



**No. S-240259
Vancouver Registry**

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

- AND -

**IN THE MATTER OF *THE BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED**

- AND -

**IN THE MATTER OF
BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN APPENDIX "A"**

PETITIONERS

SECOND REPORT OF THE MONITOR

MARCH 5, 2024

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1.0 Introduction

1. Pursuant to an order (the “**Initial Order**”) pronounced by the Supreme Court of British Columbia (the “**Court**”) on January 15, 2024 (the “**Filing Date**”), Black Press Ltd. (“**BP Holdco**”), 311773 B.C. Ltd. (“**311 BC**”, together with BP Holdco, the “**Companies**”), and those other petitioner companies listed in **Appendix “A”** (collectively, the “**Petitioners**”, and together with the Non-Petitioner Stay Parties (as defined below), the “**BP Group**”¹) were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and KSV Restructuring Inc. was appointed as monitor in these CCAA proceedings (in such capacity, the “**Monitor**”).
2. To date, the Monitor has filed with this Court the Pre-Filing Report dated January 12, 2024 (the “**Pre-Filing Report**”) and the First Report dated January 22, 2024 (the “**First Report**”). The Pre-Filing Report, the First Report, and all other court materials filed in these CCAA proceedings, are available at: <https://www.ksvadvisory.com/experience/case/black-press> .
3. KSV is filing this second report (the “**Second Report**”) in its capacity as the Monitor. The purpose of this Second Report is to provide the Court and the BP Group’s stakeholders with an update on these proceedings and to comment on the relief being sought by the Petitioners.

1.1 CCAA Proceedings

1. Pursuant to the terms of the Initial Order, *inter alia*, the Court:
 - a) granted a stay of proceedings in favour of the Petitioners and their directors and officers (the “**Stay of Proceedings**”) to and including January 25, 2024 (the “**Stay Period**”);
 - b) extended the Stay of Proceedings and other provisions of the Initial Order to the following affiliates of the Petitioners: (i) Black Press (Barbados) Ltd.; (ii) Whidbey Press (Barbados) Inc.; (iii) Black Press Delaware LLC; and (iv) Black Press Group Oregon LLC (collectively, the “**Non-Petitioner Stay Parties**”);

¹ The entities that are members of the BP Group are collectively referred to as the “**BP Group Members**” and individually referred to as a “**BP Group Member**”.

- c) approved the terms of the debtor-in-possession (“**DIP**”) financing made available to the Petitioners pursuant to a DIP term sheet (the “**DIP Term Sheet**”) with Canso Investment Counsel Ltd. (“**Canso**”, and in its capacity as portfolio manager for and on behalf of Canso Strategic Credit Fund, the “**DIP Lender**”), provided that borrowings under the DIP Facility did not exceed \$500,000;
 - d) granted charges on all of the Petitioners’ Property (as defined in the Initial Order), except in respect of those encumbrances over Property held by persons who were not given notice of the CCAA petition, in the following amounts and priority:
 - i. first, a charge in the amount of \$750,000 (the “**Administration Charge**”) to secure the fees and disbursements of the Monitor, its legal counsel, and the Petitioners’ Canadian and US legal counsel;
 - ii. second, a charge in the amount of \$10,674,000 in favour of the directors and officers of the BP Group Members (the “**Directors’ Charge**”); and
 - iii. third, a charge up to the maximum principal amount of \$500,000, plus accrued and unpaid interest, fees and expenses thereon, on the Property in favour of the DIP Lender to secure advances to the Petitioners made under the DIP Facility prior to the Comeback Hearing (as defined below) (the “**DIP Lender’s Charge**”, and together with the Administration Charge and the Directors’ Charge, the “**Initial Charges**”); and
 - e) authorized and empowered Black Press Group Ltd. (“**BP Canada**”) to act as the foreign representative (in such capacity, the “**Foreign Representative**”) including acting as a foreign representative of the Petitioners to apply to the United States Bankruptcy Court (the “**US Court**”) for relief pursuant to Chapter 15 (“**Chapter 15**”) of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101 – 1532, as amended (the “**Bankruptcy Code**”).
2. On January 25, 2024, at the Petitioners’ comeback hearing (the “**Comeback Hearing**”) the Court granted:
- a) an amended and restated Initial Order (the “**ARIO**”), which, among other things:
 - i. extended the Stay Period to and including March 15, 2024;

- ii. authorized and empowered the Companies to enter into an amended and restated transaction support agreement dated January 22, 2024 (the “**Amended and Restated Transaction Support Agreement**”) with the Noteholders (as defined below) and Carpenter Newsmedia LLC (“**Carpenter**”), pursuant to which, among other things, the Noteholders and Carpenter agreed to support these CCAA proceedings;
 - iii. increased the maximum principal amount that the Petitioners can borrow under the DIP Facility to \$5.5 million;
 - iv. approved a key employee retention program (the “**KERP**”) and granted a charge on the Property for the benefit of the Canadian and US key employees referred to in the KERP up to a maximum amount of \$61,500 and US\$70,000 (the “**KERP Charge**”); and
 - v. increased the maximum amount of the Initial Charges to:
 - 1. \$1,500,000 for the Administration Charge;
 - 2. \$13,806,000 for the Directors’ Charge; and
 - 3. \$5.5 million for the DIP Lender’s Charge.
- b) an order (the “**SISP Approval Order**”), which, among other things:
- i. approved the sale and investment solicitation process (the “**SISP**”);
 - ii. authorized and directed the Companies to negotiate and finalize a definitive stalking horse transaction agreement (such definitive agreement being the “**Stalking Horse Transaction Agreement**”) with the Noteholders and Carpenter (in such capacity, the “**Stalking Horse Purchaser**”) on substantially the terms set forth in the Stalking Horse Term Sheet attached to the Amended and Restated Transaction Support Agreement; and

- iii. approved an expense reimbursement of up to a maximum of \$250,000 (the “**Expense Reimbursement**”) and a break fee equal to \$1,500,000 (the “**Break Fee**” and, together with the Expense Reimbursement, the “**Bid Protections**”) and granted a charge on the Property (the “**Bid Protections Charge**”) for the benefit of the Stalking Horse Purchaser, subject to the execution of the Stalking Horse Transaction Agreement and the terms set forth in the Amended and Restated Transaction Support Agreement².
3. Copies of the ARIO and SISP Approval Order are attached hereto as **Appendix “B”** and **“C”**, respectively.

1.2 Chapter 15 Cases

1. On January 15, 2024, the Petitioners filed in the US Court, among other things:
 - a) Petitions commencing the Chapter 15 cases in respect of each of the Petitioners (the “**Chapter 15 Cases**”);
 - b) a Verified Petition for recognition of these CCAA proceedings as foreign main proceedings;
 - c) an *ex parte* motion for provisional relief in the form of a temporary restraining order (the “**TRO**”), and after notice and a hearing, an order for provisional relief under section 1519 of the Bankruptcy Code; and
 - d) a Motion for Chapter 15 Recognition and Final Relief (the “**Recognition Motion**”).
2. On January 16, 2024, the US Court granted the TRO and an Order granting provisional relief pursuant to section 1519 of the Bankruptcy Code.
3. On January 25, 2024, the Foreign Representative filed in the US Court a motion for entry of an order recognizing and enforcing the SISP Approval Order, and certain related relief.
4. On February 6, 2024, Pension Benefit Guaranty Corporation (“**PBGC**”) filed in the US Court a limited objection to the Recognition Motion, on the basis that Sound Publishing, Inc. (“**BP Sound**”), Sound Publishing Properties, Inc., and Oahu Publications, Inc. (“**BP Hawaii**”) (collectively, the “**Excluded BP Entities**”) had their centres of main interest in the US and therefore did not satisfy the requirements of section 1517 of the Bankruptcy Code for

² The increased Initial Charges, together with the KERP Charge and Bid Protections Charge are collectively referred to as the “**CCAA Charges**”.

recognition of the CCAA proceedings as foreign main proceedings (the “**Limited Objection**”).

5. On February 8, 2024, the US Court granted in part and denied in part the relief sought by the Foreign Representative. In that respect, the US Court sustained the Limited Objection but granted the other relief sought by the Petitioners.
6. As a result of the US Court’s decision in respect of the Recognition Motion, the Purchaser required certain amendments to the Stalking Horse Transaction Agreement, including a condition precedent to the closing of the Transactions requiring that the Petitioners obtain the PBGC Relief (as defined and described below).

1.3 Purposes of this Second Report

1. The purposes of this Second Report are to:
 - a) summarize the results of the SISP;
 - b) summarize the Transactions (as defined below), which are documented in, *inter alia*, a Share Subscription Agreement dated March 1, 2024 (the “**SSA**”) between 1000817790 Ontario Ltd., an entity formed on behalf of Canso, in its capacity as portfolio manager for and on behalf of certain accounts that it manages, Deans Knight Capital Management Ltd. (“**DK**”), and Carpenter (the “**Purchaser**”), and the Companies;
 - c) discuss the implications of the Transactions for the BP Group Member’s stakeholders;
 - d) summarize the terms of a second amended and restated transaction support agreement between the Noteholders, Carpenter, and the Companies (the “**Second Amended and Restated Transaction Support Agreement**”);
 - e) summarize the terms of the settlement agreement between the Petitioners and PBGC dated February 15, 2024 (the “**PBGC Settlement Agreement**”), including the payment of US\$2 million to PBGC (the “**PBGC Payment**”) contemplated therein;
 - f) report on the Petitioners’ updated cash flow projection for the period February 26 to April 14, 2024 (the “**Second Cash Flow Forecast**”);
 - g) summarize the terms of an Amended and Restated DIP Term Sheet (the “**Amended and Restated DIP Term Sheet**”), which, *inter alia*, increases the authorized borrowings from \$5.50 million to \$11.50 million;

- h) provide the Court with an update on the Monitor's activities during these proceedings; and
- i) discuss and provide the Monitor's views and recommendations regarding:
 - i. the approval and reverse vesting order (the "**RVO**"), which, *inter alia*, provides the following relief:
 - 1. approving the SSA and the Transactions;
 - 2. approving the transfer to Residual Co. (Canada) and Residual Co. (US) (as defined below) all of the Companies' rights, title, and interests in and to the Excluded Assets, Excluded Contracts, and Excluded Liabilities (all as defined in the SSA);
 - 3. approving the termination of all Existing Shares, the issuance of the Subscribed Shares, and the sale of the Subscribed Shares to the Purchaser, free and clear of and from any and all claims, liabilities, liens, and encumbrances, other than the Permitted Encumbrances (as defined in the SSA);
 - 4. adding the Non-Petitioner Stay Parties as petitioners in these CCAA proceedings; and
 - 5. releasing the Released Parties from the Released Claims (as those terms are defined in Section 5 below); and
 - ii. an order (the "**Ancillary Relief Order**"), which, *inter alia*, provides the following relief:
 - 1. approving the Second Amended and Restated Transaction Support Agreement, the Amended and Restated DIP Term Sheet, and the PBGC Settlement Agreement (such relief, the "**PBGC Relief**"); and
 - 2. extending the Stay Period from March 15 to April 12, 2024.

