| | |
|---|---|
| COURT FILE NUMBER | 2601-03446 |
| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | CALGARY |
| | IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED<br><br>AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC. |
| APPLICANTS | RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC. |
| DOCUMENT | **SEVENTH AFFIDAVIT OF BRAEDEN PAULS** |

Clerk's stamp

JUDICIAL CENTRE OF CALGARY
FILED DIGITALLY
2601 03446
Oct 5, 2026
1:43 PM
CLERK OF THE COURT


ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

**MLT AIKINS LLP**
Barristers and Solicitors
#2100 – 222 3rd Ave SW
Calgary, AB T2P 0B4
Attention: Ryan Zahara / Chris Nyberg
Telephone: (403) 693-5420 / 4311
Email: rzahara@mltaikins.com/ cnyberg@mltaikins.com
File No. 0185373.00001


## SEVENTH AFFIDAVIT OF BRAEDEN PAULS
**Sworn on October 2, 2026**

I, Braeden Pauls, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am the Chief Executive Officer and a director of RDFN FUM Natural Products Ltd. ("**FUM**") and RDFN FUM Natural Products Inc. ("**FUM US**", and together with FUM, the "**FUM Group**" or the "**Applicants**"). As such, I have personal knowledge of the matters deposed to in this Affidavit, except where stated to be based on information and belief, in which case, I verily believe the same to be true.

2. As a director and officer, I am responsible for managing the Applicants' overall operations and resources and making strategic business decisions. I have been in my current role as a director and officer of the FUM Group since its inception.

## I. RELIEF SOUGHT

3. This affidavit (the "**Seventh Affidavit**") is sworn in support of an application scheduled for October 7, 2026 for, among other things, the following relief:

   (a) an Order (the "**Sanction Order**") sanctioning the Plan of Compromise and Arrangement, dated August 19, 2026 (the "**Plan**"); and

   (b) approving the activities, including the fees and disbursements of Alvarez & Marsal Canada Inc. (the "**Monitor**") and its legal counsel, as set out in the Fifth Report of the Monitor dated September 23, 2026 (the "**Fifth Report**") and the Sixth Report of the Monitor, to be filed (the "**Sixth Report**").

4. This Affidavit should be read in conjunction with my affidavit sworn September 23, 2026 (the "**Sixth Affidavit**"), the Fifth Report and the Sixth Report.

5. All capitalized terms used herein that are not otherwise defined have the meaning ascribed to them in the Plan.

## II. BACKGROUND

6. The FUM Group is engaged in the development, production, and sale of nicotine-free, smokeless, vaporless, non-electronic flavoured air devices under the FUM brand (the "**Products**"). The Products are an alternative health product, frequently used as a behavioral aid for individuals seeking to cease their smoking or vaping habits.

7. The Applicants experienced financial strain as a result of tariffs imposed in the United States, significantly increased advertising costs, and a substantially increased debt burden after settling trademark litigation with BFL Metal Products Co., Ltd. ("**BFL**") that required the Applicants to, among other things, pay $100,000 each month to BFL.

8. Due to the strain on their liquidity, on February 4, 2026, the Applicants each filed a Notice of Intention to Make a Proposal (the "**NOIs**") under section 50.4 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**", and such proceedings, the "**Proposal Proceedings**"). Alvarez & Marsal Canada Inc. ("**A&M**") was appointed as the proposal trustee of the Applicants.

9. On March 2, 2026 (the "**Filing Date**"), the Honourable Justice J.T. Neilson granted an Initial Order pursuant to the CCAA (the "**Initial Order**") which, among other things, granted a stay of proceedings for an initial ten (10) day period (the "**Stay Period**") and appointed A&M as the Monitor of the Applicants.

10. On March 12, 2026, the Honourable Justice J.S. Little granted the Amended and Restated Initial Order (the "**ARIO**") which, among other things:

    (a) extended the Stay Period up to and including May 26, 2026;

    (b) approved an Administration Charge up to the maximum amount of $500,000;

    (c) approved a Directors' Charge up to the maximum amount of $200,000; and

    (d) authorized FUM to act as the Foreign Representative on behalf of itself and FUM US for the purpose of having the CCAA Proceedings recognized in the United States.

11. On March 24, 2026, the CCAA Proceedings were recognized under Chapter 15 of the United States Bankruptcy Code pursuant to an Order of the United States Bankruptcy Court for the District of Nevada (Case No. BK-26-11021-hlb) (the "**Chapter 15 Proceedings**").

12. On April 23, 2026, the Honourable Justice A.G. Kuntz granted the following orders:

    (a) an Order extending the Stay Period up to and including July 31, 2026 (the "**First Stay Extension Order**"), which further stayed enforcement against any guarantees granted by the Applicants' current or former directors, officers, or employees, including certain guarantees granted in favour of Business Development Bank of Canada by Braeden Pauls, Daniel Ogden, and Josiah Pauls; and

    (b) a Claims Process Order (the "**Claims Process Order**"), which provided for a Claims Bar Date of June 15, 2026.

13. On July 27, 2026, the Honourable Justice R.W. Armstrong granted an Order extending the Stay Period up to and including October 2, 2026, approving a Key Employee Retention Plan (the "**KERP**") and corresponding KERP Charge up to the amount of $100,000, and

approving the Monitor's actions and activities to date (the "**Second Stay Extension Order**").

14. On August 28, 2026, the Honourable Justice C.D. Simard granted an Order (the "**First Creditors' Meeting Order**") that, among other things: (a) accepted the Plan for filing; (b) authorized the classification of creditors for purposes of voting on the Plan into two classes: Affected Secured Creditors and Affected Unsecured Creditors; (c) authorized and directed FUM to call, hold, and conduct a meeting of creditors to vote on a resolution to approve the Plan (the "**Creditors' Meeting**"); and (d) subject to approval of the Plan by Affected Creditors at the Meeting, authorized the Applicants to make an application to the Court on October 1, 2026 seeking an Order sanctioning the Plan.

15. On September 22, 2026, the Honourable Justice C.D. Simard granted an Order amending the Creditor's Meeting Order to, among other things, authorize the Applicants, in consultation with the Montior, to adjourn and re-schedule the Creditors' Meeting (the "**Amended Creditors' Meeting Order**" and the First Creditor's Meeting Order are collectively referred to as the "**Creditors' Meeting Order**").

16. On October 1, 2026, the Applicants applied for and were granted an Order extending the Stay Period to November 30, 2026 (the "**Third Stay Extension Order**").

## III. THE CREDITORS' MEETING

17. The Meeting was initially scheduled for September 18, 2026 but was subsequently adjourned six times by way of Notices of Adjournment issued by the Monitor, in accordance with the Creditor's Meeting Order, to September 23, 2026, September 25, 2026, September 28, 2026, September 30, 2026, October 1, 2026 and then finally to October 2, 2026. Attached hereto and marked as **Exhibit "A"** are copies of the Notices of Adjournment of the Creditors' Meeting.

18. The adjournments of the Creditors' Meeting provided FUM with the time and opportunity to resolve outstanding issues with its creditors and secure sufficient support for the Plan to be voted on and pass with the Required Majority at the Creditors' Meeting.

19. On October 2, 2026, the Monitor held the Creditors' Meeting in accordance with the Creditors' Meeting Order.

20. I understand that the full details and results of the Creditors' Meeting will be outlined in detail in the Sixth Report of the Monitor, to be filed. However, I understand that the Plan was approved by the Required Majority of both classes of Affected Creditors — the Affected Secured Creditors and the Affected Unsecured Creditors — in attendance and voting at the Creditors' Meeting.

21. The Plan, if sanctioned, will enable substantially greater recoveries for creditors and other stakeholders of FUM than in a bankruptcy or liquidation of the FUM Group. Pursuant to the Plan, FUM shall deliver to the Monitor from FUM's available funds the aggregate amount necessary to constitute the Plan Implementation Fund, which shall be used to pay or satisfy the CCAA Charges, establish the Secured Creditor Cash Fund, and establish the Unsecured Creditor Cash Fund. Attached hereto and marked as **Exhibit "B"** is a copy of the Plan.

22. The Plan provides for the following distributions:

(a) Creditors with Accepted Secured Claims shall receive the applicable Secured Pro Rata Distribution, comprised of: (i) a Secured Initial Distribution from the Secured Creditor Cash Fund (being $1,100,000) on the Plan Distribution Date; and (ii) Secured Pro Rata Installments of approximately $26,871 per month over a seven (7) month period commencing thirty (30) days after payment of the Secured Initial Distribution. The Secured Total Distributions payable to Affected Secured Creditors are $1,288,100;

(b) Creditors with Accepted Unsecured Claims, who are not Convenience Class Creditors shall receive their applicable Unsecured Pro Rata Distributions equal to their pro rata share of $330,000, funded by Unsecured Pro Rata Installments of $30,000 per month commencing thirty (30) days after completion of the Secured Pro Rata Installments and continuing over an eleven (11) month period, until they have received their maximum applicable Unsecured Pro Rata Distribution.

(c) Convenience Class Creditors and Creditors with Accepted Unsecured Claims that have made a valid Convenience Class Distribution Election shall receive the Convenience Class Distribution Election Amount (being the lesser of $2,500 or the cash amount of their Accepted Unsecured Claim) from the Unsecured Creditor Cash Fund on the Plan Distribution Date.

23. The Plan also contemplates the continuation of FUM's business as a going concern, while facilitating the orderly wind-up of FUM US through the Chapter 7 bankruptcy proceedings in the United States.

24. The Plan does not affect Unaffected Claims, which include Claims secured by the CCAA Charges, D&O Indemnity Claims, Claims against FUM US, Post-Filing Ordinary Course Payables Claims, and Claims that cannot be compromised pursuant to Section 19(2) of the CCAA.

25. The compromise contained in the Plan is fair and reasonable in the circumstances.

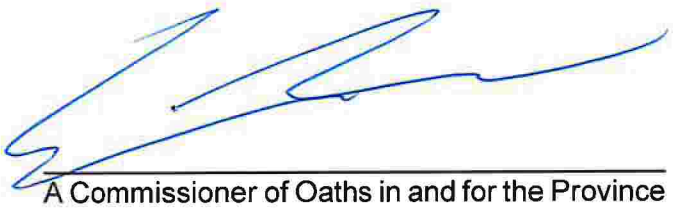
## IV. APPROVAL OF ACTIVITIES & FEES

26. The Applicants have also brought an Application for the approval of the Monitor's fees and activities, including the fees of the Monitor's legal counsel, incurred in these proceedings. I understand that those fees and activities for which approval is sought are described in the Fifth Report and the Sixth Report of the Monitor.

## V. CONCLUSION

27. I swear this Affidavit in support of an Application for a Sanction Order in respect of the Plan and for other ancillary relief, and for no other or improper purpose.

SWORN BEFORE ME at Calgary, Alberta,
this 2nd day of October, 2026



A Commissioner of Oaths in and for the Province of Alberta

ERINN V. WILSON
Barrister & Solicitor



**BRAEDEN PAULS**

**THIS IS EXHIBIT "A" TO THE**
**AFFIDAVIT OF BRAEDEN PAULS,**
**SWORN BEFORE ME AT THE CITY OF CALGARY,**
**IN THE PROVINCE OF ALBERTA,**
**THIS 2ND DAY OF OCTOBER, 2026**



**A Commissioner for Oaths in and for**
**the Province of Alberta**

ERINN V. WILSON
Barrister & Solicitor

**Alvarez & Marsal Canada Inc.**
Licensed Insolvency Trustees
Bow Valley Square 4
Suite 1110
250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
Phone: +1 403 538 7555
Fax: +1 403 538 7551

**IN THE MATTER OF THE PROPOSED**
**PLAN OF COMPROMISE OR ARRANGEMENT OF**
**RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC.**

**NOTICE OF ADJOURNMENT OF THE MEETING OF THE AFFECTED CREDITOR CLASS**

*All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Plan and the Creditors' Meeting Order.*

**PLEASE TAKE NOTICE** that the Creditors' Meeting scheduled for September 18, 2026 at 10:00 a.m. (MDT) is hereby adjourned to **September 23, 2026 at 10:00 a.m. (MDT)** (the "**Rescheduled Creditors' Meeting**"). The Rescheduled Creditors' Meeting is to be held by live audio webcast or telephone at:

Link: https://teams.microsoft.com/meet/287327251495556?p=VkbLE0CU9AqRqgptga
Dial-in number: +1 647-749-7010
Phone Conference ID: 247 082 915#

Affected Creditors who wish to attend the Rescheduled Creditors' Meeting should do so using the details provided above.

