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BANKRUPTCY AND INSOLVENCY
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Calgary
FAILLITE ET INSOLVABILITÉ

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COURT **COURT OF KING'S BENCH OF ALBERTA**

JUDICIAL CENTRE **CALGARY**

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c B-3, AS AMENDED**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF ADVEN INC. AND ADVEN INDUSTRIES INC.**

APPLICANTS **ADVEN INC. AND ADVEN INDUSTRIES INC.**

DOCUMENT

# ORDER


ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

McMillan LLP
#1700, 421 7th Avenue S.W.
Calgary, Alberta T2P 4K9

**Attn: Tevia R.M. Jeffries / Preet Saini**
Email: tevia.jeffries@mcmillan.ca / preet.saini@mcmillan.ca
Tel: (403) 531-4716
Fax: (403) 531-4720
File: 327410


**DATE ON WHICH ORDER WAS PRONOUNCED:** August 19, 2026

**LOCATION WHERE ORDER WAS PRONOUNCED:** Edmonton, Alberta

**JUSTICE WHO MADE THIS ORDER:** The Honourable Justice Dunlop

**UPON** the Application of AdvEn Inc. ["**AdvEn**"] and AdvEn Industries Inc. ["**AdvEn Industries**" and together with AdvEn, the "**Applicants**"]; **AND UPON** reviewing the Affidavit of Ingo Mueller, sworn August 8, 2026 [the "**Mueller Affidavit**"]; **AND UPON** reviewing the First Report of Alvarez & Marsal Canada Inc. in its capacity as proposal trustee of the Applicants [in such capacity, the "**Proposal Trustee**"]; **AND UPON** noting that each of the Applicants filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the Bankruptcy and Insolvency Act, RSC 1985, c. B-3 [the "**BIA**"] on July 20, 2026 [the "**Filing Date**"]; **AND UPON** hearing submissions by counsel for the Applicants, counsel for the Proposal Trustee and any other counsel or other interested parties present; **IT IS HEREBY ORDERED THAT:**

**SERVICE**

1. The time for service of the application for this order [the "**Order**"] is hereby deemed good and sufficient and this application is properly returnable today, and no person other than those persons served is entitled to service of the application.

**PROCEDURAL CONSOLIDATION**

2. The bankruptcy estates of the Applicants [each individually an "**Estate**"] shall, subject to further order of the Court, be procedurally consolidated into one estate [the "**Consolidated Estate**"] and shall continue under Estate No. 25-3400059 [with the proceeding in respect thereof being the "**Consolidated Proposal Proceeding**"].

3. Without limiting the generality of the foregoing, the Proposal Trustee is hereby authorized and directed to administer the Consolidated Estate on a consolidated basis for all purposes in carrying out its administrative duties and other responsibilities as proposal trustee under the BIA as if the Consolidated Estate were a single estate and the Consolidated Proposal Proceeding were a single proceeding under the BIA, including without limitation:

    a. the Proposal Trustee is authorized to issue consolidated reports in respect of the Applicants; and

    b. the Proposal Trustee is authorized to deal with all filings and notices relating to the proposal proceedings of the Applicants, each as required under the BIA, on a consolidated basis.

4. Any pleadings or other documents served or filed in the Consolidated Proposal Proceeding by any party shall be deemed to have been served or filed in each of the proceedings comprising the Consolidated Proposal Proceeding.

5. A copy of this Order shall be filed by the Applicants in the Court file for each of the Estates but any subsequent document required to be filed will only be required to be filed in the Consolidated Estate (Estate No. 25-3400059).

6. The procedural consolidation of the Estates pursuant to this Order shall not:

    a. affect the legal status or corporate structure of the Applicants; or

b. cause any Applicant to be liable for any claim for which it is otherwise not liable or cause any Applicant to have an interest in an asset to which it otherwise would not have.

7. The Estates are not substantively consolidated, and nothing in this Order shall be construed to that effect.

8. The Proposal Trustee may apply to this Court for advice and directions with respect to the implementation of this Order or with respect to any other matter relating to the procedural consolidation of the Consolidated Estate.

**EXTENSION OF TIME TO FILE A PROPOSAL**

9. The time within which the Applicants are required to file a proposal to their creditors under section 50.4(9) of the BIA is hereby extended to October 3, 2026.

**ADMINISTRATION CHARGE**

10. Legal counsel for the Applicants, the Proposal Trustee and legal counsel for the Proposal Trustee, as security for their respective professional fees and disbursements incurred in preparing for and during these Consolidated Proposal Proceedings, and both before and after the granting of this Order, shall be entitled to the benefit of, and are hereby granted, a security and charge [the "**Administration Charge**"] on all of the Applicants' present and after-acquired assets, property and undertakings [the "**Property**"], which charge shall not exceed $500,000. The Administration Charge shall have the priority set out in paragraphs 20 and 21.

**D&O INDEMNIFICATION AND CHARGE**

11. The Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers after the Filing Date, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director or officer's gross negligence or willful misconduct.

12. Each of the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge [the "**D&O Charge**"] on all of the Property, which shall not exceed an aggregate amount of $100,000 as security for the indemnity provided in this Order. The D&O Charge shall have the priority set out in paragraphs 20 and 21.

**INTERIM FINANCING APPROVAL AND CHARGE**

13. The Applicants are hereby authorized and empowered to obtain and borrow pursuant to a credit facility [the "**Interim Facility**"] provided by 2841034 Alberta Ltd. [the "**Interim Lender**"] pursuant to the interim financing agreement dated August 19, 2026 between the Applicants and the Interim Lender [as may be amended or amended and restated from time to time, the "**Interim Financing Agreement**"] to finance the Applicants' working capital requirements, to pay professional fees and disbursements, and for other general corporate purposes during these Consolidated Proposal Proceedings, provided that borrowings under the Interim Facility shall not exceed US$650,000 unless permitted by further order of this Court, and execution of the Interim Financing Agreement is hereby approved and ratified and no other shareholder, unitholder, member, partner, director or other similar approval shall be required in connection therewith or in performing its obligations thereunder.