1.4 Scope and Terms of Reference

1. In preparing this Second Report, the Monitor has relied upon the Petitioners' unaudited financial information, books and records, information available in the public domain, and discussions with the Petitioners' management and legal counsel.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Second Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Second Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future-oriented financial information relied upon in this Second Report is based upon the Petitioners' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor expresses no opinion or other form of assurance on whether the Second Cash Flow Forecast will be achieved.

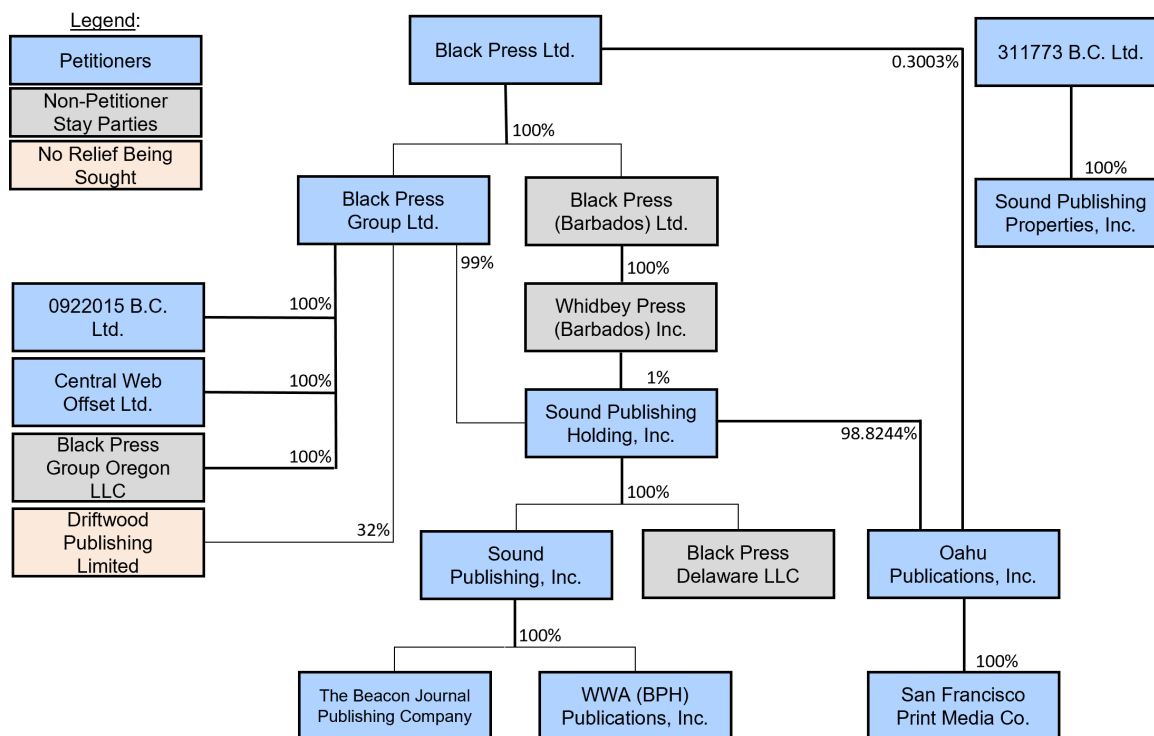
1.5 Currency

1. Unless otherwise noted, all currency references in this Second Report are in Canadian dollars.

2.0 Background

1. Headquartered in Surrey, British Columbia, the Petitioners' primary business is print newspapers and magazines, digital news, marketing and advertising services, commercial printing, and parcel delivery operating in Canada in British Columbia, Alberta, Yukon, Nunavut, and Northwest Territories, and in the US in Washington, Alaska and Hawaii (collectively, the "**BP Business**"). The BP Business provides the above-noted services through the BP Group's three operating business units: (i) BP Canada; (ii) BP Sound; and (iii) BP Hawaii.

2. The Petitioners' organizational chart is provided below:



3. The Companies are the parent entities in the corporate structure. The shareholders of the Companies are:

- a) Black Press Holdings Ltd. (the Black family holding company) – 80.65%; and
- b) Metroland Media Group Ltd. (“**Metroland**”)³ – 19.35%.

4. The primary secured creditors of the BP Group are noteholders under secured first lien promissory notes issued pursuant to a trust indenture dated March 29, 2019 between BP Canada, as issuer, BP Holdco, as the parent of BP Canada, and Computershare Trust Company of Canada (such trust indenture as supplemented by 22 supplemental indentures is collectively called the “**Notes Indenture**”, and the holders thereunder, the “**Noteholders**”). The obligations owing by BP Canada under the notes issued pursuant to the Notes Indenture (collectively the “**Secured Notes**”) from time to time were guaranteed by the other Petitioners and the Non-Petitioner Stay Parties.

³ Metroland (operating as “Metroland, Printing, Publishing and Distributing Ltd.”) is Torstar Corporation’s community news operation and currently subject to a proceeding in respect of its notice of intention to file a proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

5. The affidavit of Christopher Hargreaves, Director of Corporate Finance of BP Canada, affirmed January 12, 2024 in support of the CCAA petition (the “**First Hargreaves Affidavit**”), provides, *inter alia*, background information concerning the Petitioners, their respective businesses, as well as the reasons for the commencement of these CCAA proceedings. The second affidavit of Christopher Hargreaves, affirmed March 4, 2024 (the “**Second Hargreaves Affidavit**”), provides, *inter alia*, additional information on the Petitioners’ application.

3.0 SISP⁴

3.1 Pre-Filing Sale Process

1. As outlined in further detail in the First Report and the First Hargreaves Affidavit, prior to the commencement of these CCAA proceedings, in July 2023, BP Holdco retained Dirks, Van Essen & April (“**DVA**”), the leading merger and acquisition firm in the US newspaper industry, to assist in exploring a range of strategic alternatives. This mandate resulted in DVA conducting a marketing process for BP Hawaii, BP Sound, and the BP Group’s Canadian operations (i.e., BP Canada and 311 BC) (the “**Pre-Filing Sale Process**”). The Monitor understands that the Pre-Filing Sale Process did not result in an executable transaction.

3.2 Marketing Process

1. Pursuant to the SISP, interested parties were provided the opportunity to submit offers for executable transactions involving the business and/or assets of, or the equity interests in, the BP Group Members.
2. A detailed summary of the SISP was provided in the First Report and is not repeated herein.
3. Pursuant to and in connection with the SISP, among other things:
 - a) the Monitor prepared an interest solicitation letter to potential purchasers and investors detailing the acquisition opportunity (“**Teaser**”);
 - b) beginning on January 16, 2024, the Monitor distributed the Teaser to a total of 74 prospective purchasers, comprising Canadian and US operators, financial groups, and other strategic parties;

⁴ Capitalized terms not defined in this section have the meaning provided to them in the SISP.

- c) attached to the Teaser was a process letter and form of non-disclosure agreement (an “**NDA**”) that interested parties were required to sign to obtain access to a virtual data room (the “**VDR**”) that the Monitor managed;
- d) the Monitor prepared a comprehensive confidential information memorandum and posted the same to the VDR on January 26, 2024;
- e) the VDR contained historical and projected financial information and other information, including real property leases, and all material contracts and agreements. A soft copy of the Stalking Horse Transaction Agreement was also made available in the VDR on February 7, 2024; and
- f) the deadline for interested parties to submit a Qualified Bid was 5:00 p.m. (Pacific Time) on February 16, 2023 (“**Bid Deadline**”).

3.3 SISP Results

1. A summary of the results of the SISP is as follows:
 - a) five parties executed the NDA and were provided access to the VDR;
 - b) various parties conducted extensive diligence; and
 - c) no parties submitted an offer other than the Stalking Horse Transaction Agreement.
2. On February 17, 2024, the Petitioners sent a letter to Canso advising that the stalking horse bid had been deemed to be the “Successful Bid” under the SISP.

4.0 SSA⁵

1. The following section provides an overview of the Transactions and the SSA. As this is an overview, interested parties are strongly encouraged to read the SSA in its entirety. A copy of the SSA is attached hereto as **Appendix “D”**.

⁵ Capitalized terms not defined in this section have the meaning provided to them in the RVO or SSA.

2. The transactions contemplated by the SSA (the “**Transactions**”) have been structured as a “reverse vesting” transaction which provides, among other things, the following:
 - a) the Purchaser will subscribe for a number of common shares in the capital of the Companies, to be issued on Closing and which will, immediately following Closing, represent 100% of the equity interests in BP Holdco (the “**BP Subscribed Shares**”) and 311 BC (the “**311 BC Subscribed Shares**” and together with the BP Subscribed Shares, the “**Subscribed Shares**”); and
 - b) all Excluded Assets, Excluded Contracts and Excluded Liabilities will be transferred and “vested out” to the Residual Cos (as defined below).
3. The key terms and conditions of the SSA are provided below:
 - a) **Subscription Price:**
 - i. a credit bid of \$6 million of the outstanding principal amount owing under the Secured Notes;
 - ii. cash consideration in an amount equal to the aggregate of \$10 and US\$10, plus an amount sufficient to pay in full in cash all Canadian dollar and US dollar denominated Encumbrances in respect of the BP Group Members ranking in priority to the Secured Notes, other than: (1) any amounts in respect of Closing Payments; and (2) such amounts which are Assumed Liabilities (the “**Cash Consideration**”); and
 - iii. retention of the Assumed Liabilities, including the Statement of Trade Payables amounts (as defined below) and all mortgages registered on title to the real property owned by any of the BP Group Members;
 - b) **Excluded Assets:** consist of the Closing Cash Amount, applicable information and records that are solely related to any Excluded Asset or Excluded Liability, the Excluded Contracts and such other items as are explicitly set forth as such in the SSA, or as may be added to the Excluded Asset schedule of the SSA by the Purchaser prior to the Closing Time;

- c) **Retained Assets:** consist of all assets owned by the BP Group Members on the date of the SSA and any assets acquired by them up to and including Closing, including their respective:
- i. Contracts,
 - ii. Permits and Licenses; and
 - iii. Books and Records,
- except for inventory sold in the ordinary course of business in the Interim Period and the Excluded Assets, the Excluded Contracts, and any Contracts disclaimed by any of the BP Group Members with the consent of the Purchaser;
- d) **Statement of Trade Payables:** prior to Closing, the Companies shall prepare a statement (the "**Statement of Trade Payables**"), certified by an officer of the Companies and acceptable to the Monitor, setting out:
- i. a list of vendors that have provided goods and/or services to the Companies in the ordinary course of business from and after the Filing Date but have not been paid for such goods and services as at the Closing Time, and
 - ii. the corresponding amounts owing to each such vendor;
- e) **Assumed Liabilities:** include:
- i. Liabilities specifically and expressly designated by the Purchaser as assumed Liabilities in Schedule "E" to the SSA, which shall in any event include the Liabilities listed under the Statement of Trade Payables;
 - ii. Liabilities under any Contracts, Permits and Licenses, or Permitted Encumbrances arising out of events or circumstances that occur after the Closing;
 - iii. Cure Costs in relation to Contracts;
 - iv. any Tax Liabilities and Transaction Taxes relating to the transfer of Excluded Liabilities, Excluded Assets, and Excluded Contracts to the Residual Cos and assumption by the Residual Cos of same; and