Any Affected Creditor Proxy validly delivered in connection with the Creditors' Meeting will remain valid and be accepted as a proxy in respect of the Rescheduled Creditors' Meeting. Affected Creditors may also submit a new or additional Affected Creditor Proxy, which must be received by the Monitor no later than 5:00 p.m. (MDT) on the date that is two (2) Business Days prior to the Rescheduled Creditors' Meeting (or any further adjournment thereof).

Except as expressly modified herein, all other terms and conditions of the Creditors' Meeting Order remain in full force and effect and are otherwise unchanged.

Yours very truly,

**ALVAREZ & MARSAL CANADA INC.**
in its capacity as Monitor of RDFN FUM Natural Products Ltd.
and RDFN FUM Natural Products Inc.
and not in its personal capacity

Per:

Orest Konowalchuk
Senior Vice President

**Alvarez & Marsal Canada Inc.**
Licensed Insolvency Trustees
Bow Valley Square 4
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Calgary, Alberta T2P 3H7
Phone: +1 403 538 7555
Fax: +1 403 538 7551

**IN THE MATTER OF THE PROPOSED**
**PLAN OF COMPROMISE OR ARRANGEMENT OF**
**RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC.**

**SECOND NOTICE OF ADJOURNMENT OF THE MEETING OF THE AFFECTED CREDITOR CLASS**

*All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Plan and the Creditors' Meeting Order.*

**PLEASE TAKE NOTICE** that the Creditors' Meeting is hereby further adjourned from September 23, 2026 at 10:00 a.m. (MDT) to **September 25, 2026 at 3:00 p.m. (MDT)** (the "**Rescheduled Creditors' Meeting**"). The Rescheduled Creditors' Meeting is to be held by live audio webcast or telephone at:

Link: https://teams.microsoft.com/meet/287327251495556?p=VkbLE0CU9AqRqgptga
Dial-in number: +1 647-749-7010
Phone Conference ID: 247 082 915#

Affected Creditors who wish to attend the Rescheduled Creditors' Meeting should do so using the details provided above.

Any Affected Creditor Proxy validly delivered in connection with the Creditors' Meeting will remain valid and be accepted as a proxy in respect of the Rescheduled Creditors' Meeting. Affected Creditors may also submit a new or additional Affected Creditor Proxy, which must be received by the Monitor no later than 5:00 p.m. (MDT) on the date that is two (2) Business Days prior to the Rescheduled Creditors' Meeting (or any further adjournment thereof).

Except as expressly modified herein, all other terms and conditions of the Creditors' Meeting Order remain in full force and effect and are otherwise unchanged.

Yours very truly,

**ALVAREZ & MARSAL CANADA INC.**
in its capacity as Monitor of RDFN FUM Natural Products Ltd.
and RDFN FUM Natural Products Inc.
and not in its personal capacity

Per:



Orest Konowalchuk
Senior Vice President

**Alvarez & Marsal Canada Inc.**
Licensed Insolvency Trustees
Bow Valley Square 4
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Fax: +1 403 538 7551

**IN THE MATTER OF THE PROPOSED**
**PLAN OF COMPROMISE OR ARRANGEMENT OF**
**RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC.**

**THIRD NOTICE OF ADJOURNMENT OF THE MEETING OF THE AFFECTED CREDITOR CLASS**

*All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Plan and the Creditors' Meeting Order.*

**PLEASE TAKE NOTICE** that the Creditors' Meeting is hereby further adjourned from September 25, 2026 at 3:00 p.m. (MDT) to **September 28, 2026 at 9:00 a.m. (MDT)** (the "**Rescheduled Creditors' Meeting**"). The Rescheduled Creditors' Meeting is to be held by live audio webcast or telephone at:

Link: https://teams.microsoft.com/meet/287327251495556?p=VkbLE0CU9AqRqgptga
Dial-in number: +1 647-749-7010
Phone Conference ID: 247 082 915#

Affected Creditors who wish to attend the Rescheduled Creditors' Meeting should do so using the details provided above.

Any Affected Creditor Proxy validly delivered in connection with the Creditors' Meeting will remain valid and be accepted as a proxy in respect of the Rescheduled Creditors' Meeting. Affected Creditors may also submit a new or additional Affected Creditor Proxy, which must be received by the Monitor no later than 5:00 p.m. (MDT) on the date that is two (2) Business Days prior to the Rescheduled Creditors' Meeting (or any further adjournment thereof).

Except as expressly modified herein, all other terms and conditions of the Creditors' Meeting Order remain in full force and effect and are otherwise unchanged.

Yours very truly,

**ALVAREZ & MARSAL CANADA INC.**
in its capacity as Monitor of RDFN FUM Natural Products Ltd.
and RDFN FUM Natural Products Inc.
and not in its personal capacity

Per:



Orest Konowalchuk
Senior Vice President

**Alvarez & Marsal Canada Inc.**
Licensed Insolvency Trustees
Bow Valley Square 4
Suite 1110
250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
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Fax: +1 403 538 7551

**IN THE MATTER OF THE PROPOSED**
**PLAN OF COMPROMISE OR ARRANGEMENT OF**
**RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC.**

**FOURTH NOTICE OF ADJOURNMENT OF THE MEETING OF THE AFFECTED CREDITOR CLASS**

*All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Plan and the Creditors' Meeting Order.*

**PLEASE TAKE NOTICE** that the Creditors' Meeting was held on September 28, 2026 at 9:00 a.m. (MDT) and the Chairperson adjourned the meeting to **September 30, 2026 at 3:00 p.m. (MDT)** (the "**Rescheduled Creditors' Meeting**") to allow RDFN FUM Natural Products LTD. **("FUM Canada")** to address final creditor claim matters that will have material impact on the voting of the Plan to FUM Canada's creditors. The Rescheduled Creditors' Meeting is to be held by live audio webcast or telephone at:

Link: https://teams.microsoft.com/meet/287327251495556?p=VkbLE0CU9AqRqgptga
Dial-in number: +1 647-749-7010
Phone Conference ID: 247 082 915#

Affected Creditors who wish to attend the Rescheduled Creditors' Meeting should do so using the details provided above.

Any Affected Creditor Proxy validly delivered in connection with the Creditors' Meeting will remain valid and be accepted as a proxy in respect of the Rescheduled Creditors' Meeting. Affected Creditors may also submit a new or additional Affected Creditor Proxy, which must be received by the Monitor no later than 5:00 p.m. (MDT) on the date that is two (2) Business Days prior to the Rescheduled Creditors' Meeting (or any further adjournment thereof).

Except as expressly modified herein, all other terms and conditions of the Creditors' Meeting Order remain in full force and effect and are otherwise unchanged.

Yours very truly,

**ALVAREZ & MARSAL CANADA INC.**
in its capacity as Monitor of RDFN FUM Natural Products Ltd.
and RDFN FUM Natural Products Inc.
and not in its personal capacity



Orest Konowalchuk
Senior Vice President

**Alvarez & Marsal Canada Inc.**
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**IN THE MATTER OF THE PROPOSED**
**PLAN OF COMPROMISE OR ARRANGEMENT OF**
**RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC.**

**FIFTH NOTICE OF ADJOURNMENT OF THE MEETING OF THE AFFECTED CREDITOR CLASS**

*All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Plan and the Creditors' Meeting Order.*

**PLEASE TAKE NOTICE** that the Creditors' Meeting was held on September 30, 2026 at 3:00 p.m. (MDT) and the Chairperson adjourned the meeting to **October 1, 2026 at 3:00 p.m. (MDT)** (the "**Rescheduled Creditors' Meeting**") to allow RDFN FUM Natural Products LTD. **("FUM Canada")** to address final creditor claim matters that will have material impact on the voting of the Plan to FUM Canada's creditors. The Rescheduled Creditors' Meeting is to be held by live audio webcast or telephone at:

Link: https://teams.microsoft.com/meet/287327251495556?p=VkbLE0CU9AqRqgptga
Dial-in number: +1 647-749-7010
Phone Conference ID: 247 082 915#

Affected Creditors who wish to attend the Rescheduled Creditors' Meeting should do so using the details provided above.

Any Affected Creditor Proxy validly delivered in connection with the Creditors' Meeting will remain valid and be accepted as a proxy in respect of the Rescheduled Creditors' Meeting. Affected Creditors may also submit a new or additional Affected Creditor Proxy, which must be received by the Monitor no later than 5:00 p.m. (MDT) on the date that is two (2) Business Days prior to the Rescheduled Creditors' Meeting (or any further adjournment thereof).

Except as expressly modified herein, all other terms and conditions of the Creditors' Meeting Order remain in full force and effect and are otherwise unchanged.

Yours very truly,

**ALVAREZ & MARSAL CANADA INC.**
in its capacity as Monitor of RDFN FUM Natural Products Ltd.
and RDFN FUM Natural Products Inc.
and not in its personal capacity



Orest Konowalchuk
Senior Vice President

**Alvarez & Marsal Canada Inc.**
Licensed Insolvency Trustees
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Calgary, Alberta T2P 3H7
Phone: +1 403 538 7555
Fax: +1 403 538 7551

**IN THE MATTER OF THE PROPOSED**
**PLAN OF COMPROMISE OR ARRANGEMENT OF**
**RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC.**

**SIXTH NOTICE OF ADJOURNMENT OF THE MEETING OF THE AFFECTED CREDITOR CLASS**

*All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Plan and the Creditors' Meeting Order.*

**PLEASE TAKE NOTICE** that the Creditors' Meeting was held on October 1, 2026 at 3:00 p.m. (MDT) and the Chairperson adjourned the meeting to **October 2, 2026 at 10:00 a.m. (MDT)** (the "**Rescheduled Creditors' Meeting**") to allow RDFN FUM Natural Products LTD. **("FUM Canada")** to address final creditor claim matters that will have material impact on the voting of the Plan to FUM Canada's creditors. The Rescheduled Creditors' Meeting is to be held by live audio webcast or telephone at:

Link: https://teams.microsoft.com/meet/287327251495556?p=VkbLE0CU9AqRqgptga
Dial-in number: +1 647-749-7010
Phone Conference ID: 247 082 915#

Affected Creditors who wish to attend the Rescheduled Creditors' Meeting should do so using the details provided above.

Any Affected Creditor Proxy validly delivered in connection with the Creditors' Meeting will remain valid and be accepted as a proxy in respect of the Rescheduled Creditors' Meeting. Affected Creditors may also submit a new or additional Affected Creditor Proxy, which must be received by the Monitor no later than 5:00 p.m. (MDT) on the date that is two (2) Business Days prior to the Rescheduled Creditors' Meeting (or any further adjournment thereof).

Except as expressly modified herein, all other terms and conditions of the Creditors' Meeting Order remain in full force and effect and are otherwise unchanged.

