon being declared as such under the SISP, shall be deemed to have irrevocably and unconditionally attorned and submitted to the jurisdiction of the Court in respect of any action, proceeding or dispute in relation to the conduct or any aspect of the SISP.
4. Primary SISP Responsibilities. In connection with the SISP, Freshstone’s primary responsibilities include:
  - (a) assisting the Sale Advisor with the preparation of a list of Prospective Bidders;
  - (b) assisting the Sale Advisor with preparing the Teaser Letter;
  - (c) assisting legal counsel with the preparation of the template form of confidentiality agreement to be executed by Prospective Bidders (such confidentiality agreement and any other form of confidentiality agreement executed by a Prospective Bidder in favour of Freshstone, the “**Confidentiality Agreement**”);
  - (d) establishing and managing an electronic data room with confidential information in respect of Freshstone and the Property (the “**Data Room**”);

- (e) assisting legal counsel with the preparation of the template Form of Subscription Agreement;
  - (f) assisting the Sale Advisor with managing all communications with Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders, prior to and after receipt of the LOIs and Qualified Bids. These communications shall include, without limitation, facilitating the delivery of all communications, contacting Prospective Bidders and providing them with the Teaser Letter and coordinating the execution of the Confidentiality Agreements by Prospective Bidders, managing the process of answering all reasonable inquiries from Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders and arranging for site visits by Prospective Bidders, Qualified Phase I Bidders and Qualified Bidders;
  - (g) negotiating with Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders;
  - (h) reviewing and considering the LOIs and Qualified Bids; and
  - (i) if applicable, conducting an Auction in accordance with the SISP.
5. Summary of Key Dates. A summary of the key dates relevant to the conduct of the SISP is included herein in Appendix “**B**”.

### **Sale and Investment Opportunities**

6. Opportunity to Submit a Bid. Qualified Phase I Bidders will have the opportunity to submit a bid to purchase some or all of the Property substantially in the Form of Subscription Agreement (a “**Sale Proposal**”). Sale Proposals may be in respect of only a part or parts of the Property, and any such proposal will not be precluded from consideration as an acceptable LOI, Qualified Bid or Successful Bid.

### **“As is, Where is”**

7. “As is, Where is” Basis. Any Sale Proposal shall be made on an “as is, where is” basis, without surviving representations or warranties of any kind, nature or description.

8. No Representations or Warranties. Freshstone, the Sale Advisor, the Monitor, and any of their respective employees, officers, directors, agents, advisors and other representatives are not responsible for, and will have no liability with respect to, any information obtained by any Prospective Bidder, Qualified Phase I Bidder, Qualified Bidder, Auction Bidder or Successful Bidder in connection with the Property or Freshstone. Freshstone, the Sale Advisor, the Monitor, and any of their respective employees, officers, directors, agents, advisors and other representatives, do not make any representations or warranties whatsoever as to the information or the materials provided through the due diligence process or otherwise made available to any Prospective Bidder, Qualified Phase I Bidder, Qualified Bidder, Auction Bidder or Successful Bidder, including any information contained in the Teaser Letter or Data Room.

**Solicitation of Interest**

9. Solicitation Materials. Freshstone, with the assistance of the Sale Advisor, and in consultation with the Monitor, have or will:
- (a) compile a listing (the “**Contact List**”) of prospective purchasers and investors (collectively, “**Prospective Bidders**”), which Contact List will include parties who in Freshstone’s reasonable business judgment may be interested in acquiring the Property or any part thereof;
  - (b) determine the appropriate advertising, if any, to be directed at Prospective Bidders, which may include newspaper, trade publication, internet or other advertising directed at Prospective Bidders;
  - (c) send to each Prospective Bidder a solicitation letter summarizing the acquisition opportunity with respect to the Property (the “**Teaser Letter**”);
  - (d) send to each Prospective Bidder upon request a form of Confidentiality Agreement. The Prospective Bidders will be required, among other things, to sign a Confidentiality Agreement in order to gain access to confidential information (including access to the Data Room). For greater certainty, only Prospective Bidders who submit an executed Confidentiality Agreement, which is in form and

substance acceptable to Freshstone, in consultation with the Monitor, shall have access to the Data Room and other confidential information and management presentations, if available; and

- (e) provide to each Prospective Bidder who executes a Confidentiality Agreement a copy of this SISP and/or the Process Letter.
10. Restrictions on Access to Confidential Information. Freshstone reserves the right to limit any Prospective Bidder's or Qualified Phase I Bidder's access to any confidential information (including any information in the Data Room) and to customers and suppliers of Freshstone, where, in Freshstone's discretion, such access could negatively impact the SISP, the ability to maintain the confidentiality of the confidential information, or the value of the Property. Requests for additional information are to be made to the Sale Advisor.