14. The Interim Facility shall be on the terms and subject to the conditions set forth in the Interim Financing Agreement.

15. The Applicants are hereby authorized and empowered to execute and deliver such credit agreements, charges, hypothecs, security documents, guarantees and other definitive documents [collectively with the Interim Financing Agreement, the "**Definitive Documents**"], as are contemplated by the Interim Financing Agreement or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations to the Interim Lender under and pursuant to the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

16. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge [the "**Interim Lender's Charge**"] on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order. The Interim Lender's Charge shall not secure any obligation existing before the date of this Order. The Interim Lender's Charge shall have the priority set out in paragraphs 20 and 21.

17. The Interim Lender shall be treated as unaffected in any proposal filed by the Applicants under the BIA or any plan of arrangement or compromise filed by the Applicants under the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36, with respect to any advances under the Definitive Documents.

**PRIORITY OF CHARGES**

18. The filing, registration or perfection of the Administration Charge, the D&O Charge and the Interim Lender's Charge [collectively, the "**Charges**"] shall not be required, and the Charges shall be 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.

19. The Charges shall constitute a security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, encumbrances and claims of secured creditors, statutory or otherwise in favour of any person [collectively, the "**Encumbrances**"].

20. The ranking as between the Charges shall be as follows:

    a. first, the Administration Charge;

    b. second, the D&O Charge; and

    c. third, the Interim Lender's Charge.

21. Except as otherwise provided herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over the Property that rank in priority to, or pari passu with, any of the Charges, unless the Applicants obtain the prior written consent of the beneficiaries of the Charges [the "**Chargees**"] or further order of this Court.

22. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees thereunder shall not otherwise be limited or impaired in any way by:

    a. the pendency of these proceedings and the declarations of insolvency made in this Order;

    b. any application(s) for bankruptcy order(s) issued pursuant to the 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 [each, an "**Agreement**"] that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

i. neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which they, or any one of them, is a party;

ii. 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 creation of the Charges; and

iii. the payments made by the Applicants pursuant to this Order 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.

**APPROVAL OF THE SALE AND INVESTMENT SOLICITATION PROCESS**

23. The sale and investment solicitation process attached as Schedule "A" hereto (the "**SISP**") is hereby approved and the Proposal Trustee is hereby authorized and directed to implement the SISP pursuant to the terms thereof. The Proposal Trustee is hereby authorized and directed to perform its obligations and to do all things reasonably necessary or desirable to perform its obligations under the SISP (including any amendments thereto that may be made in accordance with the provisions of the SISP and with this order), subject to prior approval of the Court being obtained before completion of any transaction(s) under the SISP.

24. For the avoidance of doubt, the Proposal Trustee shall be entitled to supervise the marketing and solicitation of interest in accordance with the terms of the SISP and, subject to the terms of the SISP and this Court's approval, may enter into a transaction with any Person in respect of the Business and/or Property (each term as defined in the SISP) of the Applicants.

25. The Proposal Trustee and its affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and 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 the Proposal Trustee performing its duties under the SISP, except to the extent such losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Proposal Trustee in performing its duties under the SISP, as determined by this Court in a final order that is not subject to appeal or other review.

26. The Proposal Trustee may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

**MISCELLANEOUS**

27. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice of the Court of King's Bench of Alberta

**Schedule “A”**

*See attached.*

# SALE AND INVESTMENT SOLICITATION PROCESS

## Introduction

1. On July 20, 2026, AdvEn Inc. ("**AdvEn**") and AdvEn Industries Inc. ("**AdvEn Industries**" and together with AdvEn, the "**Companies**") commenced proposal proceedings (the "**Proposal Proceedings**") before the Court of King's Bench of Alberta (the "**Court**") by each filing a Notice of Intention to Make a Proposal under Part III, Division I of the *Bankruptcy and Insolvency Act* (Canada). Alvarez & Marsal Canada Inc. was appointed as the Companies' proposal trustee (in such capacity, the "**Proposal Trustee**").

2. On August 19, 2026, the Court granted an Order (the "**SISP Approval Order**"), among other things:

   (a) authorizing the Companies to obtain interim financing (the "**Interim Facility**") from 2841034 Alberta Ltd. (in its capacity as interim lender, the "**Interim Lender**"); and

   (b) authorizing the Proposal Trustee to implement a sale and investment solicitation process in accordance with the terms hereof (the "**SISP**").

3. This SISP is intended to solicit interest in, and opportunities for, the acquisition of, or investment in, all of the property, assets and undertakings (the "**Property**") and/or business operations (the "**Business**") of the Companies (the "**Opportunity**"). This SISP sets out the manner in which, among other things: (a) Bids (as defined below) for executable transactions will be solicited from interested parties; (b) any such Bids received will be addressed; (c) any Successful Bid(s) (as defined below) will be selected; and (d) Court approval of any Successful Bid(s) will be sought. Parties who wish to have their Bids considered must participate in the SISP.

4. The SISP shall be conducted by the Proposal Trustee, with the assistance of the Companies. As described below, the various deadlines herein may be extended or abridged by and at the discretion of the Proposal Trustee, in consultation with the Companies. The Proposal Trustee will consider extending or abridging the various deadlines herein in the event that the Proposal Trustee determines, in its sole discretion, that such an extension will generally benefit the Companies' creditors and other stakeholders.

5. Subject to the Proposal Trustee's sole discretion, the SISP shall consist of two phases. In the first phase ("**Phase I**"), Potential Bidders shall be required to prepare and submit a Phase I Bid by the Phase I Bid Deadline (all undefined terms are as further defined below).