- v. to the extent not paid in connection with these CCAA proceedings, any claims or charges then outstanding ranking in priority to the Secured Notes (e.g., the CCAA Charges);
- f) **Employees:** the Monitor understands that the Purchaser intends to retain substantially all of the employees of the Companies; provided, however, the Companies shall terminate the employment of the individuals included on the terminated employee list provided by the Purchaser to the Companies no later than ten Business Days before the Target Closing Date (the “**Terminated Employees**”).
- g) **Excluded Liabilities:** among other things, all debts, obligations, Liabilities, Encumbrances (other than Permitted Encumbrances), and indebtedness, of or against the BP Group Members or relating to any Excluded Assets and Excluded Contracts as at the Closing Time, other than Assumed Liabilities, including:
 - i. the non-exhaustive list of Liabilities enumerated in Schedule “C” to the SSA;
 - ii. any and all Liabilities relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which any of the BP Group Members may be bound as at the Closing Time;
 - iii. all liabilities relating to or under the Excluded Contracts and Excluded Assets;
and
 - iv. all liabilities for those employees of a BP Group Member who are Terminated Employees;
- h) **Transfers to Residual Cos:** on the Closing Date, all the Companies’ debts and obligations, other than the Assumed Liabilities, shall be transferred to, and assumed in full by, either: (i) a corporation to be incorporated under the laws of Canada or a province thereof (“**Residual Co. (Canada)**”); or (ii) an entity to be formed under the laws of the US or a state thereof (“**Residual Co. (US)**”, together with Residual Co. (Canada), the “**Residual Cos**”).

- i) **Repayment of DIP Facility:** on the Closing Date, immediately following the Closing Time in accordance with the steps set out in the ARIO and the SSA, the Companies shall satisfy all amounts and Liabilities owing under the DIP Facility and in respect of the DIP Financing using the remaining Cash Consideration, following which all amounts and Liabilities owing under the DIP Facility and in respect of the DIP Financing shall be irrevocably and indefeasibly satisfied, in full, and terminated.
- j) **Representations and Warranties:** Consistent with the terms of a standard insolvency transaction (i.e., on an “as is, where is” basis, with limited representations and warranties);
- k) **Material Conditions:** include, among other things:
 - i. at or before the Closing Time, the RVO shall have been issued by the Court;
 - ii. at or before the Closing Time, the Court shall have issued an order granting the PBGC Relief; and
 - iii. the Companies shall have cash in an amount sufficient to satisfy the payment in full on Closing of, among other things, all amounts owing under the KERP;
- l) **Outside Date:** April 12, 2024, or such other date as the Companies (with the consent of the Monitor and the DIP Lender) and the Purchaser may agree to in writing; and
- m) **Closing:** subject to Court approval, Closing is expected to occur by the Target Closing Date of March 22, 2024.

4.1 Noteholders' Security

1. The Monitor is not aware of any other secured creditors or any claim that ranks or may rank in priority to the Noteholders, other than the amounts secured under the CCAA Charges and certain mortgages that are Assumed Liabilities.
2. Osler, Hoskin & Harcourt LLP (“**Osler**”), the Monitor’s independent legal counsel, and its local counsel in the Canadian territories and applicable U.S. states, have conducted a review of the security granted by the Petitioners in favour of the Noteholders and provided the Monitor with written opinions that provide, subject to standard qualifications and assumptions customary in rendering security opinions of this nature, that the security

granted by the Petitioners to the Noteholders constitutes valid and enforceable⁶ security perfected by registration in the applicable Canadian provinces and territories, and U.S. states.

4.2 Transaction Recommendation

1. The Monitor recommends that the Court issue the RVO for the following reasons:
 - a) the SISP was conducted in accordance with the terms of the SISP Order, which enabled the Monitor to test the market for any potential third-party purchaser interest. The SISP generated limited interest. While multiple parties performed due diligence, no bids (other than the Stalking Horse Transaction Agreement) were received prior to the Bid Deadline;
 - b) between the Pre-Filing Sale Process and the SISP, the opportunity was marketed for approximately five months. None of the parties contacted expressed any concern that they did not have sufficient time to perform due diligence and no party requested further time to perform due diligence. The Monitor does not believe that further time marketing the BP Group's business and assets for sale would result in a superior transaction, whether that is undertaken in a bankruptcy or receivership;
 - c) the purchase price under the Transactions represents the greatest recovery available in the circumstances. It is also structured as a share deal that provides for the retention by the BP Group of certain of its liabilities, other than the Excluded Liabilities, which further enhances the value of the Transactions;
 - d) the Transactions preserve employment for much of the BP Group's existing workforce, which are located in small communities throughout Western Canada, Washington, Alaska, and Hawaii. The Monitor has been advised that the Purchaser intends to retain substantially all of the BP Group's employees; and
 - e) absent the Transactions, the DIP Lender is not prepared to continue to fund the Petitioners.

⁶ The opinions assumed enforceability in instances where the governing law of the applicable security documents differed from the jurisdiction for which an opinion was provided, as applicable.

4.3 RVO Considerations

1. The Monitor believes it is necessary and appropriate for the Transactions to be completed pursuant to an RVO. In forming its view, the Monitor considered the issues raised by this Court in the Notice of Intention to Make a Proposal proceedings of *Payslate Inc.* and the considerations in the *Harte Gold* case, which are set out below.

a) *Why is the RVO necessary in this case?*

The complexity of the corporate structure of the BP Group, and the fact that the contracts, licences, permits and other assets of the same are located across multiple Canadian provinces and US states, would render an asset sale logistically complex and add significant professional costs to the Petitioners' restructuring proceedings, including the costs of documenting and implementing asset sale transactions.

Further, some or all of the BP Group Members may have tax attributes (such as paid-up capital or tax loss carry-forwards) that would be lost to the Purchaser under an asset-based transaction. The Monitor understands that the Purchaser is not prepared to acquire the business under an alternative structure.

b) *Does the RVO structure produce an economic result at least as favourable as any other viable alternative?*

The RVO allows for the expedient conveyance of the BP Group Member's assets and tax attributes to the Purchaser. Without an RVO, there would be a substantial delay (and corresponding cost) in transferring these assets. The issuance of an RVO is a material condition of the SSA and is integral to completing the Transactions. Accordingly, there does not appear to be any viable alternative to an RVO.

The Monitor is also mindful that two comprehensive sale processes have already been conducted (i.e., the Pre-Filing Sale Process and the SISP) and that there is no money available to conduct a further process. The Monitor is strongly of the view that further time marketing the business for sale will not result in a superior transaction and would be prejudicial to the stakeholders of the BP Group Members, including but not limited to the DIP Lender and the BP Group Members' employees.

- c) *Is any stakeholder worse off under the RVO structure than they would have been under any other viable alternative?*

In the Monitor's view, no stakeholders are prejudiced by the issuance of an RVO relative to their treatment and outcome under any other viable alternative. In particular, the claims and other liabilities being transferred to the Residual Cos are unsecured and/or would receive no distribution under any transaction structure. Given the value of the Noteholders' secured claims, there would be no funds available for distribution to any of the Petitioners' creditors subordinate to the Noteholders under any other realization scenario. In addition, there has been broad notice of these proceedings since January 2024, and the Petitioners have provided broad notice of this application.

- d) *Does the consideration being paid for the debtor's business reflect the importance and value of the licenses and permits (or other intangible assets) being preserved under the RVO structure?*

For the reasons noted in (a) above, in the Monitor's view, the complexity of the BP Group's corporate structure is the critical consideration in structuring the Transaction. The BP Group's assets were extensively marketed for sale in the Pre-Filing Sale Process and the SISP. The consideration being paid by the Purchaser is directly attributable to the ability to efficiently transfer the complex BP Group structure by way of the RVO.

2. Based on the foregoing, the Monitor recommends that this Court approve the Transactions and grant the RVO sought by the Petitioners.

5.0 Releases

1. The RVO provides for:
- a) the present and former directors, officers, employees, legal counsel and advisors of the BP Group Members, Residual Co. (Canada), and Residual Co. (US) (the "**CCAA Parties**") solely in relation to their capacities in respect of the CCAA Parties;
 - b) the Monitor and its legal counsel;
 - c) the Purchaser and its current and former directors, officers, employees, legal counsel and advisors;

- d) (i) Carpenter; (ii) Canso; and (iii) DK⁷, and their respective current and former directors, officers, employees, legal counsel, and advisors (the persons listed in (a), (b), (c), and (d) being collectively the “**Released Parties**”)

to be released from any act or omission, transaction, dealing, or other occurrence existing or taking place prior to the closing of the Transactions: (a) undertaken or completed pursuant to the terms of the RVO; (b) arising in connection with or related to the Transactions; (c) arising in connection with or relating to the CCAA proceedings or Chapter 15 Cases; and (d) related to the management, operations or administration of the CCAA Parties (collectively, the “**Released Claims**”).

2. The proposed release does not release:

- a) any claim against the directors and officers of the BP Group Members that is not permitted to be released pursuant to section 5.1(2) of the CCAA; and
- b) any obligations of any of the Released Parties under or in connection with the SSA, the Second Amended and Restated Support Agreement, the Amended and Restated DIP Term Sheet, and/or any agreement, document, instrument, matter or transaction involving the BP Group arising in connection with or pursuant to any of the foregoing.

3. The releases are a condition to the implementation of the SSA and are consistent with releases granted in recent reverse vesting transactions approved in other CCAA proceedings. On this basis, the Monitor is supportive of the proposed releases.

6.0 Service and Notice

1. In preparing for this application, the Petitioners, the Purchaser, the Monitor, and their respective legal counsel were cognizant of the concerns raised by the Court in the *Payslate Inc.* matter as it relates to providing service to parties that may be affected by the granting of an RVO. In this regard:

- a) the Petition Record, filed on January 15, 2024 by the Petitioners, in support of the request for the Initial Order highlighted that the “*The Stalking Horse Bid is structured as a reverse vesting transaction whereby the Stalking Horse Purchaser will restructure the Company through, among other things, an order (the “RVO”)*”. Accordingly, by the return of this application, the Petitioners’ intention to bring an

⁷ Canso and DK include all investment accounts managed by the same.

application for the approval of an RVO to complete the Transactions will have been in the public domain for approximately seven weeks;

- b) service of the Petitioners' application was sent to the Service List in these proceedings on March 4, 2024 (i.e., seven days prior to the hearing of this application on March 11, 2024). In addition to the Service List in these proceedings, the Monitor understands that the Petitioners intend to make efforts to provide notice to (i) all contract counterparties whose contracts will be assumed by the Purchaser (except for the BP Group Members' current employees); and (ii) holders of Discharged Encumbrances, among others;
 - c) this Second Report is being served on March 5, 2024, being six days before the hearing of the application; and
 - d) the Petitioners provided notice of the application on March 4, 2024 by (i) sending by email the Stakeholder Notice (attached as Exhibit "J" to the Second Hargreaves Affidavit) to those stakeholders for whom the Petitioners have email addresses, (ii) sending by courier (where possible) or mail the Stakeholder Notice to those stakeholders for whom the Petitioners do not have email addresses, and (iii) issuing a press release substantially in the form of the Stakeholder Notice.
2. In the Monitor's view, the service considerations raised by this Court in the *Payslate Inc.* matter have been addressed as, *inter alia*, the length of notice provided is adequate for parties to understand how their rights are being affected, to engage in discussions with the Petitioners and/or the Monitor regarding same, and to raise objections. Based on the foregoing, the Monitor believes that service of this application is adequate.