**Submission of Non-Binding Letters of Intent & Other Participation Requirements**

11. LOI Deadline. Unless otherwise provided for herein, ordered by the Court or agreed to by the Monitor, in order to participate in the SISP and be considered for qualification as a Qualified Phase I Bidder, a Prospective Bidder must deliver to the Sale Advisor, with a copy to the Monitor (in each case, at the addresses set out in the Process Letter), so as to be received by the Sale Advisor not later than 5:00 p.m. (Toronto Time) on August 14, 2026, or such later date and/or time as Freshstone, in consultation with the Monitor, determines appropriate or as the Court may order (the "**LOI Deadline**"), the following:
- (a) an executed Confidentiality Agreement;
  - (b) a non-binding letter of intent (a "**LOI**") which complies with the requirements of paragraph 12 below;
  - (c) to the extent not provided in the LOI, a letter setting forth the identity of the Prospective Bidder, the contact information for such Prospective Bidder, and the contact information for any business, financial or legal advisors retained or to be retained in connection with the contemplated transaction, and full disclosure of the direct and indirect owners of the Prospective Bidder and its principals; and

- (d) to the extent not provided in the LOI or the Confidentiality Agreement, a written acknowledgement of receipt of a copy of the SISP Order (including the SISP) and agreeing to accept and be bound by the provisions contained therein or herein.

12. Requirements for LOIs: An LOI in respect of a Sale Proposal must include:

- (a) a detailed listing and description of the Property to be included in the Sale Proposal and a detailed listing of the Property to be excluded from the Sale Proposal;
- (b) the low and high range of the proposed subscription price for such Sale Proposal and an explanation of what contingencies and variables may influence where in the range the final subscription price will fall. For greater certainty, the low range of the proposed subscription price must exceed the Subscription Price of the Stalking Horse Bid;
- (c) details as to the form of consideration for the Sale Proposal;
- (d) an acknowledgment that the Sale Proposal will be made on an “as is, where is” basis;
- (e) a list of the key material contracts and leases, if any, the Prospective Bidder wishes to retain and the Prospective Bidder’s proposed treatment of any related “cure costs” and a list of the contracts and leases to be excluded from the Sale Proposal;
- (f) a description of any liabilities and obligations to be assumed by the Prospective Bidder and the Prospective Bidder’s estimated value of such assumed liabilities, and which such liabilities and obligations it does not intend to assume;
- (g) a detailed description of any remaining due diligence required by the Prospective Bidder to be completed before making a Qualified Bid and an estimated timeline for the completion of such due diligence;
- (h) any anticipated regulatory and other approvals required to close the proposed transaction and the anticipated time frame and any anticipated impediments for obtaining any such approvals;

- (i) all material conditions to closing that the Prospective Bidder may wish to impose;
  - (j) the proposed target closing date and a timeline to closing with critical milestones;
  - (k) an indication as to whether the Prospective Bidder is intending to effect the Sale Proposal through a special purpose vehicle;
  - (l) any other terms and conditions which the Prospective Bidder believes are material to the transaction; and
  - (m) such other information reasonably requested by Freshstone or the Monitor.
13. Clarifications, Extensions and Waivers of LOIs. For greater certainty, Freshstone shall be entitled, either prior to or following the LOI Deadline, to seek to clarify the terms of an LOI or with respect to any of the other requirements of paragraph 12 above, and Freshstone, in consultation with the Monitor, may accept a revised, clarified LOI, provided that the initial LOI was received prior to the LOI Deadline. Freshstone may grant extensions to the LOI Deadline with the consent of the Monitor, and Freshstone shall comply with any other extensions of the LOI Deadline as may be ordered by the Court. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 12 and deem any non-compliant LOI to be a qualifying LOI.

#### **Review of LOIs**

14. LOI Criteria. Promptly following the LOI Deadline, Freshstone, in consultation with the Sale Advisor and the Monitor, will review and assess the LOIs and other materials submitted by Prospective Bidders, and in making such assessment will consider, among other things, the following (the “**LOI Criteria**”):
- (a) the subscription price and net value (including all assumed liabilities and other obligations to be performed by the Prospective Bidder) provided by such LOI;
  - (b) the evidence of the financial ability of the Prospective Bidder to consummate the

Sale Proposal;

- (c) the claims, if any, likely to be created against Freshstone by the transaction contemplated by the LOI, relative to alternatives available to Freshstone;
- (d) the nature and amount of debt and other liabilities and obligations to be assumed by the Prospective Bidder and which such liabilities and obligations it does not intend to assume;
- (e) the planned treatment of stakeholders, including lenders, trade creditors and shareholders; and
- (f) other factors affecting the speed, certainty and value of the Sale Proposal (including any remaining due diligence, regulatory approvals and other conditions required to close the Sale Proposal), including whether the Sale Proposal is reasonably likely to close on or before the target closing date indicated by the Prospective Bidder in its LOI.