Yours very truly,

**ALVAREZ & MARSAL CANADA INC.**
in its capacity as Monitor of RDFN FUM Natural Products Ltd.
and RDFN FUM Natural Products Inc.
and not in its personal capacity

Orest Konowalchuk
Senior Vice President

**THIS IS EXHIBIT "B" TO THE**
**AFFIDAVIT OF BRAEDEN PAULS,**
**SWORN BEFORE ME AT THE CITY OF CALGARY,**
**IN THE PROVINCE OF ALBERTA,**
**THIS 2ND DAY OF OCTOBER, 2026**



**A Commissioner for Oaths in and for**
**the Province of Alberta**

**ERINN V. WILSON**
**Barrister & Solicitor**

**Form 3**
[Rule 2.28]

| | |
|---|---|
| COURT FILE NUMBER | 2601 03446 |
| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | CALGARY |
| MATTER | IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED<br><br>AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF RDFN FUM NATURAL PRODUCTS LTD. and RDFN FUM NATURAL PRODUCTS INC. |
| APPLICANTS | RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC. |
| DOCUMENT | **PLAN OF COMPROMISE AND ARRANGEMENT** |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT | MLT AIKINS LLP<br>Barristers and Solicitors<br>2100, 222 3rd Avenue S.W.<br>Calgary, Alberta T2P 0B4<br>Attention: Ryan Zahara/Chris Nyberg<br>Phone: 403.693.2636<br>Fax: 403.508.4349<br>File: 0185373.00001 |

Clerk's Stamp

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**PLAN OF COMPROMISE AND ARRANGEMENT OF RDFN FUM NATURAL PRODUCTS LTD. PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT* (CANADA)**

August 19, 2026

**RECITALS**

A. RDFN FUM Natural Products LTD. ("**FUM**") and RDFN FUM Natural Products Inc. ("**FUM US**" and together with FUM, the "**FUM Group**") are insolvent.

B. Pursuant to the order of the Honourable Justice J.T. Neilson of the Court of King's Bench of Alberta (the "**Court**") issued March 2, 2026 (as amended and restated on March 2, 2026, and as may be further amended and restated, the "**Initial Order**"), the FUM Group commenced proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and Alvarez & Marsal Canada Inc. was appointed Monitor of the FUM Group (in such capacity, the "**Monitor**") for the proceedings commenced by the Initial Order (the "**CCAA Proceedings**").

C. The CCAA Proceedings were, among other things, recognized on March 30, 2026 under Chapter 15 of the *US Bankruptcy Code* pursuant to the Order (the "**Chapter 15 Order**") of the Honorable Hilary L. Barnes, a United States Bankruptcy Judge of the United States Bankruptcy Court in the District of Nevada (the "**Chapter 15 Court**") in Case No. BK-26-11021-hlb jointly administered with Case No. BK-26-11022 (the "**Chapter 15 Proceedings**").

D. This Plan will facilitate the bankruptcy of FUM US and the continuation of the business of FUM as a going concern and makes provision for recoveries to certain stakeholders.

**NOW THEREFORE** FUM hereby proposes and presents this Plan under and pursuant to the CCAA:

## ARTICLE 1
## DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

(a) In this Plan (including the recitals and Schedules hereto), unless otherwise stated, the capitalized terms and phrases set out below shall have the following meanings:

(b) "**Accepted Claim**" means the Affected Claim of a Creditor, as finally determined in accordance with the Claims Process Order and any other Order in the CCAA Proceedings and/or this Plan;

(c) "**Accepted Secured Claim**" means the Secured Claim of a Creditor, as finally determined in accordance with the Claims Process Order and any other Order in the CCAA Proceedings and/or this Plan (including any Disputed Secured Claims which are accepted as Accepted Secured Claims in accordance with the terms hereof), being those claims listed on Schedule C hereto as of the Effective Date;

(d) "**Accepted Unsecured Claim**" means the Unsecured Claim of a Creditor, as finally determined in accordance with the Claims Process Order and any other Order in the CCAA Proceedings and/or this Plan (including any Disputed Unsecured Claims which are accepted as Accepted Unsecured Claims in accordance with the terms hereof), being those claims listed on Schedule C hereto as of the Effective Date;

(e) "**Administration Charge**" means the Administration Charge granted under the Initial Order;

(f) "**Affected Claim**" means all Claims against FUM, other than an Unaffected Claim;

(g) "**Affected Creditor**" means a holder of an Affected Claim;

(h) "**Affected Secured Claims**" means all Secured Claims against FUM;

(i) "**Affected Secured Creditors**" means all Creditors with a Secured Claim against FUM;

(j) "**Affected Unsecured Claims**" means all Unsecured Claims against FUM;

(k) "**Affected Unsecured Creditors**" means all Creditors with an Unsecured Claim against FUM;

(l) "**Applicable Law**" means, at any time, in respect of any Person, property, transaction, event or other matter, as applicable, all laws, rules, statutes, regulations, treaties, orders, judgments and decrees, and all official requests, directives, rules, guidelines, orders, policies, practices and other requirements of any Authorized Authority;

(m) "**Authorized Authority**" means, in relation to any Person, property, transaction, event or other matter, as applicable, any:

(i) federal, provincial, territorial, state, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign;

(ii) agency, authority, commission, instrumentality, regulatory body, court, or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any Taxing Authority;

(iii) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, including the CCAA Court; or

(iv) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange,

(v) in each case having jurisdiction over such Person, property, transaction, event or other matter;

(n) "**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;

(o) "**Business Day**" means, with respect to any action to be taken, any day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Calgary, Alberta, Canada;

(p) "**Cash on Hand**" means all cash and cash equivalents (including marketable securities and short-term investments);

(q) "**CCAA**" has the meaning given to it in the recitals;

(r) "**CCAA Charges**" means the Administration Charge and any further charges granted by Order of the CCAA Court;

(s) "**CCAA Court**" means the Court of King's Bench of Alberta;

(t) "**CCAA Proceedings**" has the meaning given to it in the recitals;

(u) "**Chapter 15 Court**" has the meaning given to it in the recitals;

(v) "**Chapter 15 Order**" has the meaning given to it in the recitals;

(w) "**Chapter 15 Proceedings**" has the meaning given to it in the recitals;

(x) "**Claim**" has the meaning set forth in the Claims Process Order or, if applicable, this Plan and includes any of the following:

(i) a Pre-Filing Claim;

(ii) a D&O Indemnity Claim;

(iii) a Secured Claim;

(iv) a Convenience Class Claim;

(v) an Equity Claim;

(vi) an Unsecured Claim.

(y) "**Claims Bar Date**" shall have the meaning given to it in the Claims Process Order.

(z) "**Claims Process Order**" means the Claims Process Order granted by the CCAA Court in the CCAA Proceedings dated April 23, 2026, as such Order may be amended, restated or varied from time to time by subsequent Order(s);

(aa) "**Continuing Contract**" means a contract, arrangement or other agreement (oral or written) for which a notice of disclaimer pursuant to Section 32 of the CCAA or equivalent provision of foreign Applicable Law (including a rejection pursuant to the *US Bankruptcy Code*) has not been sent by FUM on or prior to the Disclaimer Deadline such that the agreement will remain in effect on the Effective Date;

(bb) "**Convenience Class Claim**" means (i) any Accepted Unsecured Claim of a Creditor in an amount that is less than or equal to $2,500, and (ii) any Accepted Unsecured Claim of a Creditor in an amount greater than $2,500 if the relevant Creditor has made a valid Convenience Class Distribution Election for purposes of this Plan in accordance with the Creditors' Meeting Order and this Plan;

(cc) "**Convenience Class Creditor**" means a Unsecured Creditor with a Convenience Class Claim;

(dd) "**Convenience Class Distribution Election**" means an election:

(i) made by a Creditor with an Accepted Unsecured Claim greater than $2,500

by delivery of a duly completed and executed Distribution Election Notice to the Monitor by no later than the Distribution Election Deadline electing to receive the Convenience Class Distribution Election Amount in full satisfaction of its Accepted Claim; and

(ii) deemed to have been made by each Creditor with an Accepted Unsecured Claim equal to or less than $2,500;

(ee) "**Convenience Class Distribution Election Amount**" means, in respect of any Accepted Unsecured Claim of a Creditor for which a valid Convenience Class Distribution Election has been made or has been deemed to have been made in accordance with this Plan, the lesser of (i) a cash amount equal to $2,500; and (ii) the cash amount of such Accepted Claim;

(ff) "**Creditor**" means any holder of a Claim and includes a transferee of the whole of a Claim that is recognized as a Creditor in accordance with this Plan, the Claims Process Order or any other Order, as applicable, or a trustee, liquidator, receiver, receiver and manager or other Person acting on behalf of such holder;

(gg) "**Creditors' Meeting**" means the applicable meetings of the classes of Affected Creditors called for the purposes of considering and voting in respect of this Plan, as set out in and held pursuant to the Creditors' Meeting Order, and includes any postponements or adjournments thereof;

(hh) "**Creditors' Meeting Order**" means an Order to be sought by FUM from the CCAA Court on or about August 28, 2026 that, among other things, accepts the filing of this Plan, and orders and declares the procedures to be followed in connection with the Creditors' Meeting, as such Order may be amended, restated or varied from time to time by subsequent Order;

(ii) "**Creditors' Meeting Record Date**" means, subject to the Creditors' Meeting Order, 4:00 p.m. (Calgary time) on the date that is **two (2)** Business Days prior to the Creditors' Meeting;

(jj) "**Crown**" means His Majesty in right of Canada or any province or territory of Canada;

(kk) "**D&O Indemnity Claim**" means any existing or future right of any Director or Officer against FUM which arose or arises as a result of any Person filing a Proof of Claim in respect of such Director or Officer for which such Director or Officer is entitled to be indemnified by FUM;

(ll) "**Definitive Documents**" has the meaning attributed to it in the Initial Order;

(mm) "**Director**" means any Person who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of FUM;

(nn) "**Disallowed Claim**" means a Claim (or any portion thereof) which has been finally disallowed in accordance with the Claims Process Order or any other Order;

(oo) "**Disclaimer Deadline**" means 5:00 p.m. (Calgary time) on the day which is 21 days prior to the applicable Creditors' Meeting or if such day is not a Business Day then the immediately preceding Business Day;

(pp) "**Disputed Claim**" means that portion of a Claim in respect of which a Creditor has delivered a Notice of Dispute pursuant to the Claims Process Order which has not been allowed or accepted for voting and/or distribution purposes or which has not been barred, determined, or finally disallowed pursuant to the Claims Process Order. For greater certainty, once a Disputed Claim is finally determined, it shall become an Accepted Claim or Disallowed Claim;

(qq) "**Disputed Secured Claim**" has the meaning given to it in Section 3.4(a);

(rr) "**Distribution Election**" means an election to receive the Convenience Class Distribution Election Amount;

(ss) "**Distribution Election Deadline**" means 5:00 p.m. on the date that is two (2) Business Days before the Creditors' Meeting;

(tt) "**Distribution Election Notice**" means a completed form submitted by a holder of an Accepted Unsecured Claim in form and substance acceptable to FUM;

(uu) "**Effective Date**" means the day on which the Monitor delivers the Monitor's Certificate to FUM pursuant to Section 8.3 of this Plan;

(vv) "**Effective Time**" means 12:01 a.m. (Calgary time) on the Effective Date or such other time as the CCAA Court may order;

(ww) "**Equity Claim**" has the meaning given to it in Section 2(1) of the CCAA;

(xx) "**Filing Date**" means March 2, 2026;

(yy) "**FUM**" has the meaning given to it in the recitals;

(zz) "**Initial Order**" has the meaning given to it in the recitals;

(aaa) "**ITA**" means the *Income Tax Act* (Canada), R.S.C. 1985, c.1 (5th Supp.), as amended;

(bbb) "**Lien**" means any mortgage, charge, pledge, assignment by way of security, lien, hypothec, security interest, deemed trust or other encumbrance granted or arising pursuant to a written agreement or statute or otherwise created by law;

(ccc) "**MLTA**" means MLT Aikins LLP, legal counsel to FUM;

(ddd) "**Monitor**" has the meaning given to it in the recitals;

(eee) "**Monitor's Certificate**" has the meaning given to it in Section 8.3 of this Plan in substantially the form set out on Schedule B ;

(fff) "**Monitor's Website**" means the website of the Monitor, https://alvarezandmarsal.com/fum upon which the various materials arising in connection with the CCAA Proceedings are posted from time to time;

(ggg) "**Notice of Dispute**" has the meaning given to it in the Claims Process Order;

(hhh) "**Officer**" means any Person who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of FUM;

(iii) "**Order**" means any order of the CCAA Court in the CCAA Proceedings;