7.0 Additional Petitioners

- 1. To facilitate the Transactions, the Petitioners are seeking to have the Non-Petitioner Stay Parties added as additional petitioners in these CCAA proceedings. The Non-Petitioner Stay Parties have assets in Canada (in the form of funds held in the trust account of their Canadian counsel or in Canadian bank accounts), are insolvent, and, as a result of their guarantee in favour of the Noteholder and the PBGC Liabilities, have claims against them in excess of \$5 million. Accordingly, the Non-Petitioner Stay Parties all qualify for protection under the CCAA. The Monitor supports the inclusion of the Non-Petitioner Stay Parties as petitioners in these CCAA proceedings for the following reasons:

- a) adding the Non-Petitioner Stay Parties as additional petitioners in these proceedings is a condition to complete the Transactions;
- b) Courts have previously added applicants to CCAA proceedings where the additional petitioners qualify for relief under the CCAA and the objectives of the CCAA will be furthered by the addition of the petitioners; and
- c) in the Monitor's view, no stakeholders are prejudiced by adding the Non-Petitioner Stay Parties, which have no liabilities other than those noted herein and certain intercompany liabilities, as petitioners in the CCAA proceedings.

8.0 Second Amended and Restated Transaction Support Agreement⁸

1. The Noteholders, Carpenter, and the Companies entered into a support agreement dated January 12, 2024 (the "**Initial Transaction Support Agreement**"). Pursuant to the Initial Transaction Support Agreement, the Noteholders and Carpenter agreed to, among other things: (i) support the implementation and consummation of a stalking horse transaction agreement; (ii) support the relief sought in the Initial Order and the ARIO, including the KERF, the DIP Term Sheet, and each of the CCAA Charges provided therein; and (iii) negotiate in good faith definitive documents for an executable stalking horse transaction on substantially the same terms as the terms set forth in the Stalking Horse Term Sheet.
2. On January 22, 2024, the Companies entered into an amended and restated transaction support agreement with the Noteholders and Carpenter (the "**Amended and Restated Transaction Support Agreement**"). The Amended and Restated Transaction Support Agreement made no changes to the Initial Transaction Support Agreement other than minor modifications to the ownership structure of the Stalking Horse Purchaser as between the Noteholders and Carpenter.
3. The Second Amended and Restated Transaction Support Agreement (and the Stalking Horse Term Sheet attached thereto) includes modifications to certain provisions to address the fact that the US Court declined to grant the relief sought in the Recognition Motion to the extent that such relief related to the Excluded BP Entities, and the PBGC Payment. As

⁸ The following constitutes a summary of the Initial Transaction Support Agreement, the Amended and Restated Transaction Support Agreement, and the Second Amended and Restated Transaction Support Agreement only. Reference should be made directly to the Initial Transaction Support Agreement, the Amended and Restated Transaction Support Agreement, and the Second Amended and Restated Transaction Support Agreement for a complete understanding of its terms and conditions. Capitalized terms used in this section and not otherwise defined have the meanings ascribed to them in the Initial Transaction Support Agreement, the Amended and Restated Transaction Support Agreement, and the Second Amended and Restated Transaction Support Agreement.

is the case with the Amended and Restated Transaction Support Agreement, which remains in full force and effect, subject to and in accordance with its terms, pursuant to the Second Amended and Restated Transaction Support Agreement, the Noteholders and Carpenter agree to, among other things, support the implementation and consummation of the SSA and not take any action inconsistent with their obligations under the Second Amended and Restated Transaction Support Agreement.

4. The Monitor supports Court approval of the Second Amended and Restated Transaction Support Agreement as, *inter alia*, it evidences the support of the Petitioners' principal economic stakeholders for the Transactions and the other substantive relief being sought at the March 11, 2024 hearing as the Petitioners seek to complete the Transactions and preserve their business as a going concern, for the benefit of the BP Group's other stakeholders, including creditors, employees, customers, and suppliers.

9.0 PBGC Settlement Agreement

1. As outlined in the First Hargreaves Affidavit and the Pre-Filing Report, the BP Group has various post-plan termination obligations including, most notably, in connection with the purchase of The Beacon Journal Publishing Company ("**Beacon**") by BP Sound, Beacon assumed sponsorship of the benefit obligations pursuant to The Employees' Retirement Plan of the Beacon Journal Publishing Company (the "**Akron Plan**"). As a result of the termination of the Akron Plan in February 2020, PBGC is administering the Akron Plan and has custody of the assets related to the same.
2. PBGC asserted that Beacon and each member of Beacon's controlled group on the date of the Akron Plan termination (being each of the BP Group Members) are jointly and severally liable to PBGC in an amount of approximately US \$44.85 million (the "**PBGC Liabilities**"). The PBGC Liabilities are the largest potential single liability of the Petitioners other than the obligations under the Secured Notes.
3. Following the decision of the US Court to decline to recognize these CCAA proceedings with respect to the Excluded BP Entities, the Petitioners negotiated and entered into the PBGC Settlement Agreement, in consultation with the Noteholders and Carpenter, to provide certainty to the Purchaser that it will avoid the risk of PBGC making efforts to assert claims against the reorganized BP Group following the closing of the Transactions.

4. Pursuant to the PBGC Settlement Agreement, among other things:
 - a) the Black Press Parties (as defined in the PBGC Settlement Agreement) agreed to make the PBGC Payment, conditional on the approval thereof by this Court; and
 - b) PBGC agreed:
 - i. to not oppose any action taken or sought to be taken by any Black Press Party (as defined in the PBGC Settlement Agreement) in these CCAA proceedings or any proceeding under the Bankruptcy Code or similar law (provided that such action is not inconsistent with the terms of the PBGC Settlement Agreement); and
 - ii. to release the BP Group from the PBGC Liabilities.
5. As a result of the US Court's refusal to recognize these CCAA proceedings (including the Stay of Proceedings) as they relate to the Excluded BP Entities, PBGC may demand payment of the PBGC Liabilities from one or more of the Excluded BP Entities. If the Excluded BP Entities refused or failed to pay their respective liability as of the demand date, the Monitor understands that liens would automatically arise on all of the property of the Excluded BP Entities, and PBGC could bring an action to enforce the liens. This creates uncertainty for the BP Group and the Purchaser. Accordingly, the Monitor supports Court approval of the PBGC Settlement Agreement as:
 - a) it provides certainty for the Purchaser and the Petitioners and their stakeholders, as it eliminates the risk of enforcement action by PBGC against the Petitioners and their assets; and
 - b) it ensures that Petitioners have access to the funding under the DIP Facility that they require and that the Transactions contemplated by the SSA can be completed for the benefit of all stakeholders.
6. As described further below, it is anticipated that the PBGC Payment be funded by the additional availability under the Amended and Restated DIP Term Sheet.

10.0 Second Cash Flow Forecast

1. The Petitioners prepared the Second Cash Flow Forecast for the period February 26 to April 14, 2024 (the “**Second Forecast Period**”). The Second Cash Flow Forecast and the Petitioners’ statutory report thereon pursuant to Section 10(2)(b) of the CCAA are attached as **Appendix “E”**.
2. The Second Cash Flow Forecast reflects that the Petitioners are projected to have sufficient liquidity to continue to operate during the Second Forecast Period (should the Court approve the Amended and Restated DIP Term Sheet).
3. Based on the Monitor’s review of the Second Cash Flow Forecast, the cash flow assumptions appear reasonable. The Monitor’s statutory report on the Second Cash Flow Forecast is attached hereto as **Appendix “F”**.
4. A summary of the Second Cash Flow Forecast⁹ is provided below:

(unaudited; CAD; \$000s)	Note	Total
Receipts	A	31,706
Disbursements		
Payroll	B	(15,677)
Newsprint, press supplies, printing	C	(3,621)
Distributors	D	(3,268)
Other	E	(16,423)
Restructuring costs	F	(4,126)
		(43,115)
Net cash flow		(11,409)
Opening cash balance		4,275
Net cash flow		(11,409)
DIP Facility proceeds		7,636
Ending cash balance		502

5. The Monitor notes the following regarding the Second Cash Flow Forecast:
 - A. Receipts: represents the collection of revenue from operations, including reader subscriptions, advertising, and delivery services;

⁹ The notes to the Second Cash Flow Forecast provide the underlying assumptions, including a description of each line item.

- B. Payroll: represents employee payroll, vacation pay and benefits;
- C. Newsprint, press supplies, printing: represents the various input costs associated with producing the Petitioners' publications;
- D. Distributors: represents amounts payable to the various entities that distribute the Petitioners' publications;
- E. Other: represents:
 - i. the PBGC Payment – \$2.7 million (US\$2 million);
 - ii. expenses related to the Cyber Incident (as discussed below) – \$1 million; and
 - iii. other critical expenses, including, technology, marketing, rent, sales taxes, insurance, and administration expenses; and
- F. Restructuring costs: includes BP Group's, Monitor's, and Canso's professional fees, including both Canadian and US professionals.

10.1 Cyber Incident

1. As detailed in the Second Hargreaves Affidavit, on January 10, 2024, Akira Ransomware Group (“**Akira**”) initiated a ransomware attack where it encrypted a number of servers utilized by BP Hawaii by gaining access through weaknesses in BP Hawaii's virtual private network (the “**Cyber Incident**”).
2. After being made aware of the Cyber Incident, BP Hawaii engaged with its US legal counsel, Thomson Hine LLP, and cyber security firm, Stellar Cyber, to provide guidance with respect to the Cyber Incident. In addition, BP Hawaii promptly reported the matter to the Federal Bureau of Investigation, which commenced an investigation of the matter.
3. While BP Hawaii was still able to produce its publications following the Cyber Incident, the encryption of the affected servers impacted BP Hawaii's ability to issue invoices to advertisers and subscribers for a period of approximately four weeks. Although this has resulted in a reduction in collections during the CCAA proceedings, the Petitioners' cash flow results remain ahead of its forecast, due to the Petitioners' ability to reduce and control operating costs and disbursements.