6. If the Proposal Trustee, in consultation with the Companies, identifies multiple Phase I Bidders to be Qualified Bidders, such Qualified Bidders shall be invited to participate in the second phase (**"Phase II"**) wherein they shall have the opportunity to submit Phase II Bids by the Phase II Bid Deadline.

7. If the Proposal Trustee receives only one viable Phase I Bid by the Phase I Bid Deadline, or if the Proposal Trustee, in consultation with the Companies, identifies only one Phase I Bidder to be a Qualified Bidder, the Proposal Trustee shall be authorized, but not required, to deem such Phase I Bid as the Successful Bid, without seeking submissions of Phase II Bids.

**Timeline**

8. The following table sets out the key milestones under the SISP (all capitalized terms used below have the meanings ascribed to them in the SISP):

| Milestone | Deadline |
|---|---|
| Proposal Trustee to create list of Known Potential Bidders and distribute and prepare marketing materials and materials for the Data Room | As soon as practical following the granting of the SISP Approval Order and in any event no later than August 21, 2026 |
| Commencement of SISP | August 21, 2026 |
| Deadline for submission of Phase I Bids | No later than 12:00 p.m. (Calgary Time) on September 25, 2026 |
| Deadline for submission of Phase II Bids | No later than 12:00 p.m. (Calgary Time) on October 9, 2026 |
| Selection of the Successful Bid(s) and Back-Up Bid(s) | No later than 12:00 p.m. (Calgary Time) on October 16, 2026 |
| Deadline for finalizing transaction documents based on Successful Bid(s) (the "**Definitive Agreement Deadline**") | October 21, 2026 |
| Filing of application to approve the Successful Bid(s) | Week of October 26, 2026 |

| Milestone | Deadline |
|---|---|
| Hearing of the Approval Application (as defined below) | Week of November 2, 2026 |
| Outside Date for the Closing of the Successful Bid(s) (the **"Outside Date"**) | November 30, 2026 |

9. Subject to any order of the Court, the dates associated with any of the milestones set out in the SISP may be extended or abridged by the Proposal Trustee, in consultation with the Companies.

**Solicitation of Interest**

10. As soon as reasonably practicable following the granting of the SISP Approval Order, and in any event no later than August 21, 2026, the Proposal Trustee shall, in consultation with the Companies:

    (a) prepare (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest in the Property or the Business; and (ii) through the assistance of the Companies' counsel, a non-disclosure agreement in form and substance satisfactory to the Companies and the Proposal Trustee (an "**NDA**");

    (b) gather and review all required due diligence material to be provided to interested parties and establish a secure electronic data room (the "**Data Room**"), which will be maintained and administered by the Proposal Trustee during the SISP;

    (c) prepare a list of potential bidders, including: (i) parties that have approached the Companies or the Proposal Trustee indicating an interest in the Opportunity; and (ii) local and international strategic and financial parties who the Proposal Trustee, in consultation with the Companies, believes may be interested in purchasing all or part of the Business or Property or investing in the Companies pursuant to the SISP (collectively, the "**Known Potential Bidders**");

    (d) cause a notice of the SISP to be published in the *Calgary Herald, Edmonton Journal*, and/or other industry publications determined to be beneficial or appropriate; and

(e) send the Teaser Letter and NDA to all Known Potential Bidders.

**Potential Bidders and Due Diligence Materials**

11. The Proposal Trustee, in consultation with the Companies, subject to competitive and other business considerations, will afford each party who executes an NDA (each such party a "**Potential Bidder**" and all such parties the "**Potential Bidders**") access to such due diligence material and information relating to the Companies, the Property and the Business as the Proposal Trustee, in consultation with the Companies, deems appropriate. Due diligence may include access to the Data Room, management presentations, and other matters which a Potential Bidder may reasonably request and as to which the Proposal Trustee, in its judgment and in consultation with the Companies, may agree. The Proposal Trustee will designate a representative or representatives to coordinate all reasonable requests for additional information and due diligence access from Potential Bidders and the manner in which such requests must be communicated. Neither the Proposal Trustee nor the Companies will be obligated to furnish any information relating to the Companies, the Property or Business to any person other than as is expressly provided for in the SISP.

12. The Proposal Trustee, in consultation with the Companies, reserves the right to limit access to any confidential information (including any information in the Data Room) where, in the opinion of the Proposal Trustee, in consultation with the Companies, such access could negatively impact the SISP, the ability to maintain the confidentiality of the Companies' confidential or competitive information, the Business, or the Property. For the avoidance of doubt, selected due diligence information may be withheld from parties that have executed an NDA if the Proposal Trustee, in consultation with the Companies, determines that such information represents proprietary or sensitive competitive information.

13. Without limiting the generality of any term or condition of any NDA between the Companies, on the one hand, and any Potential Bidder or Bidder (as defined below), on the other hand, unless otherwise agreed by the Proposal Trustee in consultation with the Companies or ordered by the Court, no Potential Bidder or Bidder shall be permitted to have any discussions with: (a) any counterparty to any contract with the Companies (or any of them), any secured or unsecured creditor of the Companies, any current or former

director, manager, shareholder, officer, member or employee of the Companies (or any of them), other than in the normal course of business and wholly unrelated to the Companies, the Opportunity, the SISP or the Proposal Proceedings; or (b) any other Potential Bidder or Bidder regarding the SISP, the Opportunity, or any Bids submitted or contemplated to be submitted pursuant to the SISP. Notwithstanding the foregoing, where any such communications are agreed to with the Proposal Trustee's consent, such discussions shall be made in the presence of the Proposal Trustee.

14. Potential Bidders and Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Companies, Property and Business in connection with their participation in the SISP and any transaction they enter into with the Companies (or either of them).