#### **Identification of Qualified Phase I Bidders**

15. Determination of Qualified Phase I Bidders. Freshstone, in consultation with the Sale Advisor and the Monitor, shall apply the LOI Criteria and consider each LOI and the other materials submitted by a Prospective Bidder pursuant to paragraph 12 and determine whether it will be in the best interests of Freshstone to permit the Prospective Bidder to continue to participate in the SISP based upon the terms set out in the applicable LOI (any such Prospective Bidder, a “**Qualified Phase I Bidder**”). The determination by Freshstone as to whether a Prospective Bidder is a Qualified Phase I Bidder will be made as promptly as practicable after such Prospective Bidder has satisfied the requirements described in paragraph 12 (subject to any waiver thereof under paragraph 13), and any clarification that may be sought by Freshstone pursuant to paragraph 13. For greater certainty, an LOI may be in respect of only a part or parts of the Property.
16. Notification of Qualified Phase I Bidders. If it is determined by Freshstone, in consultation with the Sale Advisor and the Monitor, that a Prospective Bidder is a Qualified Phase I

Bidder, the Sale Advisor will promptly notify the Prospective Bidder of such determination, and such Qualified Phase I Bidder will thereafter be provided an opportunity to complete due diligence and submit a binding offer in respect of such Sale Proposal. Except as otherwise provided for herein, no LOIs will be considered pursuant to the SISP after the LOI Deadline. Prospective Bidders not identified as Qualified Phase I Bidders by Freshstone will no longer be able to participate in the SISP or continue to have access to any confidential information in connection therewith.

17. Stalking Horse Bid to be Successful Bid if no Suitable LOI. If at any point before or after the LOI Deadline Freshstone determines, in consultation with the Sale Advisor and the Monitor, that there are or will be no Qualified Phase I Bidders, the Stalking Horse Bid will be declared the Successful Bid and Freshstone shall as soon as reasonably practicable file a motion with the Court on notice to the Service List for approval of the Stalking Horse Bid.

#### **Submissions of Binding Qualified Bids**

18. Bid Deadline. Binding offers must be submitted in writing by a Qualified Phase I Bidder to the Sale Advisor, with a copy to the Monitor (in each case, at the address set out in the Process Letter) by September 29, 2026 (the “**Bid Deadline**”).

#### **Requirements for Qualified Bid**

19. Requirements for Qualified Bids. A Sale Proposal (other than the Stalking Horse Bid), will be considered a “**Qualified Bid**” only if (i) it is submitted by a Qualified Phase I Bidder on or before Bid Deadline, and (ii) the Sale Proposal complies with the following requirements:
  - (a) it is a Superior Proposal;
  - (b) it fully discloses the identity of each person or entity that will be sponsoring or participating in the Sale Proposal, including the identification of the Qualified Phase I Bidder’s direct and indirect owners and their principals, and the complete terms of such participation;
  - (c) it fully discloses any connections or agreements with Freshstone or any of its affiliates, any other bidder participating in the SISP or any officer, manager,

- director, member or equity or security holder of Freshstone or any of its affiliates;
- (d) it contains evidence of authorization and approval from the Qualified Phase I Bidder's board of directors, investment committee, credit committee or comparable governing body, as applicable, with respect to the submission, execution, delivery and closing of the transaction contemplated by the Sale Proposal;
  - (e) it includes a letter confirming that the Sale Proposal is a binding offer capable of acceptance by Freshstone, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid;
  - (f) it includes (A) a duly authorized and executed subscription agreement based on the Form of Subscription Agreement; (B) all exhibits and schedules thereto, including a detailed description of the Property to be included and excluded from the proposed transaction, and such ancillary agreements as may be required by the Qualified Phase I Bidder with all exhibits and schedules thereto; and (C) a mark-up of the Form of Subscription Agreement showing all amendments and modifications made thereto;
  - (g) it includes a cash deposit in an amount equal to five percent (5%) of the cash subscription price contemplated therein, payable by wire transfer of immediately available funds (to a bank account specified by the Monitor) payable to the order of the Monitor, in trust, which will be dealt with in accordance with paragraphs 34 to 37, or such other form of deposit or amount as is acceptable to Freshstone and the Monitor (each, a "**Deposit**");
  - (h) it includes an acknowledgement and representation that the Qualified Phase I Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid, including the applicable Property; (ii) has not relied upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including Freshstone, the Monitor and

their respective employees, officers, directors, agents, advisors and other representatives regarding the applicable Property, the proposed transaction, the SISP, or any liabilities and obligations to be assumed or the completeness of any information provided in connection therewith, including but not limited, to (A) the enforceability, validity or status of any of the applicable Property, and (B) the nature and condition (environmental, financial and otherwise) of the applicable Property or Freshstone; (iii) is a knowledgeable, experienced and sophisticated purchaser with respect to the applicable Property; and (iv) has been provided the opportunity to conduct any and all due diligence it deemed appropriate and is relying on its own due diligence and expertise and that of its own consultants, accountants, and legal and tax advisors in making its Qualified Bid;