(jjj) "**Person**" shall be broadly interpreted and includes an individual, partnership, firm, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, entity, corporation, unincorporated association or organization, syndicate, committee, court appointed representative, the government of a country or any political subdivision thereof, or any agency, board, tribunal, commission, bureau, instrumentality or department of such government or political subdivision, or any other entity, howsoever designated or constituted, including any Taxing Authority, and the trustees, executors, administrators, or other legal representatives of an individual, and for greater certainty includes any Authorized Authority;

(kkk) "**Plan**" means this Plan of Compromise and Arrangement, as it may be further amended, restated, supplemented or replaced in accordance with the terms hereof;

(lll) "**Plan Distributions**" means the Secured Pro Rata Distributions and Unsecured Pro Rata Distributions;

(mmm) "**Plan Distribution Date**" means a date not more than five (5) Business Days after the Effective Date or such other date specified in the Sanction Order;

(nnn) "**Plan Distribution Record Date**" means the date that is two (2) Business Days prior to the Plan Distribution Date;

(ooo) "**Plan Implementation Fund**" means an amount equal to the Secured Creditor Cash Fund and the Unsecured Creditor Cash Fund;

(ppp) "**Plan Outside Date**" means November 30, 2026;

(qqq) "**Post-Filing Ordinary Course Payables**" means post-Filing Date payables that were incurred by FUM (i) after the Filing Date and before the Effective Date; (ii) in the ordinary course of business; and (iii) in compliance with the Initial Order and other Orders issued in connection with the CCAA Proceedings;

(rrr) "**Post-Filing Ordinary Course Payables Claims**" means claims incurred as a result of Post-Filing Ordinary Course Payables;

(sss) "**Pre-Filing Claims**" has the meaning given to it in the Claims Process Order;

(ttt) "**Proof of Assignment**" means a notice of transfer of the whole of a Claim executed by a Creditor and the transferee, together with satisfactory evidence of such transfer as may be reasonably required by the Monitor;

(uuu) "**Proof of Claim**" means a proof of claim, in substantially the form(s) attached to the Claims Process Order, as submitted in accordance with the Claims Process Order;

(vvv) "**Released Claims**" has the meaning given to it in Section 10.4 of this Plan;

(www) "**Released Party**" has the meaning given to it in Section 10.4 of this Plan;

(xxx) "**Required Majority**" means the affirmative vote of each class of a majority in number of all voting (in person or by proxy) Creditors holding Accepted Claims and representing not less than 66⅔% in value of the Accepted Claims voting (in person or by proxy) at such Creditors' Meeting;

(yyy) "**Restructuring Transactions**" has the meaning given to it in Section 6.1 of this Plan;

(zzz) "**Sanction Order**" means an Order, in form and substance acceptable to FUM and the Monitor, among other things, sanctioning this Plan and giving directions regarding its implementation;

(aaaa) "**Secured Claim**" means a Claim which asserts or claims a Lien over the assets or property of FUM, but expressly excludes Unaffected Claims;

(bbbb) "**Secured Creditor Cash Fund**" means the amount of $1,100,000;

(cccc) "**Secured Pro Rata Distribution**" means the amount of the Secured Total Distributions payable to the applicable Accepted Secured Claims based on their pro rata share of the: (i) Secured Creditor Cash Fund on the Plan Distribution Date (the "**Secured Initial Distribution**"); and (ii) the Secured Pro Rata Installments, in each case in accordance with this Plan.

(dddd) "**Secured Pro Rata Installments**" means approximately $26,871 per month over a seven (7) month period commencing on the date that is thirty (30) days after the date of payment of the Secured Initial Distribution to fund the balance of the Secured Pro Rata Distributions following distribution of the Secured Creditor Cash Fund;

(eeee) "**Secured Total Distributions**" means the amount of $1,288,100 which is inclusive of the Secured Creditor Cash Fund and all Secured Pro Rata Installments;

(ffff) "**Tax**" or "**Taxes**" means any and all taxes including all income, sales, use, goods and services, harmonized sales, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, levies, imposts and other assessments or similar charges in the nature of a tax including Canada Pension Plan and provincial pension plan contributions, employment insurance and unemployment insurance payments and workers' compensation premiums, together with any instalments with respect thereto, and any interest, penalties, fines, fees, other charges and additions with respect thereto;

(gggg) "**Taxing Authorities**" means His Majesty the King, His Majesty the King in right of Canada, His Majesty the King in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of each and every province or territory of Canada or municipality therein and any political subdivision thereof, and any Canadian governmental authority exercising taxing powers in administering and/or collecting Taxes; provided it shall not include any foreign taxing authority;

(hhhh) "**Unaffected Claim**" has the meaning given to it in Section 3.3 of this Plan;

(iiii) "**Unaffected Creditor**" means a holder of an Unaffected Claim;

(jjjj) "**Unsecured Claim**" means all Affected Claims, other than Secured Claims;

(kkkk) "**Unsecured Creditor**" means the holder of an Unsecured Claim;

(llll) "**Unsecured Creditor Cash Fund**" means the maximum amount of up to $66,741.00 reflecting the aggregate amount of the Convenience Class Claims (the "**Unsecured Initial Distribution**");

(mmmm) "**Unsecured Creditor Class**" means the class comprised of Unsecured Creditors;

(nnnn) "**Unsecured Pro Rata Distributions**" means the maximum amount of $330,000 available for the applicable Accepted Unsecured Claim up to the maximum of their pro rata share of the $330,000 payable based on their pro rata share of the Unsecured Pro Rata Installments, in each case in accordance with this Plan;

(oooo) "**Unsecured Pro Rata Installments**" means $30,000 per month to fund the Unsecured Pro Rata Distributions commencing thirty (30) days after completion of the Secured Pro Rata Installments and continuing over an eleven (11) month period.

(pppp) "**Voting Claim**" means the amount of:

(i) an Affected Secured Claim for which a Proof of Claim is filed, which, as at the Creditors' Meeting Record Date, (i) is an Accepted Secured Claim or (ii) has been accepted or deemed to be an Accepted Secured Claim solely for voting purposes pursuant to the Claims Process Order, the Creditors' Meeting Order or any other Order; and

(ii) an Affected Unsecured Claim for which a Proof of Claim is filed, which, as at the Creditors' Meeting Record Date, (i) is an Accepted Unsecured Claim or (ii) has been accepted or deemed to be an Accepted Unsecured Claim solely for voting purposes pursuant to the Claims Process Order, the Creditors' Meeting Order or any other Order.

### 1.2 Article and Section Reference

The terms "this Plan", "hereof", "hereunder", "herein", and similar expressions refer to this Plan, and not to any particular article, section, subsection, paragraph or clause of this Plan and include any variations, amendments, modifications or supplements hereto. In this Plan, a reference to an article, section, subsection, clause or paragraph shall, unless otherwise stated, refer to an article, section, subsection, paragraph or clause of this Plan.

### 1.3 Extended Meanings

In this Plan, where the context so requires, any word importing the singular number shall include the plural and *vice versa*, and any word or words importing gender shall include all genders.

### 1.4 Interpretation Not Affected by Headings

The division of this Plan into articles, sections, subsections, paragraphs and clauses and the insertion of a table of contents and headings are for convenience of reference and shall not affect the construction or interpretation of this Plan.

### 1.5 Inclusive Meaning

As used in this Plan, the words "**include**", "**includes**", "**including**" or similar words of inclusion means, in any case, those words as modified by the words "**without limitation**" and "**including without limitation**"; so that references to included matters shall be regarded as illustrative rather than exhaustive.

### 1.6 Currency

Unless otherwise stated herein, all references to currency in this Plan are to lawful money of Canada. For the purposes of voting or distribution, a Claim shall be denominated in Canadian Dollars and all cash distributions under this Plan shall be paid in Canadian Dollars. Any Claim in a currency other than Canadian Dollars will be deemed to have been converted to Canadian Dollars at the noon spot rate of exchange quoted by the Bank of Canada for exchanging such currency to Canadian Dollars as at the Filing Date, which rate for greater certainty for the conversion of United States Dollars to Canadian Dollars was US 1 = CDN 1.37.

### 1.7 Statutory References

Any reference in this Plan to a statute includes all regulations made thereunder, all amendments to such statute or regulations in force from time to time to the date of this Plan and any statute or regulation that supplements or supersedes such statute or regulation to the date of this Plan.

### 1.8 Successors and Assigns

The rights, benefits and obligations of any Person named or referenced in this Plan shall be binding on and shall inure to the benefit of any heir, administrator, executor, legal personal representative, successor or assign, as the case may be, or a trustee, receiver, interim receiver, receiver and manager, liquidator or other Person acting on behalf of such Person, as permitted hereunder.

### 1.9 Governing Law

This Plan shall be governed by and construed and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to any conflict of law provision that would require the application of the law of any other jurisdiction. Any dispute or issue in connection with, or related to the interpretation, application or effect of this Plan and all proceedings taken in connection with this Plan and its revisions shall be subject to the exclusive jurisdiction of the CCAA Court.

### 1.10 Severability of Plan Provisions

If any provision of this Plan is or becomes illegal, invalid or unenforceable on or following the Effective Date in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Plan, or the legality, validity or enforceability of that provision in any other jurisdiction.

### 1.11 Timing Generally

Unless otherwise specified, all references to time herein, and in any document issued pursuant hereto, shall mean local time in Calgary, Alberta, Canada and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. (Calgary time) on such Business Day.

### 1.12 Time of Payments and Other Actions

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day. Wherever any payment to be made or action to be taken under this Plan is required to be made or to be taken on a day other than a Business Day, such payment shall be made or action taken on the next succeeding Business Day.

### 1.13 Schedules

The following are the Schedules to this Plan, which are incorporated by reference into this Plan and form an integral part hereof:

| | | |
|---|---|---|
| Schedule A | - | Restructuring Transactions |
| Schedule B | - | Form of Monitor's Certificate |
| Schedule C | - | Accepted Claims |

## ARTICLE 2
## PURPOSE AND EFFECT OF PLAN

### 2.1 Purpose

The purpose of this Plan is:

(a) to facilitate the bankruptcy of FUM US;

(b) to effect a compromise and arrangement of all Affected Claims of FUM; and

(c) to effect a release and discharge of all Affected Claims of FUM and the Released Claims;

in order to windup the operations of FUM US in an orderly manner and enable the business of FUM to continue as a going concern, in the expectation that a greater benefit will be derived from the continued operation of its business than would result from the forced liquidation of FUM's assets.

### 2.2 Persons Affected

The Plan provides for a compromise of all Affected Claims. This Plan will become effective at the Effective Time and shall be binding upon and enure to the benefit of FUM and all Persons named or referred to in, or subject to, this Plan, including for certainty, all Affected Creditors with Affected Claims, and their respective heirs, executors, administrators, legal representatives, successors and assigns in accordance with its terms.

### 2.3 Persons Not Affected

Except as expressly provided in this Plan, the Plan does not affect the Unaffected Creditors with respect to and to the extent of their Unaffected Claims.

## ARTICLE 3
## CLASSIFICATION OF CREDITORS AND CLAIMS

### 3.1 Claims Procedure

The procedure for determining the validity and quantum of the Affected Claims and for resolving Disputed Claims for voting and distribution purposes under this Plan shall be governed by the Claims Process Order, the Creditors' Meeting Order, the CCAA and this Plan.

### 3.2 Classification of Creditors

For the purposes of considering and voting on this Plan and receiving a distribution hereunder, the Affected Secured Creditors are grouped into one class and the Affected Unsecured Creditors are grouped into another class. For certainty, and notwithstanding anything to the contrary herein, (a) no Affected Creditors other than Affected Secured Creditors and Affected Unsecured Creditors shall be permitted to vote on the Plan; and (b) no Creditors of FUM US shall be permitted to vote on the Plan.