## Phase I of the SISP

### Submission of Bids

15. Potential Bidders that wish to make an offer to purchase, or make an investment in, the Companies, Property or Business, or any part thereof (each, a "**Bid**" and collectively, the "**Bids**", and such Potential Bidders being each, a "**Bidder**" and collectively, the "**Bidders**") shall submit a non-binding offer either individually or in combination with other offers (each, a "**Phase I Bid**" and collectively, the "**Phase I Bids**") that complies with all of the requirements set forth at paragraphs 16 and 17 of this SISP to the Proposal Trustee at the address specified in Schedule "A" hereto (including by email), which Phase I Bid shall be delivered by such Bidder (a "**Phase I Bidder**") by no later than 12:00 p.m. (Calgary Time) on September 25, 2026 (the "**Phase I Bid Deadline**").

16. The Phase I Bid must be a non-binding bid to:

    (a) acquire all, substantially all or a portion of the Property or the shares of the Companies (a "**Sale Proposal**"); and/or

    (b) make an investment in, restructure, reorganize or refinance the Business or the Companies (an "**Investment Proposal**").

17. The Phase I Bid must include each of the following:

(a) Sale Proposal: in the case of a Sale Proposal, the material terms and conditions of the proposed transaction, including, without limiting any other provisions in the SISP:

(i) the purchase price in Canadian dollars and a description of any non-cash consideration, including any future royalty payments or other deferred payment, details of any liabilities to be assumed by the Phase I Bidder and key assumptions supporting the valuation;

(A) if the purchase price involves a royalty, earn-out or other deferred payment, the Phase I Bid shall include a specific indication of the Phase I Bidder's proposal and/or commitments for and relating to obtaining necessary regulatory approvals and the Phase I Bidder's commercialization strategy, manufacturing capabilities, proposed sale milestones and minimum sale amounts, budget and/or commitment for capital expenditures, direct marketing and sales initiatives and support and proposed product positioning within the Phase I Bidder's current product portfolio;

(ii) a description of the Property or Business that is expected to be subject to the transaction and any of the Property expected to be excluded;

(iii) a specific indication of the financial capability of the Phase I Bidder and the expected structure and financing of the transaction;

(iv) a description of those liabilities and obligations (including operating liabilities) which the Phase I Bidder intends to assume and which such liabilities and obligations it does not intend to assume;

(v) a deposit in the amount of not less than ten percent (10%) of the cash consideration offered under the Phase I Bid, to be held and applied or refunded, as applicable, in accordance with paragraph 36 hereof; and

(vi) a description of the purchase price allocation among the assets included in the Phase I Bid;

(b) Investment Proposal: in the case of an Investment Proposal, the material terms

and conditions of the proposed transaction, including, without limiting any other provisions in this SISP:

(i) a description of how the Phase I Bidder proposes to structure the proposed investment, restructuring, recapitalization, refinancing or reorganization, and a description of any non-cash consideration;

(ii) the aggregate amount of the equity and/or debt investment to be made in the Business or the Companies in Canadian dollars;

(iii) the underlying assumptions regarding the *pro forma* capital structure;

(iv) anticipated tranches of debt, debt service fees, interest and amortization to be made in the Companies, and the debt, equity, or other securities, if any, proposed to be allocated to creditors of the Companies;

(v) a specific indication of the sources of capital for the Phase I Bidder and the structure and financing of the transaction;

(vi) a description of those liabilities and obligations (including operating liabilities) which the Phase I Bidder intends to assume and which liabilities and obligations it does not intend to assume; and

(vii) a deposit in the amount of not less than ten percent (10%) of the total new investment contemplated in the Phase I Bid, to be held and applied or refunded, as applicable, in accordance with paragraph 36 hereof;

(c) Court Approval: the key terms and provisions to be included in any approval order of the Court, including whether such order will be a "reverse vesting order";

(d) Proof of Financial Ability to Perform: written evidence upon which the Companies and the Proposal Trustee may reasonably conclude that the Phase I Bidder has obtained, or shall obtain on or before the Phase II Bid Deadline, the necessary sources of financing that it shall require to close the contemplated transaction on or before the Outside Date, including, without limitation:

(i) the sources of such financing and contact names and phone numbers required to verify same; and

(ii) any such other form of financial disclosure or credit-quality support information or enhancement requested by and reasonably acceptable to the Companies and the Proposal Trustee demonstrating that the Phase I Bidder has, or will have, the ability to close the contemplated transaction;

(e) Outstanding Due Diligence: a description of any additional due diligence required to be conducted in order to submit a Phase II Bid and the impact any additional due diligence may have on the final purchase price or imputed value;

(f) Identification: full written disclosure of the identity of each person (including any person that controls such person) that will be entering into the transaction or the financing thereof, or that is otherwise participating in or benefiting from the Phase I Bid, including whether any prior or current member of the Companies' board, management, any employee or consultant to the Companies or any creditor or shareholder of the Companies is involved in any way with the Phase I Bid or assisted with the Phase I Bid, and the complete terms of any such participation as well as evidence of corporate authority to sponsor or participate in the Phase I Bid;

(g) Authorization: written evidence of authorization and approval from the Phase I Bidder's board of directors (or comparable governing body) with respect to the submission, execution and delivery of such Phase I Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated process and timeframe and any anticipated impediments for obtaining such approvals;

(h) No Break or Termination Fee: written evidence that the Phase I Bid does not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment, and confirmation that the Phase I Bidder shall be responsible for all of its costs and expenses associated with conducting due diligence and submitting a Phase I Bid;

(i) Cash Payment: a cash payment in an amount reasonably acceptable to the Proposal Trustee to be paid to the Proposal Trustee on closing for any professional fees to be incurred by the Proposal Trustee in connection with the wind-down of the Proposal Proceedings (and any subsequent proceedings);

(j) Outside Date: acknowledgment confirming closing of the transaction set out therein on or before the Outside Date; and

(k) Additional Information: such other information as may be reasonably requested by the Proposal Trustee in consultation with the Companies.