- (i) it includes either written evidence of a firm, irrevocable commitment for all required funding and/or financing from a credit-worthy bank or financial institution, or other evidence of financial ability to close the transaction, that will allow Freshstone, in consultation with the Monitor, to make a reasonable determination as to the Qualified Phase I Bidder's (and its direct and indirect owners') financial and other capabilities to consummate the transaction contemplated by the Sale Proposal; if the Qualified Phase I Bidder is an entity newly formed for the purpose of the transaction, or if the Qualified Phase I Bidder intends to complete the sale transaction through a special purpose vehicle, (A) the direct and indirect equity holders or sponsors of such newly formed entity or special purpose vehicle must guarantee the special purpose vehicle's obligations under all definitive transaction documents, and (B) the Sale Proposal shall contain an equity or debt commitment letter from the parent entity or sponsor, which is satisfactory to Freshstone, in consultation with the Monitor, and names Freshstone as a third party beneficiary of any such commitment letter with recourse against such parent entity or sponsor;
- (j) it shall not be conditional upon, among other things:
  - (i) the outcome of unperformed due diligence by the Qualified Phase I Bidder;
  - (ii) obtaining any financing; or

- (iii) approval of the Qualified Bid by the Qualified Phase I Bidder's board of directors, investment committee, credit committee or comparable governing body, as applicable;
  - (k) it includes the anticipated time frame and any anticipated impediments for obtaining any regulatory or other approvals indicated in the executed purchase agreement as conditions to closing; and
  - (l) it provides a timeline to closing with critical milestones and provides for a closing of the proposed transaction by no later than the applicable Target Closing Date;
    - (i) it does not request or entitle the Qualified Phase I Bidder to any break-fee, termination fee, expense reimbursement or other type of compensation or payment; and
    - (ii) it contains such other information reasonably requested by Freshstone or the Monitor.
20. Stalking Horse Bid Deemed to be Qualified Bid. Notwithstanding the requirements for a Qualified Bid detailed in paragraph 19 above, the Stalking Horse Bid shall be deemed to be a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder. Notwithstanding anything to the contrary herein, the Stalking Horse Bidder will not be required to provide a Deposit other than as provided for in the Stalking Horse Bid.

### **Assessment of Qualified Bids**

21. Review of Qualified Bids. Promptly following the Bid Deadline, Freshstone, in consultation with the Sale Advisor and Monitor, will review and assess the Qualified Bids, other than the Stalking Horse Bid, in respect of a Sale Proposal, and in making such assessment will consider, among other things, the following (the "**Sale Proposal Bid Criteria**"):
- (a) the subscription price and net value (including all assumed liabilities and other obligations to be performed by the Qualified Phase I Bidder) provided by such Qualified Bid;

- (b) the firm, irrevocable commitment for financing the transaction or other evidence of ability to consummate the Sale Proposal;
  - (c) the claims, if any, likely to be created against Freshstone by the transaction contemplated by the Sale Proposal, relative to alternatives available to Freshstone;
  - (d) the nature and amount of debt and other liabilities to be assumed or acquired by the Qualified Phase I Bidder;
  - (e) the counterparties to the Sale Proposal;
  - (f) the proposed revisions to the Form of Subscription Agreement and the terms of the proposed sale transaction documents;
  - (g) the assets included in or excluded from the Sale Proposal;
  - (h) the planned treatment of stakeholders, including lenders, trade creditors and shareholders; and
  - (i) other factors affecting the speed, certainty and value of the Sale Proposal (including any regulatory approvals and other conditions required to close the Sale Proposal by the applicable Target Closing Date), including the likelihood of closing the Sale Proposal on or before the applicable Target Closing Date.
22. Clarifications, Extensions and Waivers of Qualified Bids. For greater certainty, Freshstone shall be entitled either prior to or following the applicable Bid Deadline, to seek to clarify the terms of a Qualified Bid and Freshstone, in consultation with the Monitor, may accept a revised, clarified Qualified Bid, provided that the initial Qualified Bid was received prior to the applicable Bid Deadline. Freshstone may grant extensions to the Bid Deadline with respect to any Qualified Bid with the consent of the Monitor, and Freshstone shall comply with any other extensions of the Bid Deadline as may be ordered by the Court. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 19, as applicable, and deem any non-compliant bid to be a Qualified Bid.