### 3.3 Claims Unaffected by the Plan

This Plan does not compromise, release, discharge or otherwise affect the following (collectively, "**Unaffected Claims**"):

(a) Claims secured by the CCAA Charges;

(b) D&O Indemnity Claims;

(c) Claims against FUM US;

(d) Post-Filing Ordinary Course Payables Claims which shall be paid in the ordinary course in accordance with usual practice; and

(e) Claims which have been filed and preserved in accordance with the Claims Process Order that cannot be compromised due to the provisions of Section 19(2) of the CCAA, except any Claims to which Section 10.11 of this Plan applies which shall be Affected Claims for the purposes of this Plan.

Persons with Unaffected Claims shall not be entitled to vote at any Creditors' Meeting or receive any distributions under this Plan in respect of the portion of their claim which is an Unaffected Claim. Nothing in this Plan shall affect FUM's or the Directors' rights to defences, both legal and equitable, with respect to any Unaffected Claim including any rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Unaffected Claims.

### 3.4 Disputed Secured Claims

(a) In the event that a Secured Claim remains in dispute (with respect to either or both the quantum or its priority secured status) and such dispute is not finally resolved as of the

Plan Distribution Record Date (a "**Disputed Secured Claim**"), FUM and the Person holding the Disputed Secured Claim shall proceed to finally determine whether the Disputed Secured Claim is an Accepted Secured Claim (in whole or in part), an Unsecured Claim (in whole or in part), or a Disallowed Claim in accordance with the Claims Process Order or other Order or by agreement between FUM and the Person holding the Disputed Secured Claim. Subject to the terms hereof, such process to determine the status of any Disputed Secured Claims shall in no way delay or otherwise affect the implementation of the Plan.

(b) If a Disputed Secured Claim is finally determined to be an Accepted Secured Claim (in whole or in part) prior to the Plan Distribution Date, it shall be added to the list of Accepted Secured Claims and shall be entitled to its pro rata distribution of the Secured Initial Distribution and all subsequent Secured Pro Rata Installments. If a Disputed Secured Claim is finally determined to be an Accepted Secured Claim (in whole or in part) after the Plan Distribution Date, it shall be added to the list of Accepted Secured Claims and shall be entitled to its pro rata distribution of all subsequent Secured Pro Rata Installments but shall not receive or be entitled to its share of any Secured Initial Distribution.

(c) As of the Effective Date, any security underlying any Secured Claim or any Accepted Secured Claim, whether arising pursuant to agreement or statute, registered or unregistered, perfected or unperfected, shall be irrevocably fully and finally discharged as against FUM and all of FUM's business, assets and undertakings.

### 3.5 Disputed Unsecured Claims

(a) In the event that an Unsecured Claim remains in dispute (with respect to either or both the quantum or its priority secured status) and such dispute is not finally resolved as of the Plan Distribution Record Date (a "**Disputed Unsecured Claim**"), FUM and the Person holding the Disputed Unsecured Claim shall proceed to finally determine whether the Disputed Unsecured Claim is an Accepted Unsecured Claim (in whole or in part), a Secured Claim (in whole or in part), or a Disallowed Claim in accordance with the Claims Process Order or other Order or by agreement between FUM and the Person holding the Disputed Unsecured Claim. Subject to the terms hereof, such process to determine the status of any Disputed Unsecured Claims shall in no way delay or otherwise affect the implementation of the Plan.

(b) If a Disputed Unsecured Claim is finally determined to be an Accepted Unsecured Claim (in whole or in part) prior to the Plan Distribution Date, it shall be added to the list of Accepted Unsecured Claims and shall be entitled to its pro rata distribution of the Unsecured Pro Rata Installments. If a Disputed Unsecured Claim is finally determined to be an Accepted Unsecured Claim (in whole or in part) after the Plan Distribution Date and payment of the Unsecured Pro Rata Installments has started, it shall be added to the list of Accepted Unsecured Claims and shall be entitled to its pro rata distribution of all subsequent Unsecured Pro Rata Installments but shall not receive or be entitled to its share of any previous Unsecured Pro Rata Installments.

### 3.6 Claims Secured by CCAA Charges

On the Effective Date, all outstanding obligations, liabilities, fees and disbursements secured by the Administration Charge, if any, which are evidenced by invoices as at the Effective Date shall be fully paid by the Monitor, on behalf of FUM, from the Plan Implementation Fund. The fees and

disbursements of legal counsel to FUM, the Monitor, legal counsel to the Monitor, or other Persons from time to time retained by FUM or the Monitor and any other costs and expenses incurred by FUM or the Monitor in connection with the implementation of this Plan, the resolution of Disputed Claims, and the termination of the CCAA Proceedings following the Effective Date shall continue to be secured by the Administration Charge until discharged by further Order of the CCAA Court on subsequent application and shall be paid by FUM in the normal course.

## ARTICLE 4
## ESTABLISHMENT OF THE PLAN IMPLEMENTATION FUND

### 4.1 Plan Implementation Fund

On or prior to the Effective Date, FUM shall deliver, or direct to be delivered, to the Monitor from FUM's Cash on Hand the aggregate amount necessary, as determined by the Monitor in consultation with FUM, which amount shall constitute the Plan Implementation Fund, and shall be used to pay or satisfy:

(a) the amount required to satisfy the CCAA Charges as of the Effective Date in accordance with Section 3.6 of this Plan; and

(b) the amount required to establish the Secured Creditor Cash Fund; and

(c) the amount required to establish the Unsecured Creditor Cash Fund.

In the event that excess funds remain in the Plan Implementation Fund after the payment of all amounts required under this Plan, the Monitor shall return such excess funds to FUM.

## ARTICLE 5
## VOTING AND TREATMENT OF CREDITORS

### 5.1 Voting by the Affected Creditors

(a) Pursuant to and in accordance with the Creditors' Meeting Order, Creditors with Voting Claims shall be entitled to one (1) vote per Voting Claim provided that the Creditors holding Accepted Secured Claims and Accepted Unsecured Claims shall vote separately as a class.

(b) For certainty, Convenience Class Creditors shall each be deemed to vote in favour of the Plan in the amount of such Creditor's Accepted Unsecured Claim.

### 5.2 Treatment of Accepted Claims

(a) Subject to the terms hereof, Creditors with Accepted Secured Claims shall receive the applicable Secured Pro Rata Distribution in respect of their Accepted Secured Claim, in accordance with the Plan.

(b) Creditors with Accepted Unsecured Claims on the Plan Distribution Date equal to or less than $2,500 shall be deemed to have made a Convenience Class Distribution Election and to have elected to and shall receive the Convenience Class Distribution Election Amount in respect of their Accepted Unsecured Claim in accordance with the Plan;

(c) Creditors with Accepted Unsecured Claims greater than $2,500 shall receive:

(i) the Convenience Class Distribution Election Amount in respect of their Accepted Unsecured Claim, in accordance with the Plan if a Convenience Class Distribution Election is made prior to the Distribution Election Deadline, paid in cash; or

(ii) the Unsecured Pro Rata Distributions in respect of their Accepted Unsecured Claim, in accordance with the Plan following payment of the entire amount of the Secured Pro Rata Distribution.

For certainty, an Unsecured Creditor with an Accepted Unsecured Claim greater than $2,500 that elects to receive the Convenience Class Distribution Election Amount shall be deemed to compromise and waive the balance of their Accepted Unsecured Claim in excess of $2,500.

(d) For certainty: (i) no Creditors of FUM other than the Creditors with Accepted Secured Claims and Accepted Unsecured Claims shall be entitled to or receive any amounts under this Plan; and (ii) no Creditors of FUM US shall be entitled to or receive any amounts under this Plan.

**5.3 Voting – Transferred Claims**

(a) Any Creditor may transfer the whole but not a portion of its Accepted Claim prior to the Creditors' Meeting in accordance with the Claims Process Order and the Creditors' Meeting Order, as applicable, provided that the Monitor shall not be obligated to deal with the transferee of such Accepted Claim as an Creditor in respect thereof, including allowing such transferee to vote at the Creditors' Meeting, unless a Proof of Assignment has been received by the Monitor prior to 5:00 p.m. (Calgary time) on the day that is at least ten (10) Business Days prior to the date of the applicable Creditors' Meeting and such transfer has been acknowledged in writing by the Monitor. Thereafter such transferee shall, for all purposes in accordance with the Claims Process Order, the Creditors' Meeting Order, the CCAA and this Plan, constitute an Creditor, as applicable, and shall be bound by any notices given or steps taken in respect of such Claim in accordance with the Creditors' Meeting Order and any further Orders.

(b) If a Creditor transfers the whole of its Accepted Claim to more than one Person or part of such Claim to another Person after the Filing Date, such transfer shall not create a separate Voting Claim and such Accepted Claim shall continue to constitute and be dealt with for the purposes hereof as a single Voting Claim.

(c) Notwithstanding such transfer, the Monitor shall not be bound to recognize or acknowledge any such transfer and shall be entitled to give notices to and otherwise deal with such Accepted Claim only as a whole and only to and with the Person last holding such Accepted Claim in whole as the applicable Creditor in respect of such Accepted Claim, provided such Creditor may, by notice in writing to the Monitor in accordance with and subject to the Creditors' Meeting Order and given prior to 5:00 p.m. (Calgary time) on the day that is at least ten (10) Business Days prior to the date of the Creditors' Meeting, direct the subsequent dealings in respect of such Accepted Claim, but only as a whole, shall be with a specified Person and in such event, such transferee of the Accepted Claim and the whole of such Accepted Claim shall be bound by any notices given or steps taken in respect of

such Accepted Claim in accordance with the Creditors' Meeting Order and any further Orders.

### 5.4 Voting

Except as otherwise set out in this Plan or in the Creditors' Meeting Order, each Creditor holding a Voting Claim or its designated proxyholder shall be entitled to attend the applicable Creditors' Meeting. The Monitor shall keep a separate record of votes cast by Creditors holding Disputed Claims and shall report to the CCAA Court with respect thereto at the CCAA Court hearing seeking the Sanction Order. The votes cast in respect of any Disputed Claims shall not be counted for any purpose unless, until and only to the extent that such Disputed Claim is finally determined to be an Accepted Claim, as applicable. FUM and the Monitor shall have the right to seek the assistance of the CCAA Court in valuing any Disputed Claim in accordance with the Claims Process Order, the Creditors' Meeting Order, the CCAA and this Plan, if required, to ascertain the result of any vote on this Plan.

### 5.5 Holders of Claims against FUM US

Holders of Claims against FUM US shall not be subject to this Plan and such Holders shall not be entitled to attend or vote in respect of their Claims at any Creditors' Meeting and shall not receive any distribution under this Plan on account of their Claims against FUM US. All Claims against FUM US shall be exclusively dealt with in the bankruptcy proceedings of FUM US under Chapter 7 of the US Bankruptcy Code.

### 5.6 Other Non-Voting Persons

Persons with claims secured by the CCAA Charges or that are Post-Filing Ordinary Course Payables Claims shall not be entitled to vote at any Creditors' Meeting in respect of the portion of their claim which is a claim secured by the CCAA Charges or that is a Post-Filing Ordinary Course Payables Claim.

## ARTICLE 6
## IMPLEMENTATION OF THE RESTRUCTURING TRANSACTIONS

### 6.1 Restructuring Transactions

(a) FUM and the Monitor, each as applicable, will take the steps set forth in Schedule A hereto (collectively, the "**Restructuring Transactions**"), which shall be consummated and become effective in the order set out therein, and will take any actions as may be necessary to effect a restructuring of FUM's business or overall organizational structure to reflect and implement the recapitalization of FUM, the Restructuring Transactions and the provisions of this Plan.

(b) The adoption, execution, delivery, implementation and consummation of all matters contemplated under this Plan involving corporate action of FUM will occur and be effective by the Effective Time, and will be authorized and approved under this Plan and by the CCAA Court, where appropriate, as part of the Sanction Order, in all respects and for all purposes without any requirement of further action by shareholders, Directors or Officers of FUM. All necessary approvals to take actions shall be deemed to have been obtained from the applicable Directors or shareholders of FUM, as applicable, including the deemed passing by any class of shareholders of any resolution or special resolution and no

shareholders' agreement or agreement between a shareholder and another Person limiting in any way the right to vote shares held by such shareholder or shareholders with respect to any of the steps contemplated by this Plan shall be deemed to be effective and any such agreement shall have no force and effect.