18. Subject to paragraphs 40 and 41 hereof, and notwithstanding paragraphs 15 and 16 above, if the Interim Lender submits a Phase I Bid, the Interim Lender's Phase I Bid must be a binding offer, and the remaining provisions of paragraphs 15 and 16 shall continue to apply to such Phase I Bid. Further, in addition to the requirements set out at paragraph 17 hereof, the Interim Lender's Phase I Bid must include the following:

(a) Conditions to Closing:

(i) acknowledgments confirming that the Phase I Bid is not conditioned upon: (A) the outcome of any unperformed due diligence by the Interim Lender; or (B) obtaining financing, but may be conditioned upon the Companies receiving the required approvals or amendments relating to the licences required to operate the Business, and/or transfer of the Property, if necessary; and

(ii) any and all conditions and approvals required to complete the closing of the transaction; and

(b) Irrevocable Bid: a letter stating that the Interim Lender's Phase I Bid is irrevocable until approval of the Successful Bid(s) by the Court, provided that if the Interim Lender is eventually selected as the Successful Bidder or Back-Up Bidder (each as defined below), its offer shall remain irrevocable until the closing of the transaction contemplated by its Phase I Bid or the resulting Phase II Bid, as applicable.

**Evaluation of Phase I Bids**

19. Following the Phase I Bid Deadline, the Proposal Trustee, in consultation with the Companies, will assess the Phase I Bids received and may designate the most competitive Phase I Bids that comply with the requirements set out herein to be "**Qualified Bids**". Only Phase I Bidders whose Phase I Bids have been designated as Qualified Bids

(each such Phase I Bidder a "**Qualified Bidder**") shall be eligible to become the Successful Bidder(s) or Back-Up Bidder(s).

20. If it is determined by the Proposal Trustee, in consultation with the Companies, that a Phase I Bidder (a) has a *bona fide* interest in consummating a Bid, and (b) has the financial, managerial, operational, technical, and other capabilities to consummate a Bid, then such Phase I Bidder will be deemed a Qualified Bidder and its Phase I Bid will be deemed a Qualified Bid, provided that, the Proposal Trustee may, in its reasonable business judgment, limit the number of Qualified Bidders (and thereby eliminate some Phase I Bidders who have submitted Phase I Bids from this SISP), taking into account the factors identified in paragraph 32 of this SISP.

21. The Proposal Trustee, in consultation with the Companies, may waive strict compliance with any one or more of the requirements set out herein and deem such non-compliant Phase I Bid(s) to be Qualified Bid(s).

22. The Proposal Trustee, in consultation with the Companies, may aggregate separate Phase I Bids from unaffiliated Bidders to create one or more Qualified Bids.

23. The Proposal Trustee, in consultation with the Companies, shall be entitled to discuss and negotiate the Phase I Bid(s) and the form of any Sale Proposal(s) or Investment Proposal(s) prior to the Phase I Bid Deadline for purposes of amending or clarifying the terms and form thereof.

24. The Proposal Trustee shall cause each Phase I Bidder to be notified in writing as to whether its Phase I Bid constituted a Qualified Bid as soon as reasonably practicable following the Phase I Bid Deadline.

25. If the Proposal Trustee, in consultation with the Companies, determines that only one Phase I Bid has been submitted and/or qualified as a Qualified Bid by the Phase I Bid Deadline, the Proposal Trustee shall be authorized, but not required, in its sole discretion, to deem such Phase I Bid (or Qualified Bid, as applicable) the Successful Bid without proceeding to Phase II, and to take such steps as are reasonably necessary to enter into definitive agreements with the applicable Phase I Bidder and close the contemplated transaction(s).

## Phase II of the SISP

### Due Diligence

26. The Proposal Trustee, in consultation with the Companies, in their reasonable business judgment and subject to competitive and other business considerations, will afford each Qualified Bidder such access to additional due diligence materials and information relating to the Companies, the Property and the Business as it deems appropriate. Due diligence access may include on-site inspections, and other matters which a Qualified Bidder may reasonably request and as to which the Proposal Trustee may agree. For avoidance of doubt, and without limiting the terms of applicable NDAs, selected due diligence materials may be withheld from certain Qualified Bidders if the Proposal Trustee, in consultation with the Companies, determines such information to represent proprietary or sensitive competitive information.

27. All Qualified Bidders will be provided with a form of draft asset purchase agreement (the "**Draft APA**") and a form of "reverse vesting" transaction term sheet (the "**RVO Term Sheet**") that will serve as the basis for the submission of a Phase II Bid (as defined below).

### Submission of Bids

28. Qualified Bidders that wish to continue to participate in the SISP shall submit a binding offer either individually or in combination with other offers (each, a "**Phase II Bid**" and collectively, the "**Phase II Bids**") that complies with all of the requirements set forth at paragraph 29 of this SISP to the Proposal Trustee at the address specified in Schedule "A" hereto (including by email), which Phase II Bid shall be delivered by such Qualified Bidder (a "**Phase II Bidder**") by no later than 12:00 p.m. (Calgary Time) on October 9, 2026 (the "**Phase II Bid Deadline**").