23. Identification of Suitable Qualified Bids. Freshstone, in consultation with the Sale Advisor and Monitor, shall apply the Sale Proposal Bid Criteria and consider each Qualified Bid, other than the Stalking Horse Bid, upon its submission and determine whether it will be in the best interests of Freshstone to pursue a transaction on the terms set out in the applicable Qualified Bid. This determination by Freshstone will be made as promptly as practicable after the applicable Bid Deadline, and any clarification that may be sought by Freshstone pursuant to paragraph 22.
24. Stalking Horse Bid to be Successful Bid if no Qualified Bid other than the Stalking Horse Bid. If at any point before or after the applicable Bid Deadline Freshstone determines, in consultation with the Sale Advisor and the Monitor, that there are or will be no Qualified Bids other than the Stalking Horse Bid, or that it is appropriate to reject all Qualified Bids received (other than that submitted by the Stalking Horse Bidder) because none are in the best interests of Freshstone, the Stalking Horse Bid shall be deemed to be the Successful Bid, and Freshstone shall as soon as reasonably practicable file a motion with the Court on notice to the Service List for approval of the Stalking Horse Bid.
25. Next Steps if Qualified Bid(s) in addition to the Stalking Horse Bid. If, after consultation with the Sale Advisor and Monitor, Freshstone determines in its reasonable business judgment that one or more Qualified Bids in addition to the Stalking Horse Bid was received with respect to the Property that is in the best interests of Freshstone, then Freshstone shall conduct an auction (the “**Auction**”) to determine the highest and/or best Sale Proposal. In the event that an Auction is to be held, the Stalking Horse Bidder and all Qualified Phase I Bidders who submitted a Qualified Bid that Freshstone determines, in consultation with the Sale Advisor and the Monitor, entitles such Qualified Phase I Bidder to participate in the Auction (each, an “**Auction Bidder**”) will be promptly advised by the Sale Advisor of such determination. A Qualified Phase I Bidder not identified as an Auction Bidder will no longer be able to participate in the SISP or any Auction.
26. Discretion of Freshstone. Freshstone, upon consultation with the Sale Advisor and Monitor, and with the consent of the Monitor, where applicable, may at any time (including prior to or during an Auction), (a) reject any bid, other than the Stalking Horse Bid, that is (i)

inadequate or insufficient, (ii) not in conformity with the requirements of the CCAA, the SISP or any applicable orders of the Court, or (iii) contrary to the best interests of Freshstone; (b) in accordance with the terms hereof, accept bids not in conformity with the SISP to the extent that Freshstone determines, in its reasonable business judgment after consultation with the Sale Advisor and Monitor, that doing so would benefit Freshstone; (c) in accordance with the terms hereof, extend the LOI Deadline and/or Bid Deadlines, and/or change the date of an Auction; and/or (d) reject all bids, other than the Stalking Horse Bid. For greater certainty, Freshstone shall be under no obligation to accept the highest or best offer and the selection of the Successful Bid shall be entirely in the discretion of Freshstone after consultation with the Sale Advisor and Monitor.

### **Auction**

27. Place and Time. If the Auction is to be conducted pursuant to paragraph 28, the Auction shall commence on a date and time and at a place to be determined by Freshstone, in consultation with the Sale Advisor and the Monitor, or as fixed by the Court. Notice of the place, date and time of the Auction will be delivered to all Auction Bidders by the Sale Advisor not less than three (3) Business Days before the date of the Auction.
28. Procedures for the Auction. Any Auction shall be conducted according to the following procedures:
  - (a) Notice of Participation. At least one (1) Business Day prior to the Auction, each Auction Bidder who has been notified by the Sale Advisor or Freshstone that it has qualified as an Auction Bidder must inform Freshstone whether it intends to attend the Auction; provided that in the event an Auction Bidder elects not to attend the Auction, such Auction Bidder's Qualified Bid shall remain binding, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid;
  - (b) Participation at the Auction. Freshstone and its advisors (including the Sale Advisor), with the oversight of the Monitor, shall direct and preside over the Auction. Only Auction Bidders that have provided notice in accordance with paragraph 28(a) will be eligible to participate in the Auction. Only the authorized

representatives (including legal counsel and other advisors) of each of the Auction Bidders, Freshstone, the Sale Advisor and the Monitor shall be permitted to attend the Auction. For the avoidance of doubt, the Stalking Horse Bidder shall be deemed to be an Auction Bidder.

- (c) Anti-Collusion. Each Auction Bidder shall be required to confirm that: (i) it has not engaged, and will not engage, in any collusion with respect to the bidding or any Sale Proposal, and if such Auction Bidder is a special purpose vehicle, each of the direct or indirect equity holders of such Auction Bidder shall be required to confirm that it has not engaged, and will not engage, in any collusion with respect to the bidding or any Sale Proposal, such confirmation, in each case, in form and substance satisfactory to Freshstone and the Monitor in their sole discretion; and (ii) its bid is a good-faith *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bid.
- (d) Rounds. Bidding at an Auction shall be conducted in rounds. In each round, an Auction Bidder may submit no more than one Overbid. If at the end of any round of bidding, an Auction Bidder (other than the Auction Bidder who submitted the Opening Bid for such round) did not submit an Overbid, then such Auction Bidder shall be barred from participating in any further round of bidding at the Auction. Any Auction Bidder who submits an Overbid in a round, as well as the Auction Bidder who submitted the Opening Bid for such round shall be entitled to participate in the next round of bidding at the Auction.
- (e) Determination of Opening Bids. Freshstone, in consultation with the Sale Advisor and Monitor, shall apply the Sale Proposal Bid Criteria to determine which Qualified Bid is the highest and/or best bid received by the Bid Deadline, which shall constitute the "Opening Bid" for the first round of an Auction. Freshstone, in consultation with the Monitor, shall follow the same process to determine the highest and/or best Overbid submitted in each round of an Auction, which shall constitute the "Opening Bid" for the following round. As soon as practicable prior to the start of the Auction, Freshstone shall distribute a copy of the Opening Bid for

the first round to all Auction Bidders eligible to participate in the applicable Auction.