### 6.2 Effectuating Documents

Any current Director or Officer shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures and other agreements or documents, and take such other actions, as may be necessary or appropriate, on behalf of FUM, to effectuate and further evidence the terms and conditions of this Plan.

## ARTICLE 7
## PROVISIONS GOVERNING DISTRIBUTIONS

### 7.1 Distributions to the Secured Creditor Class

(a) Creditors with Accepted Secured Claims as of the Plan Distribution Date, shall receive their Secured Initial Distribution from the Secured Creditor Cash Fund in accordance with this Plan and afterwards shall receive their Secured Pro Rata Installments until they have received their maximum applicable Secured Pro Rata Distribution.

(b) FUM shall also have the right at any time to pay in full any remaining amount of the Secured Pro Rata Installments by providing the necessary payment amount to the Monitor.

(c) All cash distributions to be made under this Plan on the Plan Distribution Date to Creditors holding Accepted Secured Claims shall be made by the Monitor on behalf of FUM by cheque or by wire transfer and (i) in the case of a cheque, will be sent, via regular mail, to such Creditor to the address specified in the Proof of Claim filed by such Creditor or such other address as the Creditor may from time to time notify the Monitor in writing in accordance with Section 11.10 of this Plan or (ii) in the case of a wire transfer, shall be sent to an account specified by the Creditor to the Monitor in writing to the satisfaction of the Monitor.

### 7.2 Distributions to the Unsecured Creditor Class

(a) Convenience Class Creditors and Creditors with Accepted Unsecured Claims that have made a Convenience Class Distribution Election as of the Plan Distribution Date shall receive the applicable Convenience Class Distribution Election Amount from the Unsecured Creditor Cash Fund on the Plan Distribution Date in accordance with this Plan.

(b) Creditors with Accepted Unsecured Claims who have not made the Convenience Class Distribution Election by the Distribution Election Deadline, shall begin receiving the applicable Unsecured Pro Rata Installments thirty (30) days following payment of the last Secured Pro Rata Installments in accordance with this Plan until they have received their maximum applicable Unsecured Pro Rata Distribution.

(c) FUM shall also have the right at any time to pay in full any remaining amount of the Unsecured Pro Rata Distributions by providing the necessary payment amount to the Monitor.

(d) All cash distributions from the Unsecured Creditor Cash Fund to be made under this Plan to such Creditors holding Accepted Unsecured Claims shall be made by the Monitor on behalf of FUM by cheque or by wire transfer and (i) in the case of a cheque, will be sent, via regular mail, to such Creditor to the address specified in the Proof of Claim filed by such Creditor or such other address as the Creditor may from time to time notify the Monitor in writing in accordance with Section 11.10 of this Plan or (ii) in the case of a wire transfer, shall be sent to an account specified by the Creditor to the Monitor in writing to the satisfaction of the Monitor.

**7.3 Disputed Claims**

An Affected Secured Creditor holding a Disputed Claim shall not be entitled to receive a distribution under the Plan in respect of any portion thereof unless and until such Disputed Claim becomes an Accepted Secured Claim or Accepted Unsecured Claim.

**7.4 Interest on Affected Claims**

Other than as expressly provided herein, no interest, penalties or costs shall accrue or be paid on Accepted Claims from and after or in respect of the period following the Claims Bar Date. At the Effective Time, all interest accruing on any Affected Claim after or in respect of the period following the Filing Date shall be fully, finally and irrevocably and forever compromised, released discharged, cancelled, extinguished and barred under this Plan as against FUM and the Released Parties and the Plan Implementation Fund.

**7.5 Distributions in Respect of Transferred Claims**

FUM and the Monitor shall not be obligated to deliver any distributions under this Plan to any transferee of the whole of an Affected Claim unless a compliant Proof of Assignment has been delivered to the Monitor no later than the Plan Distribution Record Date.

**7.6 Undeliverable and Unclaimed Distributions**

(a) If any Creditor entitled to a distribution pursuant to this Plan cannot be located by the Monitor or FUM, or if any delivery or distribution to be made pursuant to this Plan is returned as undeliverable, such cash shall be set aside by either the Monitor or FUM, as applicable, and deposited in a segregated, non-interest-bearing account.

(b) If such Creditor is located by the Monitor or FUM, as applicable, within six (6) months after the applicable distribution date, such cash shall be distributed to such Creditor.

(c) If such Creditor cannot be located by the Monitor or FUM, or if any delivery or distribution to be made pursuant to this Plan is returned as undeliverable, the Claim of any Creditor with respect to such undelivered or unclaimed distribution shall be discharged and forever barred, notwithstanding any Applicable Law to the contrary, and any such cash allocable to the undeliverable or unclaimed distribution shall be released and returned by the Monitor to FUM or be retained by FUM, as applicable, free and clear of any claims of such Creditor or any other Creditors and their respective successors and assigns. For clarity, and notwithstanding anything to the contrary herein, nothing contained in this Plan shall require FUM or the Monitor to attempt to locate any holder of any undeliverable or unclaimed distributions.

### 7.7 Tax Matters

(a) Any terms and conditions of any Affected Secured Claims which purport to deal with the ordering of or grant of priority of payments of principal, interest, penalties or other amounts shall be deemed to be void and ineffective.

(b) Notwithstanding any other provision in this Plan, each Creditor that is to receive a distribution or payment pursuant to this Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed by any Authorized Authority on account of such distribution.

(c) Neither the Monitor, Alvarez & Marsal Canada Inc., nor FUM shall be liable in any way for any failure to deduct, withhold and remit any Tax obligations from any distributions payable hereunder to a Creditor or to any Person on behalf of any Creditor.

(d) In accordance with section 6(3) of the CCAA, all valid Accepted Claims payable to His Majesty in the right of Canada or a province, shall be payable in full of all amounts that were outstanding as of the date of the Initial Order and within 6 months after the Court sanction of the Plan.

## ARTICLE 8
## CONDITIONS OF PLAN IMPLEMENTATION

### 8.1 Sanction Order

If this Plan is approved by the Required Majority, FUM shall bring an application before the CCAA Court (and, if applicable, the Chapter 15 Court) for the Sanction Order or an order recognizing the Sanction Order, as applicable, which Sanction Order shall provide (unless otherwise agreed to by FUM and the Monitor), among other things, that:

(a) (i) this Plan has been approved by the Required Majority in conformity with the CCAA; (ii) FUM acted in good faith, with due diligence and complied with the provisions of the CCAA and the Orders made in the CCAA Proceedings in all respects; (iii) the CCAA Court is satisfied that FUM has not done or purported to do anything that is not authorized by the CCAA; and (iv) this Plan and the transactions contemplated hereby (including the Restructuring Transactions) are fair and reasonable;

(b) this Plan (including the compromises, arrangements, releases and the transactions contemplated herein, including the Restructuring Transactions) shall be sanctioned and approved pursuant to Section 6 of the CCAA and will be binding and effective as herein set out on FUM, all Creditors and all other Persons as provided for in this Plan or the Sanction Order and, at the Effective Time, will be effective and enure to the benefit of FUM, the Creditors and all other Persons as provided in this Plan or the Sanction Order;

(c) authorizing and approving the steps to be taken under this Plan, including the Restructuring Transactions, on the date they are deemed to occur and be effected by this Plan, and in the sequential order contemplated by Schedule A to this Plan on the Effective Date;

(d) subject to the performance by FUM of its obligations under this Plan, and except to the extent expressly contemplated by this Plan or the Sanction Order (including any compromise of Affected Claims hereunder), all Continuing Contracts that have not expired or been

terminated prior to the Effective Date pursuant to their terms or by agreement will be and shall remain in full force and effect as at the Effective Date, unamended except as they may have been amended by agreement of the parties thereto subsequent to the Filing Date, and no Person who is a party to any such agreement shall, following the Effective Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, option, dilution or other remedy) or make any demand under or in respect of any such agreement, by reason of:

(i) any defaults or events of default arising as a result of the insolvency of FUM prior to the Effective Date, including any non-payments;

(ii) the fact that FUM has sought or obtained relief under the CCAA or that this Plan has been implemented by FUM;

(iii) the effect on FUM of the completion of any of the transactions contemplated by this Plan, including the Restructuring Transactions;

(iv) any compromises or arrangements effected pursuant to this Plan; or

(v) any other event(s) which occurred on or prior to the Effective Date which would have entitled any Person thereto to enforce those rights and remedies, subject to any express provisions to the contrary in any agreements entered into with FUM after the Filing Date;

(e) all Accepted Claims and Disallowed Claims determined in accordance with the Claims Process Order are final and binding on FUM and all Creditors;

(f) upon the Effective Date, all Affected Claims shall be irrevocably, fully and finally discharged as against FUM and all of FUM's business, assets and undertaking;

(g) the commencement or prosecution, whether directly, indirectly, derivatively or otherwise, of any demands, claims, actions, counterclaims, suits, judgments, or other remedies or recoveries with respect to any Claim released, discharged or terminated pursuant to this Plan shall be permanently enjoined;

(h) the releases effected by this Plan are approved, and declared to be binding and effective as of the Effective Date upon all Creditors, FUM, the Monitor and all other Persons affected by this Plan and shall enure to the benefit of all such Persons;

(i) any Claims which have been preserved in accordance with the Claims Process Order against Directors that cannot be compromised due to the provisions of Section 5.1(2) of the CCAA will be limited in recovery to the proceeds of any Directors' insurance policies;

(j) except for the Administration Charge which shall continue in accordance with the Initial Order, all CCAA Charges established by the Initial Order or any other Order, if any, shall be terminated, released and discharged effective on the Effective Date;

(k) upon receipt from FUM, the Monitor shall hold and distribute funds from the Plan Implementation Fund in accordance with this Plan;

(l) any claims for which a Proof of Claim has not been filed, disputed or appealed by the dates required by the Claims Process Order shall be forever barred and extinguished in accordance with the Claims Process Order;

(m) all Liens of Affected Creditors, including all security registrations in favour of any Affected Secured Creditors, are discharged and extinguished, and FUM or its counsel shall be authorized and permitted to file discharges and full terminations of all Lien filings (whether pursuant to personal property security legislation or otherwise) against FUM in any jurisdiction without any further action or consent required whatsoever; and

(n) the Monitor is authorized to perform its obligations under this Plan including on and after the Effective Date and in carrying out its obligations under this Plan the Monitor shall continue to have the protections provided to it under the Sanction Order, the ARIO, and the Initial Order.

**8.2 Conditions of Plan Implementation**

The implementation of this Plan shall be conditional upon the fulfillment or waiver, where applicable, of the following conditions on or before the Effective Date or the date specified therefor:

(a) this Plan shall have been approved by the Required Majority;

(b) the Sanction Order shall have been granted by the CCAA Court in a form acceptable to FUM and the Monitor, which shall be in full force and effect and not reversed, stayed, varied, modified or amended;

(c) the Sanction Order shall have been recognized by the Chapter 15 Court in a form acceptable to FUM and the Monitor, which shall be in full force and effect and not reversed, stayed, varied, modified or amended;

(d) the Monitor shall have received from FUM the funds needed to establish and shall have established the Plan Implementation Fund in an amount necessary to fund the Secured Initial Distribution and Unsecured Initial Distribution and satisfy the current balance of the Administration Charge, if any;

(e) no injunction or other order shall have been issued to enjoin, restrict or prohibit any of the compromises, arrangements, releases and the transactions, including the Restructuring Transactions, contemplated by this Plan, and no proceedings therefor shall have been commenced before any court or governmental or regulatory authority;

(f) all necessary corporate action and proceedings of FUM shall have been taken to approve this Plan and to enable FUM to execute, deliver and perform its obligations under the agreements, documents and other instruments to be executed and delivered by it pursuant to this Plan; and

(g) all agreements, resolutions, documents and other instruments, which are reasonably necessary to be executed and delivered by FUM, in order to implement this Plan or perform FUM's obligations under this Plan or the Sanction Order, shall have been executed and delivered.