29. The Phase II Bid must include each of the following:

    (a) Definitive Agreement:

        (i) in the case of a Sale Proposal, a duly authorized and executed definitive transaction agreement, together with all exhibits and schedules, and such ancillary agreements as may be required by the Qualified Bidder with all exhibits and schedules, together with a redline to the Draft APA or the RVO

Term Sheet, as applicable, for a Sale Proposal provided by the Proposal Trustee; or

(ii) in the case of an Investment Proposal in the form of a plan of arrangement or other investment transaction, copies of the plan of arrangement and/or all documentation that is contemplated to be executed in connection therewith shall be provided;

(b) Court Approval: the key terms and provisions to be included in any approval order of the Court, including whether such order will be a "reverse vesting order";

(c) Proof of Financial Ability to Perform: written evidence, in form and content satisfactory to the Proposal Trustee, of a firm, irrevocable commitment for all financing that the Qualified Bidder shall require to close the contemplated transaction on or before the Outside Date;

(d) Identification: full written disclosure of the identity of each person (including any person that controls such person) that will be entering into the transaction or the financing thereof, or that is otherwise participating in or benefiting from the Phase II Bid, including whether any prior or current member of the Companies' board, management, any employee or consultant to the Companies or any creditor or shareholder of the Companies is involved in any way with the Phase II Bid or assisted with the Phase II Bid, and the complete terms of any such participation as well as evidence of corporate authority to sponsor or participate in the Phase II Bid;

(e) Authorization: written evidence of authorization and approval from the Phase II Bidder's board of directors (or comparable governing body) with respect to the submission, execution and delivery of such Phase II Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated process and timeframe and any anticipated impediments for obtaining such approvals;

(f) No Break or Termination Fee: written evidence that the Phase II Bid does not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment, and confirmation that the Qualified

Bidder shall be responsible for all of its costs and expenses associated with conducting due diligence and submitting a Phase II Bid;

(g) Conditions to Closing:

(i) acknowledgments confirming that the Phase II Bid is not conditioned upon: (A) the outcome of any unperformed due diligence by the Qualified Bidder; or (B) obtaining financing, but may be conditioned upon the Companies receiving the required approvals or amendments relating to the licences required to operate the Business, and/or transfer of the Property, if necessary; and

(ii) any and all conditions and approvals required to complete the closing of the transaction; and

(h) Irrevocable Bid: a letter stating that the Phase II Bid is irrevocable until approval of the Successful Bid(s) by the Court, provided that if the Qualified Bidder is eventually selected as the Successful Bidder or Back-Up Bidder, its offer shall remain irrevocable until the closing of the transaction contemplated by its Phase II Bid, as applicable;

(i) Due Diligence: acknowledgements and representations of the Bidder that the Bidder:

(i) has, to its satisfaction, had an opportunity to conduct any and all due diligence regarding the Property, the Business and the Companies prior to making its Phase II Bid;

(ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Phase II Bid; and

(iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Business, the Property, or the Companies, or the completeness of any information provided in connection therewith, except as may be expressly stated in the definitive transaction

agreement(s) signed by the Companies;

(j) Cash Payment: a cash payment in an amount reasonably acceptable to the Proposal Trustee to be paid to the Proposal Trustee on closing for any professional fees to be incurred by the Proposal Trustee in connection with the wind-down of the Proposal Proceedings (and any subsequent proceedings);

(k) Outside Date: an acknowledgment confirming closing of the transaction set out therein on or before the Outside Date; and

(l) Additional Information: such other information as may be reasonably requested by the Proposal Trustee in consultation with the Companies.

30. Notwithstanding paragraph 29 hereof, if the Interim Lender (a) submits a Phase I Bid which is determined by the Proposal Trustee to be a Qualified Bid, and (b) elects to submit a Phase II Bid, the Interim Lender may be permitted, at the Proposal Trustee's sole discretion, to rely upon some or all of the materials submitted in connection with its Phase I Bid to satisfy the requirements set out in the said paragraph 29.

**Evaluation of Phase II Bids**

31. In reviewing the Phase II Bids and before determining a Successful Bid or Back-Up Bid, the Proposal Trustee shall retain full discretion and authority to discuss the Bids received, and their terms, with the applicable Phase II Bidders.

32. Following the Phase II Bid Deadline, the Proposal Trustee, in consultation with the Companies, will assess the Phase II Bids. Phase II Bids shall be evaluated based upon several factors including, without limitation:

(a) the purchase price, the nature of the consideration provided by such Bids and the net value of the consideration provided by such Bids (it being understood that, all else equal, cash consideration is preferable to non-cash consideration, with the value of any non-cash consideration being determined by the Proposal Trustee in its business judgment, in consultation with the Companies);

(b) the identity, circumstances and ability of the Bidders to successfully complete the transactions contemplated by such Bids;

(c) the proposed transaction documents;

(d) factors affecting the speed, certainty and value of the transactions contemplated by such Bids;

(e) the assets and liabilities included or excluded from the Bids;

(f) any related restructuring costs;

(g) any synergies between the Bidder's business and the Companies' Business; and

(h) the likelihood and timing of consummating such transaction, each as determined by the Proposal Trustee in its business judgment, in consultation with the Companies.

33. The Proposal Trustee, in consultation with the Companies, may ascribe monetary values to non-monetary terms in any Phase II Bid for the purposes of assessing and/or valuing such Phase II Bids, including without limitation, the value to be ascribed to any liabilities or contracts to be assumed or not assumed.

34. If the Proposal Trustee receives one or more Phase II Bid(s), and the Proposal Trustee is satisfied in its reasonable business judgment, in consultation with the Companies, that it would be appropriate to consummate the transaction(s) contemplated by such Phase II Bid(s), the Proposal Trustee shall designate such Phase II Bid(s) as the successful bid(s) (the "**Successful Bid(s)**", and the Phase II Bidder(s) making such Bid(s), the "**Successful Bidder(s)**"), with or without negotiation of the Phase II Bid(s). The Proposal Trustee may further designate one or more Phase II Bid(s) as secondary successful bid(s) that may become the Successful Bid(s) only in the event that the Successful Bid(s) are not approved by the Court or do not otherwise close (the "**Back-Up Bid(s)"**, and the Phase II Bidder(s) making such Bid(s) as the back-up bids (the "**Back-Up Bidder(s)**"). Any Back-Up Bid(s) shall be designated as such by the Proposal Trustee using its reasonable business judgment and in consultation with the Companies and shall otherwise meet all requirements of a Successful Bid.

35. For greater certainty, where the Proposal Trustee deems a Phase I Bid to be the Successful Bid pursuant to paragraph 25, the Phase I Bidder making such Bid shall be the "Successful Bidder" for all purposes of this SISP.