- (f) Overbids. Subject to paragraph 28(g), all bids made at an Auction shall be Overbids and shall be made and received on an open, non-confidential basis and the identity of each Auction Bidder and all material terms of each Overbid shall be fully disclosed to all other Auction Bidders participating in the applicable round of the applicable Auction. The Sale Advisor shall maintain a transcript of the Opening Bids and all Overbids made and announced at an Auction.
- (g) Requirements for Overbids. A Sale Proposal submitted at an Auction will be considered an “**Overbid**” only if it complies with the following requirements:
  - (i) *Minimum Consideration*. The amount of the subscription price shall not be less than the subscription price or consideration of the Opening Bid of the applicable round of such Auction, plus an amount (the “**Minimum Overbid Increment**”) to be set by Freshstone, in consultation with the Sale Advisor and Monitor; and
  - (ii) *Qualified Bid Criteria*. Except as modified herein, an Overbid shall comply with all requirements for a Qualified Bid as set forth in paragraph 19 (including in respect of its binding and irrevocable nature, and being open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid); provided, however, that the Bid Deadline shall not apply and Overbids need not be accompanied by additional cash deposits during the Auction.
- (h) Determination and Announcing Highest Overbids. At the end of each round of bidding, Freshstone, in consultation with the Sale Advisor and Monitor, shall (i) review each Overbid made in such round, (ii) in its reasonable business judgement, identify the highest and/or best such Overbid in accordance with paragraph 28(e), and (iii) announce to all Auction Bidders entitled to participate in the next round of bidding the terms of the highest and/or best Overbid and the identity of the Auction

Bidder who submitted such Overbid. Such highest and/or best Overbid shall be the Opening Bid for the next round of such Auction.

- (i) Adjournments. Freshstone shall have the right, in its reasonable business judgment, and after consultation with the Sale Advisor and Monitor, to make one or more adjournments in an Auction to, among other things: (i) facilitate discussions between Freshstone, the Monitor and individual Auction Bidders; (ii) allow individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (iv) give Auction Bidders the opportunity to provide Freshstone with such additional evidence as it may require, in its reasonable business judgment and in consultation with the Sale Advisor and Monitor, to show that the Auction Bidder's bid complies with the requirements of an Overbid (including in respect of the required internal corporate or credit committee approvals and evidence of sufficient funding commitments or other financial capability to consummate the proposed transaction).
- (j) Closing the Auction. If, in any round of bidding, no new Overbid is made, such Auction shall be closed and Freshstone shall, in consultation with the Sale Advisor and Monitor, declare the last Opening Bid as the "**Successful Bid**" and the Auction Bidder submitting such Successful Bid the "**Successful Bidder**", and advise such Successful Bidder of such determination and all other applicable Auction Bidders that they are not a Successful Bidder. For greater certainty, the selection of a Successful Bid and a Successful Bidder shall not be deemed a rejection of any other Overbid or Qualified Bid and each Overbid and Qualified Bid shall remain binding, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid relating to the same Property.
- (k) Successful Bidder's Deposit. To the extent not already provided, the Successful Bidder (except in the case the Stalking Horse Bidder is the Successful Bidder) shall, within two (2) Business Days of the conclusion of the Auction, provide the Monitor with an additional Deposit to increase its original Deposit to equal five percent (5%)

of the total cash subscription price contemplated by the Successful Bid.

- (l) Clarifications of Overbids and Waivers. For greater certainty, Freshstone and the Monitor shall be entitled during the Auction, to discuss and clarify the terms of any and all Overbids and accept a revised, clarified Overbid, provided it is submitted before the end of the applicable round of bidding. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 28(g), and deem any non-compliant Overbid to be a qualifying Overbid.
  
- (m) Additional Procedures. Freshstone may, with the assistance of their advisors (including the Sale Advisor) and in consultation with the Monitor, adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction and that are not inconsistent with any of the provisions of the SISP or the SISP Order; provided that no such rules may change the requirement that all Overbids shall be made and received on an open, non-confidential basis, and all Auction Bidders entitled to participate in a further round of bidding shall be entitled to be present for all such bidding.

### **Approval Motion**

- 29. Application to Court. After a definitive agreement in respect of a Successful Bid has been finalized in accordance with the SISP, Freshstone shall apply to the Court as soon as reasonably practicable for an order approving such Successful Bid and authorizing Freshstone to enter into any and all necessary agreements with respect to such Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to such Successful Bid (the “**Approval Motion**”).
  
- 30. Closing Subject to Court Approval. The consummation of any transaction between a Successful Bidder and Freshstone is expressly conditional upon the approval of such Successful Bid by the Court at the Approval Motion. The presentation of a Successful Bid to the Court for approval does not obligate Freshstone to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. Freshstone will be deemed to have accepted a bid only when such bid has been approved by the Court

at the Approval Motion.