If the conditions in this Section 8.2 have not been satisfied by the Plan Outside Date (or such later date as FUM and the Monitor agree), this Plan shall automatically terminate, in which case FUM shall not be under any further obligation to implement this Plan.

### 8.3 Monitor's Certificate

Upon satisfaction or waiver of the conditions set out in Section 8.2, FUM shall give written notice to the Monitor that the conditions set out in Section 8.2 have been satisfied, and the Monitor shall, as soon as possible following receipt of such written notice, deliver to FUM a certificate, in substantially the form as the certificate attached as Schedule B to this Plan (the "**Monitor's Certificate**"), which states that all conditions precedent set out in Section 8.2 have been satisfied, and shall specify therein the date of the delivery thereof. On or forthwith following the Effective Date, the Monitor shall file the Monitor's Certificate with the CCAA Court and shall post a copy of the same on the Monitor's Website.

## ARTICLE 9
## AMENDMENTS TO THE PLAN

### 9.1 Amendments to Plan Prior to Approval

(a) FUM, in consultation with the Monitor, reserves the right to vary, modify, amend or supplement this Plan by way of a supplementary or amended and restated plan or plans of compromise or arrangement or both filed with the CCAA Court at any time or from time to time prior to the commencement of the Creditors' Meeting. Any such variation, modification, amendment or supplement shall be posted on the Monitor's Website. Creditors are advised to check the Monitor's Website regularly. Creditors who wish to receive another form of notice of any variation, modification, amendment or supplement to the Plan should contact the Monitor in the manner set out in Section 11.10 of this Plan. Creditors in attendance at the Creditors' Meeting will also be advised of any such variation, modification, amendment or supplement to the Plan.

(b) In addition, FUM, in consultation with the Monitor, may propose a variation or modification of, or amendment or supplement to, this Plan during the Creditors' Meeting, provided that notice of such variation, modification, amendment or supplement is given to all Creditors entitled to vote present in person or by proxy at the applicable Creditors' Meeting prior to the vote being taken at such Creditors' Meeting, in which case any such variation, modification, amendment or supplement shall, for all purposes, be deemed to be part of and incorporated into this Plan. Any variation, amendment, modification or supplement at a Creditors' Meeting will be promptly posted on the Monitor's Website, and filed with the CCAA Court as soon as practicable following the Creditors' Meeting.

### 9.2 Amendments to Plan Following Approval

After the Creditors' Meeting (and both prior to and subsequent to obtaining the Sanction Order), FUM, in consultation with the Monitor, may at any time and from time to time vary, amend, modify or supplement this Plan without the need for obtaining an Order or providing notice to the Creditors, if FUM, acting reasonably and in good faith, determines that such variation, amendment, modification or supplement would not be materially prejudicial to the interests of any of the Creditors under this Plan or is necessary in order to give effect to the substance of this Plan or the Sanction Order.

## ARTICLE 10
## EFFECT OF THE PLAN

### 10.1 Implementation

At the Effective Time, subject to the satisfaction or waiver of the conditions contained in Section 8.2 of this Plan, this Plan shall be implemented by FUM and shall be binding upon all Persons and all Affected Creditors in accordance with the terms of this Plan and the Sanction Order.

### 10.2 Effect of the Plan Generally

At the Effective Time, the payment, compromise or satisfaction, as applicable, of the Affected Claims under this Plan shall be binding upon all Persons, their heirs, executors, administrators, legal or personal representatives, successors and assigns, as the case may be, for all purposes and this Plan will constitute: (a) a full, final and absolute settlement of all rights of any Persons against FUM and the Directors and Officers in respect of the Affected Claims; and (b) an absolute release and discharge of all indebtedness, liabilities and obligations of or in respect of the Affected Claims against FUM and the Directors and Officers and all Liens granted by FUM in respect thereof, including any interest, costs, fees or penalties accruing thereon whether before or after the Filing Date.

### 10.3 Compromise Effective for All Purposes

No Person who has a Claim as a guarantor, surety, indemnitor or similar covenant in respect of any Claim which is compromised under this Plan or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of a Claim which is compromised or released under this Plan shall be entitled to any greater rights than the Creditor whose Claim was compromised under this Plan. Accordingly, the payment, compromise or other satisfaction of any Claim under this Plan, if sanctioned and approved by the CCAA Court, shall be binding upon such Creditor, his, her or its heirs, executors, administrators, successors and assigns for all purposes and, to such extent, shall also be effective to relieve any third party directly or indirectly liable for such indebtedness, whether as guarantor, surety, indemnitor, director, joint covenantor, principal or otherwise.

### 10.4 Release of FUM and Other Released Parties

(a) At the Effective Time, for good and valuable consideration, including the distributions to be made pursuant to the Plan, every Creditor, Affected Creditor or other Person, on the Creditor's, Affected Creditor's or other Person's own behalf and on behalf of the Creditor's, Affected Creditor's or other Person's respective affiliates, present and former officers, directors, managers, employees, associated individuals, auditors, beneficiaries, financial advisors, legal counsel, other professionals, sureties, insurers, indemnitors, agents, dependents, heirs, executors, administrators, representatives, successors and assigns, as applicable, hereby is deemed to and does fully, finally, irrevocably and unconditionally release and forever discharge each of:

(i) FUM and its affiliates, representatives, employees or agents;

(ii) the Directors, the Officers and any current or former alleged fiduciary of FUM (whether acting as a director, officer, or other responsible party);

(iii) the legal and financial advisors to FUM and their respective partners, representatives, employees or agents; and

(iv) Alvarez & Marsal Canada Inc. and its current and former legal counsel, representatives, directors, officers, affiliates, member companies, related companies, administrators, employees, and agents,

(collectively the persons referred to in **(i)** to **(iv)** above, being, the "**Released Parties**" and individually, a "**Released Party**"),

(b) of and from any and all Claims, and, without limitation, any and all past, present and future claims, causes of action, debts, rights, interests, actions, rights of indemnity, liabilities, demands, duties, injuries, accounts, covenants, damages, expenses, fees (including solicitors' fees or liens), costs, compensation, or causes of action of whatsoever kind or nature, whether foreseen or unforeseen, known or unknown, matured or unmatured, direct, indirect or derivative, asserted or unasserted, contingent or actual, liquidated or unliquidated, whether in tort or contract, whether statutory, at common law or in equity, based on, in connection with, arising out of, or in any way related to, in whole or in part, directly or indirectly, any act, inaction or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Effective Time relating to or otherwise in connection with (i) the business and operations of FUM, (ii) the property and assets of FUM, (iii) the Affected Claims, the Plan or the CCAA Proceedings, (iv) a contract that has been restructured, terminated, repudiated, disclaimed or resiliated prior to the Disclaimer Deadline in accordance with the CCAA, (v) any Restructuring Transaction in respect of which the Released Parties had any role, whether in their capacity as officers, managers or directors of any Released Party, or in any other capacity, (vi) liabilities of the directors, managers and officers of any Released Party and any alleged fiduciary or other duty, including any and all Claims that may be made against such directors, managers or officers where by law such directors, managers or officers may be liable in their capacity as directors or officers, or (vii) any Claim that has been barred or extinguished by the Claims Process Order (all collectively, the "**Released Claims**");

(c) Notwithstanding the foregoing, nothing in this Section 10.4 shall release or discharge:

(i) FUM from any Unaffected Claim;

(ii) a Released Party from its obligations under this Plan;

(iii) a Released Party found by a court of competent jurisdiction by final determination on the merits to have committed gross negligence, willful misconduct, criminal or fraudulent acts in relation to a Released Claim for which it is responsible at law; and

(iv) FUM from such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA or the enforcement of a payment ordered by such regulatory body after the Effective Date based in part on facts that existed, or that relate in part to a time period, prior to the Effective Date solely to the extent that such facts or occurrence are continuing after the Effective Date and the enforcement of such payment did not constitute a claim provable in bankruptcy prior to the Effective Date; and

(d) FUM from any Disputed Secured Claim or Disputed Unsecured Claim which has not become an Accepted Claim as of the Effective Time.

**10.5 Injunction**

Subject to the exceptions stated in Sections 10.4(c)(i) through (iv), all Persons, along with their respective affiliates, present and former officers, directors, managers, employees, associated individuals, auditors, beneficiaries, financial advisors, legal counsel, other professionals, sureties, insurers, indemnitors, agents, dependents, heirs, executors, administrators, representatives, successors and assigns, as applicable, are permanently and forever barred, estopped, stayed and enjoined, on and after the Effective Time, with respect to the Affected Claims and the Released Claims, from:

(a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suit, demand or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative, regulatory or other forum) against any of the Released Parties or their property;

(b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against any of the Released Parties or their property;

(c) commencing, conducting or continuing in any manner, directly or indirectly, any action, suit or demand (including by way of contribution or indemnity or other relief, in common law, or in equity, breach of trust or breach of fiduciary duty or under the provisions of any statute or regulation) or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative, regulatory or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim in any manner or forum, against one or more of the Released Parties;

(d) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any Lien or encumbrance of any kind; or

(e) taking any action to interfere with the implementation or consummation of the Plan;

and any such proceedings will be deemed to have no further effect against FUM or any of its assets and will be released, discharged or vacated without cost to FUM. All Persons shall cooperate with FUM and the Monitor in discharging any Lien and related registration and discontinuing any proceeding filed or commenced prior to the Effective Time, as FUM or the Monitor may reasonably request. FUM may apply to the CCAA Court to obtain a discharge or dismissal of any such proceedings if necessary without notice to any Person.

**10.6 Knowledge of Claims**

Each Person to which Section 10.4 applies shall be deemed to have granted the releases set out in Section 10.4 notwithstanding that it may hereafter discover facts in addition to, or different from, those which it now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and such party expressly waives any and all rights that it may have under any Applicable Law which would limit the effect of such releases to those Claims or causes of action known or suspected to exist at the Effective Time.

### 10.7 Waiver of Defaults

At the Effective Time, and subject to any express provisions to the contrary in any amending agreement entered into with FUM after the Filing Date, all Persons shall be deemed to have waived any and all defaults of FUM then existing or previously committed, caused by any of the provisions hereof, or non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in every contract, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease, personal property lease or other agreement, written or oral, and any amendments or supplements thereto, existing between such Person and FUM. Any and all notices of default, acceleration of payments and demands for payments under any instrument, or other notices, including any notices of intention to proceed to enforce security, arising from any of such aforesaid defaults shall be deemed to have been rescinded and withdrawn. For greater certainty, nothing in this Section 10.7 shall waive any obligations of FUM in respect of any Unaffected Claim.

### 10.8 Consents and Waivers

At the Effective Time, all Creditors shall be deemed to have consented and to have agreed to all of the provisions of this Plan in its entirety. Each Creditor shall be deemed to have (a) granted, and executed and delivered to FUM all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan in its entirety and (b) agreed that if any conflict exists between the provisions of any agreement or arrangement, written or oral, existing between FUM and such Creditor and the provisions of this Plan, then the provisions of this Plan shall govern and the provisions of such other agreement or arrangement shall be amended accordingly.

### 10.9 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

### 10.10 Preferential Transactions

Sections 95 to 101 of the BIA and any Applicable Law relating to preferences, settlements, fraudulent conveyances or transfers at undervalue shall not apply in any respect, including, without limitation, to any dealings prior to the Filing Date, to this Plan, to any payments or distributions made in connection with the restructuring of FUM, whether made before or after the Filing Date, or to any and all transactions contemplated by and to be implemented pursuant to this Plan.