**Deposits**

36. All deposits made by Bidder(s) pursuant to this SISP shall be held by the Proposal Trustee in a single non-interest-bearing trust account designated solely for such purpose and such deposit(s) shall be dealt with in accordance with the definitive documents for the transactions contemplated by the Successful Bid(s). Deposits that are paid to the Proposal Trustee in respect of Bids that do not ultimately become Successful Bid(s) shall be returned to the Bidder within ten (10) business days after the rejection or deemed rejection of the applicable Bid.

**Approval Application Hearing**

37. The Successful Bidder(s) shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid(s) was or were made by October 21, 2026, unless extended by the Proposal Trustee, in consultation with the Companies.

38. At the hearing of the application to approve any transaction(s) with the Successful Bidder(s) (the "**Approval Application**"), the Proposal Trustee or the Companies shall seek, among other things, approval from the Court to consummate the Successful Bid(s) and any Back-Up Bids. All Qualified Bids other than the Successful Bid(s) and Back-Up Bids, if any, shall be deemed to be rejected on and as of the date of approval of the Successful Bid(s) and Back-Up Bids by the Court.

**"As Is, Where Is"**

39. Except to the extent otherwise set forth in a definitive sale or investment agreement with the Successful Bidder, any transaction will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Proposal Trustee, the Companies, or any of their respective agents, advisors or estates, and, in the event of a sale, Potential Bidders may specify in their Bids that all of the right, title and interest of the Companies in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, financial and monetary claims, charges, options and interests therein and thereon pursuant to Court order(s), to the extent that the Court deems it appropriate to grant such relief and except as otherwise provided in such Court order(s).

**Participation of Secured Creditors**

40. The Interim Lender shall notify the Proposal Trustee in writing within the ten (10) business days that follow the granting of the SISP Approval Order if it intends to submit a Bid in the SISP (a "**Participation Notice**"). If:

    (a) the Interim Lender delivers a Participation Notice to the Proposal Trustee, the Interim Lender and its counsel shall not receive any information related to any Bid or any information regarding any party participating in the SISP, and the Interim Lender shall not be entitled to any consultation rights pursuant to the SISP. Any Bid submitted by the Interim Lender shall be deemed to constitute a Qualified Bid notwithstanding the requirements set forth in this SISP; and

    (b) the Interim Lender does not deliver a Participation Notice to the Proposal Trustee, the Proposal Trustee may provide information with respect to the SISP to the Interim Lender and its counsel on a confidential basis, including (a) copies of any expression of interest and any Bid received, including any Qualified Bid; and (b) such other information and updates with respect to the SISP as reasonably requested by the Interim Lender; provided that the Interim Lender reserves the right to submit a Bid (including a credit bid) if the SISP is terminated.

41. Subject to any order of the Court, and notwithstanding anything to the contrary contained herein, following the Bid Deadline: (a) the Interim Lender may support any Bid(s) by agreeing to convert its debt to equity or otherwise be treated as an unaffected creditor in the transaction proposed in such Bid; and (b) the Interim Lender's decision to provide any such support shall not affect any of its rights hereunder.

42. Any secured creditor of the Companies shall have the right to bid its secured debt against the Property secured thereby, including principal, interest and any other secured obligations owing to such secured creditor by the Companies; provided that, any such secured creditor shall be required to pay in full in cash on the closing of any transaction any obligations in priority to its secured debt (unless the holder of such priority obligation agrees to accept a lower payment than the total amount of obligations owed to them) and the reasonable fees and expenses of the Proposal Trustee that are necessary to conclude the Proposal Proceedings.

**Insider Participation**

43. The Proposal Trustee shall not furnish any information to any officer, director, or employee of, or other non-arms' length party in relation to, the Companies (each such person, an "**Insider**") where the Insider's receipt of such information might create an unfair advantage or jeopardize the integrity of the SISP, unless such Insider irrevocably confirms in writing to the Proposal Trustee that he, she or it shall not submit or participate directly or indirectly in the submission of a Bid (an "**Insider Notice**"). Any Insider who delivers an Insider Notice to the Proposal Trustee shall not be entitled to participate directly or indirectly as a Potential Bidder, Qualified Bidder, or Successful Bidder in the SISP and shall thereafter be entitled to receive such updates and information regarding the status of the SISP as the Proposal Trustee deems appropriate.

44. To the extent any officer, director or other employee of the Companies (each such person, a "**Participating Employee**") is or is related to a Potential Bidder, the Proposal Trustee and the Companies shall not provide such Participating Employee with information that might create an unfair advantage or jeopardize the integrity of the SISP unless such Participating Employee and Potential Bidder irrevocably confirm in writing to the Proposal Trustee that they shall not submit or participate directly or indirectly in the submission of a Bid.

45. Except as set forth in paragraph 44, nothing in this SISP shall prohibit a Participating Employee from participating as a Bidder in the SISP. To the extent that any Participating Employee intends to participate as a Bidder in the SISP, it shall notify the Proposal Trustee within the ten (10) business days that follow the granting of the SISP Approval Order. Notwithstanding anything to the contrary in this SISP, to the extent that any Participating Employee provides notice to the Proposal Trustee of its intention to participate as a Bidder in the SISP, the Participating Employee shall, from the time of such notice, be subject to such restrictions as the Proposal Trustee, acting reasonably, determines to be necessary to ensure that such Participating Employee's participation as a Bidder in the SISP does not, or would not be reasonably likely to, create an unfair advantage for any party or otherwise jeopardize the integrity of the SISP.