4. At the time of the Cyber Incident, Akira's initial ransom demand was US\$4 million, which was ultimately negotiated down to US\$150,000 (the "**Ransom Amount**"). On the advice of Stellar Cyber, and with the approval of the Monitor and the DIP Lender, on January 24, 2024, the Ransom Amount was paid to Akira in bitcoin through an intermediary that provides cryptocurrency ransomware settlement services. Shortly after the Ransom Amount was paid, access to the encrypted servers was restored.
5. Investigations by Stellar Cyber and other cybersecurity advisors indicated that the vulnerabilities exploited by Akira were present elsewhere in the Petitioner's information technology systems. As a result, the Petitioners are implementing various system modifications and controls to address these vulnerabilities.
6. The estimated total cost of the Cyber Incident, including a full forensic audit of the breach and identification and implementation of necessary fixes, is between US\$300,000 and US\$750,000. This amount has been included in the Second Cash Flow Forecast.

10.2 Amended DIP Term Sheet

1. As set out in the Second Cash Flow Forecast, the Petitioners will require additional funding to satisfy, among other things: (i) the PBGC Payment; (ii) the costs associated with the Cyber Incident; and (iii) the increased costs associated with CCAA proceedings and Chapter 15 Cases, as noted in the Second Cash Flow Forecast. As of the date of this Second Report, the Petitioners have borrowed \$3.72 million of the \$5.50 million maximum amount provided for under the current DIP Facility.
2. The Petitioners, with the assistance of the Monitor, have negotiated an amendment to the DIP Term Sheet to, among other things, increase the commitment under the DIP Facility. A copy of the Amended and Restated DIP Term Sheet is attached to the Second Hargreaves Affidavit as Exhibit "H".
3. Pursuant to the terms of the Amended and Restated DIP Term Sheet, the DIP Facility and corresponding DIP Lender's Charge is to be increased from \$5.50 million to \$11.50 million. The proposed Ancillary Relief Order provides for a corresponding increase to the DIP Lender's Charge.

4. The Monitor recommends the Court issue an order approving the Amended and Restated DIP Term Sheet and increasing the DIP Lender's Charge, as:
 - a) without additional funding, the Petitioners will not be able to operate their businesses, which may also jeopardize the closing of the Transactions;
 - b) the terms of the DIP Facility are reasonable for the reasons set out in the Pre-Filing Report; and
 - c) no stakeholder should be prejudiced by the Amended and Restated DIP Term Sheet.

11.0 Stay Extension and Related Relief

1. Pursuant to the ARIO, the Court extended the Stay of Proceeding to and including March 15, 2024 (i.e., the Stay Period). The Petitioners are requesting an extension of the Stay Period to April 12, 2024.
2. The Monitor supports the request for an extension of the Stay Period and believes that it is appropriate in the circumstances for the following reasons:
 - a) the Petitioners are acting in good faith and with due diligence;
 - b) it will provide the necessary time and flexibility to enable the parties to work to close the Transactions should they be approved. In the event that the Transactions do not close as anticipated, the Monitor expects it would return to Court to address next steps, including the Stay Period;
 - c) the Monitor does not believe that any creditor will be materially prejudiced by the Stay Extension;
 - d) as of the date of this Second Report, the Monitor is not aware of any party opposed to the Stay Extension; and
 - e) the Second Cash Flow Forecast reflects that the Petitioners are projected to have sufficient liquidity to fund their operations and the costs of these CCAA proceedings during the Stay Extension (should the Court approve the Amended and Restated DIP Term Sheet).

12.0 Monitor's Activities

1. The Monitor's activities since the First Report have included, with the assistance of counsel:
 - a) corresponding regularly with the Petitioners, including senior executives, regarding various matters in the CCAA proceedings;
 - b) corresponding with the Petitioners' critical suppliers to provide an update on the status of the CCAA proceedings;
 - c) assisting the Petitioners in procuring goods and services;
 - d) monitoring the business and operations of the Petitioners;
 - e) corresponding regularly with the DIP Lender and other stakeholders;
 - f) liaising with Canada Revenue Agency in respect of certain tax matters;
 - g) assisting the Petitioners in preparing the cash flow forecast required in connection with the DIP Facility;
 - h) assisting the Petitioners in preparing weekly reporting to the DIP Lender;
 - i) engaging in various correspondence and meetings with the Petitioners, Osler, Cassels Brock & Blackwell LLP, Bennett Jones LLP, and the Petitioners' US counsel regarding the Cyber Incident;
 - j) assisting in the development of the SISP and conducting the SISP, as detailed in Section 3 above; and
 - k) assisting in the development of the Transactions, including reviewing all related documents and corresponding extensively with all stakeholders; and
 - l) preparing the Second Report and related Court materials.

13.0 Anticipated Next Steps in these CCAA Proceedings

1. Subject to Court approval of the relief sought at this application, the next steps in these CCAA proceedings include the following:
 - a) the Companies, the Purchaser, the Monitor, and their respective legal counsel intend to close the Transactions in accordance with the SSA;

- b) upon completion of the above-noted activities and any post-closing matters, the remaining Petitioners and/or the Monitor will be in a position to bring a final application in these CCAA proceedings to, among other things, terminate these CCAA proceedings and discharge the Monitor; and
- c) deal with any other issues not specified above.

14.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Court grant the RVO and the Ancillary Relief Order on the terms of the draft orders set out in the Petitioners' application materials.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
in its capacity as monitor of
Black Press Group Ltd, 311773 B.C. Ltd,
and those entities listed in Appendix "A",
and not in its personal capacity**

APPENDIX A

[ATTACHED]

PETITIONERS

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

APPENDIX B

[ATTACHED]



No. S-240259
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"

PETITIONERS

ORDER MADE AFTER APPLICATION
(AMENDED AND RESTATED INITIAL ORDER)

BEFORE THE HONOURABLE)
JUSTICE STEPHENS) January 25, 2024

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 25th day of January, 2024; AND ON HEARING Vicki Tickle and Stephanie Fernandes, counsel for the Petitioners and the non-petitioner affiliates of the Petitioners listed in Schedule "B" hereto (the "**Non-Petitioner Stay Parties**"), and collectively with the Petitioners, the "**Black Press Entities**"), and those other counsel listed on Schedule "C" hereto; AND UPON READING the material filed, including the First Affidavit of Christopher Hargreaves made January 12, 2024 (the "**First Hargreaves Affidavit**"), the Pre-Filing Report dated January 12, 2024 of KSV Restructuring Inc. ("**KSV**"), and the First Report of KSV in its capacity as Monitor of the Petitioners (in such capacity, the "**Monitor**") dated January 23, 2024 (the "**First Report**"); AND UPON BEING ADVISED that the secured creditors who are likely to be affected by the charges created herein were given notice; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

1. This Amended and Restated Initial Order amends and restates the Order (the "**Initial Order**") of this Court made in these proceedings on January 15, 2024 (the "**Order Date**").

SERVICE

2. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today

JURISDICTION

3. The Petitioners are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

4. The Petitioners shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

5. Subject to this Order and any further Order of this Court, the Petitioners shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (excluding the CIBC Cash Collateral (as defined in the First Hargreaves Affidavit), provided that if and when Canadian Imperial Bank of Commerce releases its security interest in such monies then such monies will automatically and without any further action constitute and be deemed to form part of the Property) (the "**Property**"), and continue to carry on their business (the "**Business**") in the ordinary course and in a manner consistent with the preservation of the Business and the Property. The Petitioners shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by them, with liberty to retain such

further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

Cash Management System

6. The Petitioners shall be entitled to continue to utilize the cash management system currently in place as described in the First Hargreaves Affidavit or, with the prior written consent of the Monitor and the Interim Lender, replace it with another substantially similar central cash management system (the "**Cash Management System**"), and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by any of the Petitioners of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Petitioners, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan (if any) with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. Subject to the terms of the DIP Term Sheet and Definitive Documents (both as hereinafter defined), the Petitioners shall be entitled, but not required, to pay the following expenses which may have been incurred prior to the Order Date:

- (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Order Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively "**Wages**");
- (b) the fees and disbursements of any Assistants retained or employed by the Petitioners which are related to the Petitioners' restructuring, at their standard rates and charges, including payment of the reasonable fees and disbursements

of legal counsel retained by the Petitioners, whenever and wherever incurred, in respect of:

- (i) these proceedings or any other similar proceedings in other jurisdictions in which any of the Petitioners or any subsidiaries or affiliated companies of the Petitioners are domiciled;
 - (ii) any litigation in which any of the Petitioners are named as a party or are otherwise involved, whether commenced before or after the Order Date;
 - (iii) any related corporate matters; and
- (c) with the written consent of the Monitor, amounts owing for goods and services actually supplied to the Petitioners prior to the Order Date, if in the opinion of the Petitioners the supplier is critical to the Business and ongoing operations of the Petitioners, consistent with existing policies and procedures.

8. Except as otherwise provided herein and subject to the terms of the DIP Term Sheet and the Definitive Documents, the Petitioners shall be entitled to pay all expenses reasonably incurred by the Petitioners in carrying on the Business in the ordinary course following the Order Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services, provided that any capital expenditure exceeding \$100,000 shall be approved by the Monitor;
- (b) all obligations incurred by the Petitioners after the Order Date, including without limitation, with respect to goods and services actually supplied to the Petitioners following the Order Date (including those under purchase orders outstanding at the Order Date but excluding any interest on the Petitioners' obligations incurred prior to the Order Date); and
- (c) fees and disbursements of the kind referred to in paragraph 7(b) which may be incurred after the Order Date.

9. The Petitioners are authorized to remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Petitioners in connection with the sale of goods and services by the Petitioners, but only where such Sales Taxes accrue or are collected after the Order Date, or where such Sales Taxes accrued or were collected prior to the Order Date but not required to be remitted until on or after the Order Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.

10. Until such time as a real property lease is disclaimed in accordance with the CCAA, the Petitioners shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease, but excluding, for greater certainty, accelerated rent or penalties, fees or other charges arising as a result of the insolvency of the Petitioners or the making of this Order) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Petitioner and the landlord from time to time ("**Rent**"), for the period commencing from and including the Order Date, twice-monthly in equal payments on the first and fifteenth day of the month in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including Order Date shall also be paid.

11. Except as specifically permitted herein, the Petitioners are hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any of the Petitioners to any of their respective creditors as of the Order Date except as authorized by this Order;
- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of their Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;
- (d) to not grant credit except in the ordinary course of the Business only to their customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by the Petitioners to such customers as of the Order Date; and
- (e) to not incur liabilities except in the ordinary course of Business.

RESTRUCTURING

12. Subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Term Sheet and Definitive Documents, the Petitioners shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down all or any part of their Business or operations and commence marketing efforts in respect of any of their redundant or non-material assets and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$500,000 in the aggregate;
- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate; and
- (c) pursue all avenues of refinancing for their Business or Property, in whole or part;

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

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

14. If a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours on giving the Petitioners and the Monitor 24 hours' prior written notice; and (b) at the effective time of the disclaimer, the landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims the landlord may have against the Petitioners, or any other rights the landlord might have, in respect of such lease or leased premises and the landlord shall be entitled to notify the Petitioners of the basis on which it is taking possession and gain possession of and re-lease such leased premises to any third party or parties on such terms as the landlord considers advisable, provided that nothing herein shall relieve the landlord of its obligation to mitigate any damages claimed in connection therewith.

15. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronics Documents Act*, S.C. 2000, c. 5 and Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, and any regulations promulgated under authority of either Act, as applicable (the "**Relevant Enactment**"), the Petitioners, in the course of these proceedings, are permitted

to, and hereby shall, disclose personal information of identifiable individuals in their possession or control to stakeholders, their advisors, prospective investors, financiers, buyers or strategic partners (collectively, "**Third Parties**"), but only to the extent desirable or required to negotiate and complete the Restructuring or to prepare and implement the Plan or transactions for that purpose; provided that the Third Parties to whom such personal information is disclosed enter into confidentiality agreements with the Petitioners binding them in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the Relevant Enactment, and limiting the use of such information to the extent desirable or required to negotiate or complete the Restructuring or to prepare and implement the Plan or transactions for that purpose, and attorning to the jurisdiction of this Court for the purposes of that agreement. Upon the completion of the use of personal information for the limited purposes set out herein, the Third Parties shall return the personal information to the Petitioners or destroy it. If the Third Parties acquire personal information as part of the Restructuring or the preparation and implementation of the Plan or transactions in furtherance thereof, such Third Parties may, subject to this paragraph and any Relevant Enactment, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioners.

AMENDED AND RESTATED TRANSACTION SUPPORT AGREEMENT

16. The Amended and Restated Transaction Support Agreement (in the form attached to the First Report) is hereby approved and Black Press Ltd. and 311773 B.C. Ltd. are authorized and empowered to enter into the Amended and Restated Transaction Support Agreement, nunc pro tunc, subject to such minor amendments as may be consented to by the Monitor and each of the parties thereto in accordance with the Amended and Restated Transaction Support Agreement, and is authorized, empowered and directed to take all steps and actions in respect of, and to comply with all of its obligations pursuant to, the Amended and Restated Transaction Support Agreement.

17. Notwithstanding the Stay Period (as hereinafter defined), a counterparty to the Amended and Restated Transaction Support Agreement may exercise any termination right that may become available to such counterparty pursuant to the Amended and Restated Transaction Support Agreement, provided that such termination right must be exercised pursuant to and in accordance with the Amended and Restated Transaction Support Agreement.

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

18. Until and including March 15, 2024, or such later date as this Court may order (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") against or in respect of any of the Black Press Entities or the Monitor, or affecting the Business, the Property or the Non-Petitioner Stay Parties' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Non-Petitioner Stay Parties' Property**"), shall be commenced or continued except with the prior written consent of the Black Press Entities and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Black Press Entities or affecting the Business, the Property or the Non-Petitioner Stay Parties' Property are hereby stayed and suspended pending further Order of this Court.

19. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of any of the Black Press Entities or the Monitor, or affecting the Business, the Property or the Non-Petitioner Stay Parties' Property, are hereby stayed and suspended except with the prior written consent of the Black Press Entities and the Monitor or leave of this Court.

20. Nothing in this Order, including paragraphs 18 and 19, shall: (i) empower the Black Press Entities to carry on any business which the Black Press Entities are not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided, however: (a) that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the applicable Black Press Entities; and (b) that any deemed trust claims or other claims of any government agency in Canada or any province or territory thereof or any foreign governmental agency shall not be perfected or rank as secured claims and shall rank as unsecured claims, including pursuant to section 38 of the CCAA.

NO INTERFERENCE WITH RIGHTS

21. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence, or permit in favour of or held by any of the Black Press Entities, except with the prior written consent of the applicable Black Press Entitie(s) and the Monitor or leave of this Court.

CONTINUATION OF SERVICES

22. During the Stay Period, all Persons having oral or written agreements with any of the Black Press Entities or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, banking services, payroll services, insurance, transportation, utility, or other services, to the Business or any of the Black Press Entities, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by any of the Black Press Entities, and that the Black Press Entities shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Order Date are paid by the Black Press Entities in accordance with normal payment practices of the Black Press Entities or such other practices as may be agreed upon by the supplier or service provider and the applicable Black Press Entitie(s) and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

23. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Order Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Black Press Entities on or after the Order Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

24. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of any of the Black Press Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of any of the Black Press Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Petitioners, if one is filed, is sanctioned by this Court or is refused by the creditors of the Petitioners or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of any of the Black Press Entities that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

DIRECTORS AND OFFICERS INDEMNIFICATION AND CHARGE

25. The Black Press Entities shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the applicable Black Press Entities after the commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

26. The directors and officers of the Black Press Entities shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$13,806,000, as security for the indemnity provided in paragraph 25 of this Order. The Directors' Charge shall have the priority set out in paragraphs 43 and 45 herein.

27. Notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Black Press Entities' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers'

insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 25 of this Order.

APPOINTMENT OF MONITOR

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

29. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Petitioners' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, the DIP Term Sheet, the Definitive Documents and such other matters as may be relevant to the proceedings herein;
- (c) assist the Petitioners, to the extent required by the Petitioners, in their dissemination, to the Interim Lender (as hereinafter defined) and their counsel, as and when required or permitted under the DIP Term Sheet or the Definitive Documents, of financial and other information as agreed to between the Petitioners and the Interim Lender which may be used in these proceedings including reporting on a basis to be agreed with the Interim Lender;
- (d) advise the Petitioners in their preparation of the Petitioners' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel as and when

required under the DIP Term Sheet and Definitive Documents, or as otherwise agreed to by the Interim Lender;

- (e) advise the Petitioners in their development of the Plan (if any) and any amendments to the Plan;
- (f) assist the Petitioners, to the extent required by the Petitioners, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) monitor all payments, obligations and transfers as between the Petitioners and their affiliates;
- (h) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Petitioners, to the extent that is necessary to adequately assess the Petitioners' business and financial affairs or to perform its duties arising under this Order;
- (i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (j) assist the Foreign Representative (as defined below) and its legal counsel as may be required to give effect to the terms of this Order; and
- (k) perform such other duties as are required by this Order or by this Court from time to time.

30. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

31. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the *British Columbia Environmental Management Act*, the *British Columbia Fish Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

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

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

ADMINISTRATION CHARGE

34. The Monitor, counsel to the Monitor, and counsel to the Petitioners shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the

Petitioners as part of the cost of these proceedings. The Petitioners are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Petitioners on a periodic basis and, in addition, the Petitioners are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Petitioners, retainers, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

35. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the British Columbia Supreme Court who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.

36. The Monitor, counsel to the Monitor, and counsel to the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1,500,000, as security for their respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order which are related to the Petitioners' restructuring. The Administration Charge shall have the priority set out in paragraphs 43 and 45 hereof.

INTERIM FINANCING

37. The Petitioners are hereby authorized and empowered to obtain and borrow under a credit facility (the "**DIP Facility**") from Canso Investment Counsel Ltd. as portfolio manager for and on behalf of Canso Strategic Credit Fund (the "**Interim Lender**") in order to finance the continuation of the Business and preservation of the Property, provided that borrowings under such credit facility shall not exceed the aggregate principal amount of \$5,500,000 unless permitted by further Order of this Court.

38. The DIP Facility shall be on the terms and subject to the conditions set forth in the term sheet between the Petitioners and the Interim Lender dated as of January 12, 2024 (the "**DIP Term Sheet**"), filed.

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

40. The Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property up to the maximum amount of \$5,500,000 (plus accrued and unpaid interest, fees and expenses). The Interim Lender's Charge shall not secure an obligation that exists before this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs 43 and 45 hereof.

41. Notwithstanding any other provision of this Order:

- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence and during the continuance of an Event of Default (as defined in the DIP Term Sheet), the Interim Lender, upon 3 business days notice to the Petitioner and the Monitor, may exercise any and all of its rights and remedies against the Petitioners or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the Interim Lender's Charge, including without limitation, to cease making advances to the Petitioners and set off and/or consolidate any amounts owing by the Interim Lender to the Petitioners against the obligations of the Petitioners to the Interim Lender under the DIP Term Sheet, the Definitive Documents or the Interim Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Petitioners and for the appointment of a trustee in bankruptcy of the Petitioners; and

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

42. The Interim Lender, in such capacity, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

43. The priorities of the Administration Charge, the KERP Charge (as defined below), the Directors' Charge and the Interim Lender's Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$1,500,000);

Second – Directors' Charge (to the maximum amount of \$13,806,000);

Third – KERP Charge (to the separate maximum amounts of \$61,500 and USD\$70,000);
and

Fourth – Interim Lender's Charge (to the maximum amount of \$5,500,000 plus accrued and unpaid interest, fees and expenses).

44. Any security documentation evidencing, or the filing, registration or perfection of, the Charges shall not be required, and the Charges shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect any such Charges.

45. Each of the Charges shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**"), in favour of any Person, save and except those claims contemplated by section 11.8(8) of the CCAA.

46. Except as otherwise expressly provided herein, or as may be approved by this Court, the Petitioners shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Petitioners obtain the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Charges.

47. The Charges, the DIP Term Sheet and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the Interim Lender shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Petitioners; and notwithstanding any provision to the contrary in any Agreement:

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

48. Any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Petitioners' interest in such real property leases.

KERP APPROVAL

49. The key employee retention plan ("**KERP**") described in the First Hargreaves Affidavit and in the First Report, is hereby approved and the Petitioners are authorized and directed to make payments in accordance with the terms thereof.

50. The Petitioners are authorized to deliver such documents as may be necessary to give effect to the KERP, subject to prior approval of the Monitor and the Interim Lender or as may be ordered by this Court.

51. Each of the KERP Participants (as defined in the First Hargreaves Affidavit) shall be entitled to the benefit of and are hereby granted a charge (the "**KERP Charge**") on the Property, which charge shall not exceed the separate maximum amounts of \$61,500 and USD\$70,000 as security for the obligations of the Petitioners under the KERP. The KERP Charge shall have the priority set out in paragraphs 43 and 45 hereof.

SERVICE AND NOTICE

52. The Monitor shall (i) without delay, publish in *The Globe and Mail* (National Edition) a notice containing the information prescribed under the CCAA, and (ii) within five days after Order Date, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Petitioners of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

53. The Petitioners and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Petitioners' creditors or other interested parties at their respective addresses as last shown on

the records of the Petitioners and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

54. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on its website at: www.ksvadvisory.com/experience/case/black-press.

55. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on its website at: www.ksvadvisory.com/experience/case/black-press.

56. Notwithstanding paragraphs 53 and 54 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

57. The Petitioners or the Monitor may from time to time apply to this Court for directions in the discharge of their powers and duties hereunder.

58. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Petitioners, the Business or the Property.

59. **THIS COURT REQUESTS** the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where

required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Foreign Representative, the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Petitioners in any foreign proceeding, or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

60. Black Press Ltd. is hereby authorized and empowered to act as the foreign representative (the "**Foreign Representative**") in respect of these proceedings for the purpose of having these proceedings recognized in a foreign jurisdiction and to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and the Foreign Representative is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of the Petitioners to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Code Bankruptcy Code*, 11 U.S.C., §§ 101 – 1532, as amended.

61. The Petitioners may (subject to the provisions of the CCAA and the BIA) at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if and when the Petitioners determine that such a filing is appropriate.