31. Scheduling of Approval Motion. The Approval Motion will be held on a date to be scheduled by the Court and to be heard as soon as possible. The Approval Motion may be adjourned or rescheduled by Freshstone, with the consent of the Monitor, by an announcement of the adjourned date at the Approval Motion or by notice to the Service List and no further notice shall be required.
32. Deemed Rejection. All Qualified Bids and Overbids (other than the Successful Bid) will be deemed rejected at 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid.
33. Statutory Approvals. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid.

#### **Treatment of Deposit**

34. Investment of Deposit. All Deposits will be held by the Monitor in a trust account. No interest shall accrue or be paid on any Deposit.
35. Application of Deposit. If there is a Successful Bid, the Deposit paid by a Successful Bidder whose bid is approved by the Court, will be released by the Monitor to Freshstone and applied to the subscription price to be paid, or investment to be made, by such Successful Bidder upon closing of the approved transaction or as otherwise set out in the definitive agreement.
36. Return of Deposits. The Deposits of Qualified Phase I Bidders not selected as a Successful Bidder will be returned to such Qualified Phase I Bidders within ten (10) Business Days of the date of closing of the Successful Bid. If there is no Successful Bid, subject to the following paragraph 37, all Deposits will be returned to Qualified Phase I Bidders, within ten (10) Business Days of the date on which the SISF is terminated in accordance with the SISF.

37. Forfeit of Deposit. If (i) a Successful Bidder breaches any of its obligations under the terms of the SISP or any definitive transaction documentation, or (ii) a Qualified Phase I Bidder fails to complete the transaction contemplated by its Qualified Bid or Overbid if required by Freshstone to complete such transaction, then, in each case, such bidder's Deposit will be forfeited to Freshstone as liquidated damages and not as a penalty. Freshstone shall apply and use its share of any forfeited Deposit in a manner agreed upon by Freshstone and the Monitor.

### **Reservation of Rights and Conduct of the SISP**

38. No Binding Agreement. The SISP does not, and will not be interpreted to, create any contractual or other legal relationship between Freshstone and any bidder, other than as specifically set forth in a Confidentiality Agreement and other definitive agreement that any such bidder may enter into with Freshstone.
39. Extension of Time Limits. Freshstone may from time to time extend any of the time limits set out in the SISP, as Freshstone determines appropriate, with the consent of the Monitor.

### **Miscellaneous**

40. The SISP is solely for the benefit of Freshstone and nothing contained in the SISP Order or herein shall create any rights in any other person (including, without limitation, any Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the SISP Order.
41. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Qualified Bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction, including, without limitation, any actions within the Auction.
42. The Monitor will oversee the conduct of the SISP and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out herein and in the SISP Order, and is entitled to receive all information in relation to the SISP.

43. Any amendments to the SISP may only be made by Freshstone with the written consent of the Monitor, or by further order of the Court.

**APPENDIX “A”  
DEFINED TERMS**

The following capitalized terms shall have the following meanings when used in the SISP:

- a. **“Approval Motion”** shall have the meaning given to it in paragraph 29;
- b. **“Auction”** shall have the meaning given to it in paragraph 25;
- c. **“Auction Bidder”** shall have the meaning given to it in paragraph 25;
- d. **“Bid Deadline”** shall have the meaning given to it in paragraph 18;
- e. **“Business Day”** shall mean any day other than (i) a Saturday or Sunday, or (ii) a day which is a statutory holiday in Toronto, Ontario;
- f. **“CCAA”** shall have the meaning given to it in Recital A;
- g. **“CCAA Proceedings”** means Freshstone’s proceedings under the CCAA commenced by the Initial Order, under Court file no. CL-26-00000265-0000;
- h. **“Confidentiality Agreement”** shall have the meaning given to it in paragraph 4(c);
- i. **“Contact List”** shall have the meaning given to it in paragraph 9(a);
- j. **“Court”** shall have the meaning given to it in Recital A;
- k. **“Data Room”** shall have the meaning given to it in paragraph 4(d);
- l. **“Deposit”** shall have the meaning given to it in paragraph 19(g);
- m. **“Form of Subscription Agreement”** means the form of subscription agreement to be provided to Qualified Phase I Bidders who submitted an LOI in respect of a Sale Proposal as part of the SISP, based on the form of the Stalking Horse Bid;
- n. **“Freshstone”** shall have the meaning given to it in Recital A;