**Confidentiality and Access to Information**

46. Notwithstanding paragraphs 43 to 45 and paragraph 48, an Insider may, with the prior

written consent of the Proposal Trustee, engage in discussions with one or more secured creditors of the Companies and/or other stakeholders for the purpose of organizing, canvassing support for, or coordinating the submission of, a credit bid or other Bid (a "**Secured Creditor Engagement**"), provided that:

(a) such Insider shall, prior to commencing any Secured Creditor Engagement, provide the Proposal Trustee with written notice identifying the secured creditors and/or other stakeholders intended to be engaged and describing the general scope and purpose of the proposed Secured Creditor Engagement;

(b) the Proposal Trustee, in consultation with the Companies, may impose such conditions, restrictions, or informational safeguards on the Secured Creditor Engagement as it considers necessary, in its reasonable business judgment, to preserve the integrity of the SISP and avoid an unfair advantage to any Bidder or Potential Bidder;

(c) all secured creditors and other stakeholders who are subject to a Secured Creditor Engagement must, prior to the commencement of such Secured Creditor Engagement, execute a non-disclosure agreement in form and substance satisfactory to the Proposal Trustee;

(d) any Bid resulting, in whole or in part, from a Secured Creditor Engagement shall include full written disclosure of the Insider's involvement and the identity of all parties engaged in connection therewith, in accordance with the Identification requirements set out in paragraph 17(f) or 29(d), as applicable.

47. Unless expressly provided for herein, participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bidders, Back-Up Bidders, or Successful Bidders, or the details of any Bids submitted or the details of any confidential discussions or correspondence between the Companies, the Proposal Trustee, the Interim Lender and such other Potential Bidders, Bidders, Qualified Bidders, Back-Up Bidders, or Successful Bidder(s) in connection with the SISP, except to the extent that the Proposal Trustee, in consultation with the Companies, and with the consent of the applicable Bidders, are seeking to combine separate Bids to form one or more Qualified Bids.

48. All discussions regarding Bids should be directed through the Proposal Trustee. Under no circumstances shall any Insider be contacted by any Potential Bidders, Bidders, Qualified Bidders, Back-Up Bidders, or Successful Bidders without the prior consent of the Proposal Trustee. Any such unauthorized contact or communication may result in exclusion of the Potential Bidder, Bidder, Qualified Bidder, Back-Up Bidder, or Successful Bidder, as applicable, from the SISP. If any Potential Bidder, Bidder, Qualified Bidder, Back-Up Bidder, or Successful Bidder is contacted by a current or former officer, director or other employee of the Companies without the prior consent of the Proposal Trustee, then such Bidder, Qualified Bidder, Back-Up Bidder, or Successful Bidder shall advise the Proposal Trustee of such contact forthwith. The failure to advise the Proposal Trustee of such contact shall entitle the Proposal Trustee to exclude the Bidder, Qualified Bidder, Back-Up Bidder or Successful Bidder, as applicable, from the SISP.

**Termination**

49. If:

(a) there are no Qualified Bids submitted by the Phase I Bid Deadline, or no Phase I Bids are deemed commercially reasonable;

(b) the Proposal Trustee proceeds with Phase II of the SISP, and there are no Phase II Bids by the Phase II Bid Deadline, or the Proposal Trustee determines no Phase II Bids should be accepted; or

(c) there is no Successful Bid;

(d) final transaction documents are not executed by the Definitive Agreement Deadline;

(e) a transaction contemplated by final transaction documents does not close by the Outside Date; or

(f) the Proposal Trustee, in consultation with the Companies, determines that it is not in the best interests of the Companies and their stakeholders to continue this SISP,

then this SISP shall, subject to any amendments, extensions or waivers granted in connection with this SISP, terminate.

**General**

50. The Proposal Trustee shall oversee and conduct the SISP in all respects, and, without limitation to that supervisory role, the Proposal Trustee will participate in the SISP in the manner set out in this SISP, the SISP Approval Order, and any other orders of the Court, and is entitled to receive all information in relation to the SISP. In the event that there is disagreement or dispute as to the interpretation or application of the SISP, the Court will have the exclusive jurisdiction to hear and resolve such disagreement or dispute.

51. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship between the Companies, or the Proposal Trustee and any Potential Bidder, Bidder, Qualified Bidder, Back-Up Bidder, or Successful Bidder or any other party, other than as specifically set forth in a definitive transaction agreement that may be entered into with the Companies.

52. Without limiting the generality of the preceding paragraph, the Proposal Trustee or its counsel shall not have any liability whatsoever to any person or party, including, without limitation, any Potential Bidder, Bidder, Qualified Bidder, Back-Up Bidder, Successful Bidder, the Companies, or any other creditor or other stakeholder of the Companies, for any act or omission related to the process contemplated by this SISP, except to the extent of its wilful misconduct or gross negligence. By submitting a Bid, each Bidder shall be deemed to have agreed that it has no claim against the Proposal Trustee or its counsel for any reason whatsoever.

53. Participants in the SISP are responsible for all costs, expenses and liabilities, including, without limitation, finder's fees, broker's fees or any similar fees, incurred by them in connection with the submission of any Bid, due diligence activities and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

54. The Proposal Trustee, with the approval of the Companies, shall have the right to modify the SISP if, in its reasonable business judgment, such modification would enhance the process or better achieve the objectives of the SISP; provided that the service list maintained in these Proposal Proceedings shall be advised of any substantive modification to the procedures set forth herein.

55. The Proposal Trustee may seek Court approval of one or more amendments to the SISP and may seek the Court's directions in respect of the implementation of the SISP.

**Schedule "A"**

**Address of Proposal Trustee**

**To the Proposal Trustee:**

Alvarez & Marsal Canada Inc.
Bow Valley Square 4
Suite 1110, 250 6th Avenue SW
Calgary AB T2P 3H7
Canada

Attention: Orest Konowalchuk
Duncan MacRae

Email: okonowalchuk@alvarezandmarsal.com
dmacrae@alvarezandmarsal.com

Deliveries pursuant to this SISP by email shall be deemed to be received when sent. In all other instances, deliveries made pursuant to this SISP shall be deemed to be received when delivered to the address as identified above.