### 10.11 Compromise of Claims under Section 19(2) of the CCAA

On the Effective Date, the following Claims shall not be compromised under this Plan, including pursuant to the terms of this Article 10 and shall not be deemed to be a Released Claim pursuant to Section 10.4 of this Plan:

(a) any fine, penalty, restitution order or other order similar in nature to a fine, penalty or restitution order, imposed by a court in respect of an offence;

(b) any award of damages by a court in civil proceedings in respect of:

(i) bodily harm intentionally inflicted, or sexual assault, or

(ii) wrongful death resulting from an act referred to in subparagraph (i);

(c) any debt or liability arising out of fraud, embezzlement, misappropriation or defalcation while acting in a fiduciary capacity or, in Quebec, as a trustee or an administrator of the property of others;

(d) any debt or liability resulting from obtaining property or services by false pretences or fraudulent misrepresentation; or

(e) any debt for interest owed in relation to an amount referred to in any of paragraphs **(a)** to**(d)**, provided that this Section 10.11 shall only apply to a Person who voted (in person or by proxy) in favour of this Plan at the Creditors' Meeting.

## ARTICLE 11
## GENERAL PROVISIONS

### 11.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan may be deemed to occur without any additional act or formality other than as may be expressly set out herein, each of the Persons affected hereto shall make, do, and execute or cause to be made, done or executed all such further acts, deeds, agreements, assignments, transfers, conveyances, discharges, assurances, instruments, documents, elections, consents or filings as may be reasonably required by FUM in order to implement this Plan.

### 11.2 Set-Off

The law of set-off applies to all Claims made against FUM and to all actions instituted by it for the recovery of debts due to FUM in the same manner and to the same extent as if FUM was plaintiff or defendant, as the case may be.

### 11.3 Paramountcy

Without limiting any other provision hereof, from and after the Effective Date, in the event of any conflict between this Plan and the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed, or implied, of any contract, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease, personal property lease or other agreement, written or oral, and any and all amendments or supplements thereto, existing between FUM and any other Persons affected by this Plan, the terms, conditions and provisions of this Plan shall govern and shall take precedence and priority.

### 11.4 Revocation, Withdrawal, or Non-Consummation

FUM reserves the right to revoke or withdraw this Plan at any time prior to the Effective Time and to file a subsequent plan or plans of compromise or arrangement. If FUM revokes or withdraws this Plan, or if the Sanction Order is not issued, (a) this Plan shall be null and void in all respects, (b) any Affected Claim, any settlement or compromise embodied in this Plan (including the fixing or limiting of any Affected Claim to an amount certain), and any document or agreement executed pursuant to this Plan shall be deemed null and void, and (c) nothing contained in this Plan, and no action taken in preparation for consummation of this Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Affected Claims by or against FUM or any Person; (ii)

prejudice in any manner the rights of FUM or any Person in any further proceedings involving FUM, or (iii) constitute an admission of any sort by FUM or any Person. For clarity, in the event that FUM revokes or withdraws this Plan, the claims process approved by the Claims Process Order will be unaffected and will remain in full force and effect.

**11.5 Preservation of Rights of Action**

Except as otherwise provided in this Plan or in the Sanction Order, or in any contract, instrument, release, indenture or other agreement entered into in connection with the Plan, following the Effective Time, FUM will retain and may enforce, sue on, settle, or compromise (or decline to do any of the foregoing) all claims, rights or causes of action, suits and proceedings, whether in law or in equity, whether known or unknown, that FUM may hold against any Person or entity, without further approval of the CCAA Court.

**11.6 Responsibilities of the Monitor**

The Monitor is acting in its capacity as Monitor in the CCAA Proceedings with respect to FUM and not in its personal or corporate capacity. The Monitor will not be responsible or liable in its personal or corporate capacity for carrying out its obligations under the Plan or the Sanction Order, and neither the Monitor, nor Alvarez & Marsal Canada Inc. (including its current and former legal counsel, representatives, directors, officers, affiliates, member companies, related companies, administrators, employees, and agents) shall be responsible or liable for any obligations of FUM whatsoever. The Monitor will have the powers and protections granted to it by this Plan, by the CCAA and by any Order, including the Initial Order, the Claims Process Order, and the Creditors' Meeting Order. Both prior to and after the Effective Date, FUM shall provide such assistance as reasonably required by the Monitor in connection with the completion of the Monitor's duties and obligations under this Plan.

**11.7 Reliance Upon Consent**

For the purposes of this Plan, where a matter shall have been agreed, waived, consented to or approved by FUM, or a matter must be satisfactory or acceptable to FUM, any Person shall be entitled to rely on written confirmation from MLTA that FUM has agreed, waived, consented to or approved a particular matter.

**11.8 Obligation to Pay Only to the Extent Funds are Available**

Notwithstanding any other provision of this Plan, and without in any way limiting the protections for the Monitor set out in the Orders or the CCAA, the Monitor shall have no obligation to make any payment contemplated under this Plan, and nothing shall be construed as obligating the Monitor to make any such payment, unless and until the Monitor is in receipt of funds adequate to effect any such payment in full.

**11.9 Monitor shall have no Personal Liability**

Neither the Monitor, nor Alvarez & Marsal Canada Inc. (including its current and former legal counsel, representatives, directors, officers, affiliates, member companies, related companies, administrators, employees, and agents) shall incur any liability whatsoever, including in respect of (a) any amount paid, required to be paid or not paid pursuant to this Plan, (b) any costs or expenses incurred in connection with, in relation to or as a result of any payment made, required to be made

or not made, or (c) any deficiency in the Plan Implementation Fund or any reserves established pursuant to this Plan.

**11.10 Notices**

Any notice or communication to be delivered hereunder will be in writing and will reference this Plan and may, subject to as hereinafter provided, be made or given by mail, personal delivery or by e-mail transmission addressed to the respective parties as follows:

(a) if to FUM:

1212 34 Ave SE,
Calgary, AB T2G 1V7
Attention: Braeden Pauls
Email: braeden@breathefum.com

With a copy to (which shall not constitute notice):

**MLT Aikins LLP**
2100, 222 3 Ave SW
Calgary, AB T2P 0B4
Attention: Ryan Zahara / Chris Nyberg
E-mail: rzahara@mltaikins.com / cnyberg@mltaikins.com

(b) if to the Monitor:

**Alvarez & Marsal Canada Inc.**
1110, 250 6th Avenue SW
Calgary, AB T2P 3H7
Attention: Orest Konowalchuk/Marianna Lee
Email: okonowalchuk@alvarezandmarsal.com / marianna.lee@alvarezandmarsal.com

With a copy to (which shall not constitute notice):

**Osler, Hoskin & Harcourt LLP**
2700, Brookfield Place 225 – 6th Avenue SW
Calgary, AB T2P 1N2
Attention: Randal Van de Mosselaer
Email: rvandemosselaer@osler.com

(c) if to a Creditor:

To the address specified in the Proof of Claim filed by such Creditor or such other address as the Creditor may from time to time notify the Monitor in accordance with this Section,

or to such other address as any party may from time to time notify the others in accordance with this Section. All such notices and communications which are delivered will be deemed to have been received on the date of delivery. All such notices and communications which are e-mailed will be deemed to be received on the date e-mailed if sent before 5:00 p.m. (Calgary time) on a Business Day and otherwise will be deemed to be received on the Business Day next following the day upon which such e-mail was sent. Any notice or other

communication sent by mail will be deemed to have been received on the third Business Day after the date of mailing within Alberta, on the fifth Business Day after the date of mailing within Canada, and the tenth Business Day after mailing internationally.

If during any period during which notices or other communications are being given pursuant to this Plan a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further order of the CCAA Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic or digital transmission in accordance with this Plan.

## SCHEDULE A
## RESTRUCTURING TRANSACTIONS

Commencing at the Effective Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected in five minute increments (unless otherwise indicated) and at the times set out in this section (or in such other manner or order or at such other time or times as FUM may determine in consultation with the Monitor), without any further act or formality required on the part of any Person, except as may be expressly provided herein:

(a) FUM US shall file for bankruptcy under Chapter 7 of the *US Bankruptcy Code*;

(b) FUM shall make the applicable Plan Distributions to the Creditors with Accepted Claims commencing on, or as soon as practicable following, the Effective Date in accordance with the terms of the Plan and provide evidence of payment of the Plan Distributions to the Monitor;

(c) the Monitor shall make the payments to the Creditors that are the beneficiaries of the CCAA Charges and, except for the Administration Charge which shall continue in accordance with the Initial Order, any remaining CCAA Charges shall be deemed to be released as against the assets of FUM and the Plan Implementation Fund;

(d) the Affected Creditors shall be entitled to the applicable treatment set out in the Plan in full and final settlement of their respective Affected Claims, and:

  (i) the Affected Claims shall, and shall be deemed to be, fully, finally and irrevocably and forever compromised, released, discharged, cancelled, extinguished and barred and such Affected Creditors shall have no further right, title or interest in and to their Affected Claims;

  (ii) no Person who has a claim under any guarantee, surety, indemnity or similar covenant in respect of any Affected Claim or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of an Affected Claim will be entitled to any greater rights as against FUM than the Person whose Affected Claim is compromised under the Plan;

  (iii) all debentures, notes, certificates, indentures, guarantees, agreements, invoices and other instruments evidencing Affected Claims (and all guarantees associated with each of the foregoing), will not entitle any holder to any compensation or participation other than as expressly provided for in the Plan and will be deemed cancelled and extinguished;

(e) all rights to indemnification or exculpation existing in favour of present and former Directors and Officers of FUM in respect of D&O Indemnity Claims shall survive the completion of the Plan and shall continue in full force and effect in accordance with their terms for a period of not less than six (6) years from the Effective Date; and

(f) releases and injunctions referred to in Article 10 of the Plan shall become effective, and the Released Claim shall be deemed to be, fully, finally, irrevocably and forever compromised, settled, released, discharged, extinguished, cancelled and barred and FUM shall be fully, finally and irrevocably released from any and all claims, liabilities or obligations of any kind to an Affected Creditor, Creditor or Person, and the Affected Creditors shall only have rights thereafter as against the Unsecured Creditor Cash Fund held by the Monitor.

**SCHEDULE B**
**MONITOR'S CERTIFICATE**

**Form 3**
[Rule 2.28]

Clerk's Stamp

| | |
|---|---|
| COURT FILE NUMBER | 2601 03446 |
| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | CALGARY |
| MATTER | IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED<br><br>AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF RDFN FUM NATURAL PRODUCTS LTD. and RDFN FUM NATURAL PRODUCTS INC. |
| APPLICANTS | RDFN FUM NATURAL PRODUCTS LTD. and RDFN FUM NATURAL PRODUCTS INC. |
| DOCUMENT | **PLAN OF COMPROMISE AND ARRANGEMENT** |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT | MLT AIKINS LLP<br>Barristers and Solicitors<br>2100, 222 3rd Avenue S.W.<br>Calgary, Alberta T2P 0B4<br>Attention: Ryan Zahara/Chris Nyberg<br>Phone: 403.693.2636<br>Fax: 403.508.4349<br>File: 0185373.00001 |

**RECITALS**

A. Pursuant to the Initial Order of this Honourable Court dated March 2, 2026 as amended, RDFN FUM Natural Products Ltd. ("**FUM**") and RDFN FUM Natural Products Inc. (collectively, "**FUM Group**") sought and obtained protection from its creditors under the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36, as amended;

B. Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. was appointed as the monitor of FUM Group (the "**Monitor**") with the powers, duties and obligations set out in the Initial Order;

C. FUM has filed a Plan of Compromise and Arrangement under the CCAA dated August 19, 2026 (the "**Plan**"), which Plan has been approved by the Required Majorities and the Court; and

D. Unless otherwise indicated herein, initially capitalized terms used herein have the meaning set out in the Plan.

**THE MONITOR HEREBY CERTIFIES** the following:

1. The Monitor has received written confirmation from FUM, in form and substance satisfactory to the Monitor, that the conditions to the implementation of the Plan set out in Section 8.2 of the Plan have been satisfied in accordance with the Plan.

This Certificate was delivered by the Monitor to FUM on _____, 2026.

**[Date]** at _____ **[a.m. / p.m. Calgary Time]**.

**ALVAREZ & MARSAL CANADA INC.** in its capacity as the Court-appointed Monitor of FUM and not in its personal or corporate capacity

Per: _____
Name:
Title:

## SCHEDULE C
## ACCEPTED CLAIMS

Accepted Secured Claims

**[TBC]**

Accepted Unsecured Claims

**[TBC]**