- o. “**Initial Order**” shall have the meaning given to it in Recital A;
- p. “**Initial Overbid Amount**” means \$250,000;
- q. “**LOI**” shall have the meaning given to it in paragraph 11(b);
- r. “**LOI Criteria**” shall have the meaning given to it in paragraph 14;
- s. “**LOI Deadline**” shall have the meaning given to it in paragraph 11;
- t. “**Minimum Overbid Increment**” shall have the meaning given to it in paragraph 28(g)(i);
- u. “**Monitor**” shall have the meaning given to it in Recital A;
- v. “**Monitor’s Website**” means the Monitor’s website for the CCAA Proceedings located at <http://www.insolvencies.deloitte.ca/Freshstone>;
- w. “**Opening Bid**” shall have the meaning given to it in paragraph 28(e);
- x. “**Overbid**” shall have the meaning given to it in paragraph 28(g);
- y. “**Process Letter**” means a letter from the Sale Advisor to Prospective Bidders outlining, among other things, the SISP and the SISP timelines and which sets out the contact information for the Sale Advisor and the Monitor for the submission of any LOIs and Qualified Bids;
- z. “**Property**” shall have the meaning given to it in Recital D;
- aa. “**Prospective Bidders**” shall have the meaning given to it in paragraph 9(a), and “**Prospective Bidder**” shall mean any one of them;
- bb. “**Qualified Bid**” shall have the meaning given to it in paragraph 19, as applicable, and “**Qualified Bids**” means more than one of them;
- cc. “**Qualified Bidder**” shall mean a person who submits a Qualified Bid pursuant to the SISP and “**Qualified Bidders**” means more than one of them;

- dd. “**Qualified Phase I Bidder**” shall have the meaning given to it in paragraph 15, and “**Qualified Phase I Bidders**” means more than one of them;
- ee. “**Sale Advisor**” shall have the meaning given to it in the SISP Order;
- ff. “**Sale Proposal**” shall have the meaning given to it in paragraph 6;
- gg. “**Sale Proposal Bid Criteria**” shall have the meaning given to it in paragraph 21;
- hh. “**Service List**” means the service list in the CCAA Proceedings as posted on the Monitor’s Website, as it may be updated from time to time;
- ii. “**SISP**” shall have the meaning given to it in Recital B;
- jj. “**SISP Order**” shall have the meaning given to it in Recital B;
- kk. “**Successful Bid**” shall have the meaning given to it in paragraph 28(j);
- ll. “**Successful Bidder**” shall have the meaning given to it in paragraph 28(j);
- mm. “**Superior Proposal**” means a credible, reasonably certain and financially viable offer made by a Qualified Bidder that (i) provides for consideration in excess of the aggregate of the “**Subscription Price**” as defined in and contemplated by the Stalking Horse Transaction plus the Initial Overbid Amount, and (ii) Freshstone and the Monitor, each with the assistance of their legal advisors, consider to be better than the Stalking Horse Transaction;
- nn. “**Target Closing Date**” shall mean the date or dates determined by Freshstone, in consultation with the Sale Advisor and the Monitor, and such later date or dates as Freshstone, in consultation with the Sale Advisor and the Monitor, may determine from time to time; and
- oo. “**Teaser Letter**” shall have the meaning given to it in paragraph 9(c).

**APPENDIX “B”**  
**SUMMARY OF KEY DATES<sup>1</sup>**

<b>EVENT</b>
<b>PHASE 1</b>
<b><u>Qualified Phase I Bidders &amp; LOI Deadline (By no later than August 14, 2026, at 5:00 p.m. (Toronto time))</u></b> LOI Deadline (for delivery of non-binding LOIs by Qualified Phase I Bidders in accordance with the SISP)
<b>PHASE 2 (if suitable LOIs are received, which warrants to the continuation of the SISP onto Phase 2. If no suitable LOIs are received, Stalking Horse Bid shall be deemed to be the Successful Bid.)</b>
<b><u>Bid Deadline (By no later than September 29, 2026, at 5:00 p.m. (Toronto time))</u></b> Bid Deadline (for delivery of binding offers by Qualified Phase I Bidders in accordance with the SISP)
<b><u>Closing – Successful Bid(s) (October 16, 2026)</u></b> Anticipated deadline for closing of Successful Bid(s)

---

<sup>1</sup> The dates or time limits indicated in the table may be extended by Freshstone, in consultation with the Sale Advisor and with the consent of the Monitor, as Freshstone deems necessary or appropriate, or by order of the Court.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.  
1985, C. C 36, AS AMENDED

Court File No.:CL-26-00000265-0000

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.

---

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

---

**SISP ORDER**

---

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Ontario M5L 1B9

**Guy Martel**  
Tel: (514) 397-3163  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**  
Tel: (514) 397-6495  
E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**  
Tel: (514) 397-3121  
E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**  
Tel: (416) 869-5563  
E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**Lawyers for the Applicant**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,  
C. C 36, AS AMENDED

Court File No.: CL-26-00000265-0000

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
FRESHSTONE BRANDS INC.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**MOTION RECORD OF THE APPLICANT  
(Returnable June 18, 2026)**

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Ontario M5L 1B9

**Guy Martel**  
Tel: (514) 397-3163  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com)

**Danny Duy Vu**  
Tel: (514) 397-6495  
E-mail: [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

**Anna Arapovic**  
Tel: (514) 397-3121  
E-mail: [aarapovic@stikeman.com](mailto:aarapovic@stikeman.com)

**Nick Avis (LSO #76781Q)**  
Tel: (514) 869-5563  
E-mail: [navis@stikeman.com](mailto:navis@stikeman.com)

**Lawyers for the Applicant**