62. The Petitioners are hereby at liberty to apply for such further interim or interlocutory relief as they deem advisable within the time limited for Persons to file and serve Responses to the Petition.

63. Leave is hereby granted to hear any application in these proceedings on two (2) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

64. Any interested party (including the Petitioners and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other

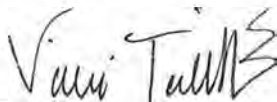
notice, if any, as this Court may order, provided, however, that the Chargees shall be entitled to rely on this Order as granted and on the Charges and priorities set forth in paragraphs 43 and 45 hereof with respect to any fees, expenses, liabilities and disbursements incurred, as applicable, until the date this Order may be amended, varied or stayed.

65. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

66. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

67. Leave is hereby granted for counsel to appear at future hearings in this matter remotely by video.

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



Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT



REGISTRAR



SCHEDULE "A"

Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

SCHEDULE "B"
Non-Petitioner Stay Parties

Black Press (Barbados) Ltd.

Whidbey Press (Barbados) Inc.

Black Press Delaware LLC

Black Press Group Oregon LLC

SCHEDULE "C"
LIST OF COUNSEL

Name of Counsel	Party Represented
MARY BUTTERY, KC	KSV RESTRUCTURING INC., the COURT-APPOINTED MONITOR
DAVID GRUBER + MICHAEL SHAKRA	CANSO INVESTMENT COUNSEL LTD.
SCOTT STEPHENS + HEATHER FRYDENLUND	VANCOUVER CITY SAVINGS CREDIT UNION +

COAST CAPITAL SAVINGS
FEDERAL CREDIT UNION

EAMONN WATSON

SERVUS CREDIT UNION LTD.

RYAN + AMY LAITY

THE UNITED STATES OF
AMERICA

APPENDIX C

[ATTACHED]



No. S-240259
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"

PETITIONERS

ORDER MADE AFTER APPLICATION
(SISP APPROVAL ORDER)

BEFORE THE HONOURABLE)
JUSTICE) January 25, 2024
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 25th day of January, 2024 (the "**Order Date**"); AND ON HEARING Vicki Tickle and Stephanie Fernandes, counsel for the Petitioners and the non-petitioner affiliates of the Petitioners listed in Schedule "B" hereto (the "**Non-Petitioner Stay Parties**") and collectively with the Petitioners, the "**Black Press Entities**"), and those other counsel listed on Schedule "C" hereto; AND UPON READING the material filed, including the First Affidavit of Christopher Hargreaves made January 12, 2024 (the "**First Hargreaves Affidavit**"), the First Report of KSV Restructuring Inc. in its capacity as monitor of the Petitioners (the "**Monitor**") dated January 23, 2024 (the "**First Report**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.
2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sale and Investment Solicitation Process in respect of the business and assets of the Black Press Entities, in the form attached hereto as Schedule "D" (the "**SISP**"), the Amended and Restated Initial Order of this Court dated January 25, 2024 (the "**ARIO**"), or the First Hargreaves Affidavit, as applicable.

SALE AND INVESTMENT SOLICITATION PROCESS

3. The SISP is hereby approved and the Petitioners and the Monitor are hereby authorized and directed to implement the SISP pursuant to the terms thereof. The Petitioners and the Monitor are hereby authorized and directed to perform their respective obligations and to do all things reasonably necessary to perform their obligations thereunder, subject to prior approval of the Court being obtained before completion of any transaction(s) under the SISP.
4. The Petitioners and the Monitor and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the SISP, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Petitioners or the Monitor, as applicable, in performing their obligations under the SISP, as determined by this Court in a final order that is not subject to appeal or other review.

5. In conducting the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding.

STALKING HORSE PURCHASE AGREEMENT

6. The Petitioners are hereby authorized and empowered to enter into a definitive share purchase and subscription agreement with the Noteholders and CNL or one or more entities to be formed by the Noteholders and CNL (as applicable, the "**Stalking Horse Purchaser**"), which shall be substantially on the terms set out in the Stalking Horse Term Sheet attached as Appendix "A" to the Amended and Restated Transaction Support Agreement attached as Appendix "B" to the First Report and satisfactory to the Monitor (the "**Stalking Horse Transaction Agreement**"), such minor amendments as may be acceptable to each of the parties thereto, with the approval of the Monitor; provided that, nothing herein approves the sale and the vesting of any Property to the Stalking Horse Purchaser (or any of its designees) pursuant to the Stalking Horse Transaction Agreement and that the approval of any sale and vesting of any such Property shall be considered by this Court on a subsequent application made to this Court if the transaction set out in the Stalking Horse Transaction Agreement is the Successful Bid pursuant to the SISP.

7. As soon as reasonably practicable following the Petitioners and the Stalking Horse Purchaser executing the Stalking Horse Transaction Agreement, and in any event by no later than seven (7) Business Days prior to the Qualified Bid Deadline under the SISP, the Monitor shall post a copy thereof on its website, and the Petitioners shall: (a) serve a copy thereof on the Service List; and (b) provide a copy thereof to each SISP Participant (as hereinafter defined), excluding from the public record any confidential information that the Petitioners and the Stalking Horse Purchaser, with the consent of the Monitor, agree should be redacted.

BID PROTECTIONS

8. The Bid Protections are hereby approved and, subject to the entry of the Stalking Horse Transaction Agreement, the Petitioners are hereby authorized and directed to pay the Bid Protections to the Stalking Horse Purchaser (or to such other person as it may direct) in the manner and circumstances described in the Stalking Horse Transaction Agreement.

9. The Stalking Horse Purchaser shall be entitled to the benefit of and is hereby granted a charge (the "**Bid Protections Charge**") on the Property, which charge shall not exceed \$1,750,000, as security for payment of the Bid Protections in the manner and circumstances described in the Stalking Horse Transaction Agreement.

10. The filing, registration or perfection of the Bid Protections Charge shall not be required, and that the Bid Protections Charge shall be valid and enforceable for all purposes, including against any right, title or interest filed, registered, recorded or perfected subsequent to the Bid Protections Charge, notwithstanding any such failure to file, register, record or perfect.

11. The Bid Protections Charge shall constitute a charge on the Property and the Bid Protections Charge shall rank in priority to all other Encumbrances in favour of any Person notwithstanding the order of perfection or attachment, other than the Charges.

12. Except for the Charges or as may be approved by this Court on notice to parties in interest, the Petitioners shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Bid Protections Charge, unless the Petitioners also obtain the prior written consent of the Monitor and the Stalking Horse Purchaser.

13. The Bid Protections Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Purchaser in respect of the Bid Protections Charge shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the

declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Petitioners, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Bid Protections Charge nor the execution, delivery, perfection, registration or performance of the Stalking Horse Transaction Agreement shall create or be deemed to constitute a breach by any of the Petitioners of any Agreement to which any of the Petitioners is a party; and
- (b) the payments made by the Petitioners pursuant to this Order, the Stalking Horse Transaction Agreement and the granting of the Bid Protections Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

14. The Bid Protections Charge created by this Order over leases of real property shall only be a charge in the applicable Petitioner's interest in such real property lease.

15. The Stalking Horse Purchaser, with respect to the Bid Protections Charge only, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the BIA.

PIPEDA

16. Pursuant to section 18(10)(o) of the *Personal Information Protection Act* (British Columbia), and any similar legislation in any other applicable jurisdictions, the Petitioners or the Monitor and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants that are party to a non-disclosure agreement with the Petitioners (each, a "**SISP Participant**") and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the SISP (a "**Transaction**"). Each SISP Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the SISP Participant's evaluation for the purpose of effecting a Transaction, and, if a SISP Participant does not complete a Transaction, shall return all such information to the Petitioners or the Monitor, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Petitioners or the Monitor.


GENERAL

17. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Petitioners, the Monitor, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners, the Foreign Representative and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

18. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

19. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

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



Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT



REGISTRAR

SCHEDULE "A"
Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

SCHEDULE "B"
Non-Petitioner Stay Parties

Black Press (Barbados) Ltd.

Whidbey Press (Barbados) Inc.

Black Press Delaware LLC

Black Press Group Oregon LLC

SCHEDULE "C"
LIST OF COUNSEL

Name of Counsel	Party Represented
Mary Buttery, KC	KSV RESTRUCTURING INC., the
	COURT - APPOINTED MONITOR
DAVID GRUBER + MICHAEL SHAKRA	CANSO INVESTMENT COUNSEL LTD.
SCOTT STEPHENS + HEATHER FRYDENLUND	VANCOUVER CITY SAVINGS CREDIT UNION + COAST CAPITAL SAVINGS FEDERAL CREDIT UNION
EAMONN WATSON	SERVUS CREDIT UNION LTD.
RYAN LAMY LAITY	THE UNITED STATES OF AMERICA

SCHEDULE "D"
SISP

See attached.

Sale and Investment Solicitation Process

1. On January 15, 2024, the Supreme Court of British Columbia, Vancouver Registry (the "**CCAA Court**") issued an Order (the "**Initial Order**") granting certain relief to Black Press Ltd., 311773 B.C. Ltd., Black Press Group Ltd., 0922015 B.C. Ltd., Central Web Offset Ltd., Sound Publishing Holding, Inc., Sound Publishing Properties, Inc., Sound Publishing, Inc., Oahu Publications, Inc., The Beacon Journal Publishing Company, WWA (BPH) Publications, Inc., San Francisco Print Media Co. (collectively, the "**Petitioners**" and together with the Non-Petitioner Stay Parties (the "**Black Press Entities**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**" and the Petitioners proceedings thereunder, the "**CCAA Proceedings**").
2. Pursuant to the Initial Order, KSV Restructuring Inc. was appointed as monitor (in such capacity, the "**Monitor**") of the Petitioners in the CCAA Proceedings.
3. Pursuant to proceedings commenced in the United States Bankruptcy Court for the District of Delaware (the "**US Bankruptcy Court**") under Chapter 15, Title 11, of the United States Code, the Petitioners obtained, among other things, recognition of the CCAA Proceedings.
4. On January 25, 2024, the CCAA Court granted:
 - (i) an Order amending and restating the Initial Order (the "**ARIO**"), and
 - (ii) an Order (the "**SISP Approval Order**") that, among other things, authorized:
 - (a) the Petitioners to implement a sale and investment solicitation process in respect of the Black Press Entities (the "**SISP**") in accordance with the terms hereof, (b) the Black Press Entities to negotiate and finalize a definitive Stalking Horse Transaction Agreement (the "**Stalking Horse Bid**") with the Stalking Horse Purchaser; (c) approved the Bid Protections subject to entry of the Stalking Horse Transaction Agreement; and (d) granted the Bid Protections Charge.
5. Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the ARIO or the SISP Approval Order, as applicable. Copies of the ARIO and the SISP Approval Order can be found at www.ksvadvisory.com/experience/case/black-press (the "**Monitor's Website**").
6. This SISP sets out the manner in which: (a) binding bids for executable transactions involving the business and/or assets of, or the equity interests in, the Black Press Entities will be solicited from interested parties; (b) any such bids received will be addressed; (c) any Successful Bid (as defined below) will be selected; and (d) CCAA Court approval of any Successful Bid will be sought.
7. The SISP shall be conducted by the Petitioners with the assistance and under the oversight of the Monitor and the Monitor shall be entitled to receive all information in relation to the SISP.
8. Parties who wish to have their bids considered must participate in the SISP.
9. The Black Press Entities and the Monitor, in accordance with section 10 below, shall:

- a) disseminate marketing materials and a process letter to potentially interested parties identified by the Black Press Entities and the Monitor;
 - b) solicit interest from parties with a view to such interested parties entering into non-disclosure agreements (each an "**NDA**") (parties shall only obtain access to the virtual data room and be permitted to participate in the SISP if they execute an NDA, in form and substance satisfactory to the Black Press Entities; provided that those parties that have already executed a NDA with the Black Press Entities shall not be required to execute a further agreement unless such agreement has expired or will expire during the SISP);
 - c) provide applicable parties who have entered into an NDA with the Black Press Entities access to a virtual data room containing, among other things, diligence information; and
 - d) request that such parties submit a binding offer meeting at least the requirements set forth in Section 11 below, as determined by the Black Press Entities and the Monitor (each a "**Qualified Bid**"), by the Qualified Bid Deadline (as defined below).
10. The SISP shall be conducted subject to the terms hereof and the following key milestones, which milestones may be extended by the Black Press Entities, with the consent of the Monitor and the Stalking Horse Purchaser:¹
- a) the CCAA Court issues the SISP Approval Order by no later than January 25, 2024;
 - b) the Black Press Entities and the Monitor commence the solicitation process by no later than January 25, 2024, it being understood that the Black Press Entities and/or the Monitor shall be at liberty to contact, provide marketing materials and commence discussions with interested parties prior to such date as they consider appropriate;
 - c) deadline to submit a Qualified Bid – 5:00 p.m. Pacific Time on February 16, 2024 (the "**Qualified Bid Deadline**");

¹ To the extent any dates fall on a non-business day in British Columbia, they shall be deemed to be the first business day thereafter.

- d) deadline to determine whether a bid is a Qualified Bid and, if applicable, to notify those parties who submitted a Qualified Bid of the Auction (as defined below) – by no later than 5:00 p.m. Pacific Time on February 21, 2024;
- e) the Black Press Entities and the Monitor to hold an Auction (if applicable) and select the successful bid(s) (the “**Successful Bid**”) – by no later than 10:00 a.m. Pacific Time on February 26, 2024 (the “**Definitive Agreement Deadline**”);
- f) Transaction Order (as defined below) hearing:
 - o (if there is no Auction) – by no later than March 1, 2024 subject to CCAA Court availability; or
 - o (if there is an Auction) – by no later than March 6, 2024, subject to CCAA Court availability; and
- g) closing of the Successful Bid as soon thereafter as possible and, in any event, by no later than 5:00 p.m. Pacific Time on March 15, 2024 (the “**Outside Date**”).

11. In order to constitute a Qualified Bid, a bid must comply with the following:

- a) it provides for aggregate consideration, payable in cash in full on closing in an amount equal to or greater than (i) all outstanding obligations under the Senior Secured Notes (as defined in the First Hargreaves Affidavit), (ii) all outstanding obligations under the DIP Term Sheet, (iii) any obligations in priority to amounts owing under the DIP Term Sheet, including any Charges, (iv) the amount of \$500,000 to fund any professional fees incurred in connection with the wind-up of the Petitioners’ CCAA proceedings and any further proceedings or wind-up costs; and (v) the amount of \$1,750,000 to satisfy the Bid Protections (the “**Consideration Value**”), and provides a detailed sources schedule that identifies, with specificity, the composition of the Consideration Value and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or being excluded;
- b) it contemplates closing of the proposed transaction by not later than the Outside Date;
- c) it contains:
 - i. duly executed binding definitive transaction document(s);
 - ii. the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of each of its equityholder(s);
 - iii. a redline to the Stalking Horse Transaction Agreement posted in the virtual data room;
 - iv. evidence of authorization and approval from the bidder’s board of directors (or equivalent governing body) and, if necessary to complete the transaction, the bidder’s equityholder(s);

- v. disclosure of any past or current connections or agreements with the Black Press Entities or any of their affiliates, any known, potential, prospective bidder, or any current or former officer, manager, director, member or known current or former equity security holder of any of the Black Press Entities or any of their affiliates;
 - vi. such other information reasonably requested by the Black Press Entities or the Monitor;
 - vii. indicates whether any Transaction Order (as defined below) approving the bid will require recognition from the US Bankruptcy Court;
- d) it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until closing of the Successful Bid; provided, that if such bid is not selected as the Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid (such bid, the "**Back-Up Bid**") it shall only remain irrevocable until selection of the Successful Bid;
- e) it provides that the bid will serve as a Back-Up Bid if it is not selected as the Successful Bid and if selected as the Back-Up Bid it will remain irrevocable until the earlier of: (i) closing of the Successful Bid; or (ii) closing of the Back-Up Bid;
- f) it provides written evidence of a bidder's ability to fully fund and consummate the transaction (and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid;
- g) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- h) it is not conditional upon:
- i. approval from the bidder's board of directors (or equivalent governing body) or equityholder(s);
 - ii. the outcome of any unperformed due diligence by the bidder; or
 - iii. the bidder obtaining financing;
- i) it includes acknowledgments and representations that the bidder: (i) has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid; (ii) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Black Press Entities, the Monitor and their respective employees, officers, directors, agents, advisors and other representatives, regarding the proposed transactions, this SISF, or any information (or the

completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents; (iii) is making its bid on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Black Press Entities, the Monitor or any of their respective employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transactions documents; (iv) is bound by this SISP and the SISP Approval Order; and (v) is subject to the exclusive jurisdiction of the CCAA Court with respect to any disputes or other controversies arising under or in connection with the SISP or its bid;

- j) it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the transaction (including the anticipated timing necessary to obtain such approvals);
 - k) it includes full details of the bidder's intended treatment of the Petitioners' employees, customers, contracts, collective bargaining agreements, pension and benefit obligations and vendors under the proposed bid;
 - l) it is accompanied by a cash deposit (the "**Deposit**") paid by wire transfer of immediately available funds in an amount equal to at least 10% of the Consideration Value, which Deposit shall be retained by the Monitor in an interest-bearing trust account in accordance with the terms hereof;
 - m) it includes a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
 - n) it is received by the Black Press Entities, with a copy the Monitor, by the Qualified Bid Deadline at the email addresses specified on Schedule "A" hereto.
12. The Black Press Entities, with the consent of the Monitor, may in their sole discretion waive compliance with any one or more of the requirements specified in Section 11 above and deem a non-compliant bid to be a Qualified Bid, provided that requirements 11(a), 11(b) and 11(l) may not be waived without the consent of the Stalking Horse Bidder.
13. Notwithstanding the requirements specified in Section 11 above, the transaction contemplated by the Stalking Horse Transaction Agreement (the "**Stalking Horse Bid**"), is deemed to be a Qualified Bid, provided that, for greater certainty, no Deposit shall be required to be submitted in connection with the Stalking Horse Bid.
14. If one or more Qualified Bids (other than the Stalking Horse Bid) has been received by the Black Press Entities on or before the Qualified Bid Deadline, the Black Press Entities shall proceed with an auction process to determine the successful bid(s) (the "**Auction**"), which Auction shall be administered in accordance with Schedule "B" hereto. The successful bid(s) selected pursuant to the Auction shall constitute the "**Successful Bid(s)**". Forthwith upon determining to proceed with an Auction, the Black Press Entities shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Bid) of which Qualified Bid is the highest or otherwise best bid (as determined by the Black Press Entities, in consultation with the Monitor) along with a copy of such bid.

15. If by the Qualified Bid Deadline, no Qualified Bid (other than the Stalking Horse Bid) has been received by the Black Press Entities, then the Stalking Horse Bid shall be deemed the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Transaction Agreement.
16. Following selection of a Successful Bid, if any, the Black Press Entities, with the assistance of its advisors, and in consultation with the Monitor, shall seek to finalize any remaining necessary definitive agreement(s) with respect to the Successful Bid in accordance with the milestones set out in Section 10. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the Black Press Entities in consultation with the Monitor, the Petitioners shall apply to the CCAA Court for an order or orders approving such Successful Bid and/or the mechanics to authorize the Petitioners to complete the transactions contemplated thereby, as applicable, and authorizing the Petitioners to: (a) enter into any and all necessary agreements and related documentation with respect to the Successful Bid; (b) undertake such other actions as may be necessary to give effect to such Successful Bid; and (c) implement the transaction(s) contemplated in such Successful Bid (each, a "**Transaction Order**"). If the Successful Bid is not consummated in accordance with its terms, the Black Press Entities shall be authorized, but not required, to elect that the Back-Up Bid (if any) is the Successful Bid.
17. The highest Qualified Bid may not necessarily be accepted by the Black Press Entities. The Black Press Entities, with the written consent of the Monitor, reserve the right not to accept any Qualified Bid or to otherwise terminate the SISP. The Black Press Entities, with the written consent of the Monitor, reserve the right to deal with one or more Qualified Bidders to the exclusion of others, to accept a Qualified Bid for different parts of the Black Press Entities business and assets or to accept multiple Qualified Bids and enter into definitive agreements in respect of all such bids, provide that the aggregate of such Qualified Bids satisfies the requirements of Section 11(a) and (b).
18. If a Successful Bid is selected and a Transaction Order authorizing the consummation of the transaction contemplated thereunder is granted by the Court, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a Qualified Bid that is not selected as a Successful Bid will be returned to the applicable bidder as soon as reasonably practicable (but not later than ten (10) business days) after the date upon which the Successful Bid is approved pursuant to a Transaction Order or such earlier date as may be determined by the Black Press Entities, in consultation with the Monitor; provided, the Deposit in respect of the Back-Up Bid shall not be returned to the applicable bidder until the closing of the Successful Bid.
19. The Black Press Entities shall be permitted, in their discretion, to provide general updates and information in respect of the SISP to legal counsel to any creditor (each a "**Creditor**") on a confidential basis, upon: (a) irrevocable confirmation in writing from such counsel that the applicable Creditor will not submit any bid in the SISP; and (b) counsel to such Creditor entering into confidentiality arrangements with the Black Press Entities, in form and substance satisfactory to the Black Press Entities and the Monitor.
20. The Interim Lender shall only be entitled to the consultation rights specified herein in its favour and confidential updates and information from the Black Press Entities and the

Monitor in respect of the SISP, including copies of any Qualified Bids, upon the Interim Lender (in its capacity as Stalking Horse Bidder) irrevocably confirming in writing to the Petitioners and the Monitor that it will not submit any bid in the SISP except for the Stalking Horse Agreement and will not participate in the Auction.

21. Any amendments to this SISP may only be made by the Black Press Entities with the written consent of the Monitor and the Interim Lender or by further order of the court.

SCHEDULE "A": E-MAIL ADDRESSES FOR DELIVERY OF BIDS

To the counsel for the Black Press Entities:

vtickle@cassels.com; jenns@cassels.com; riacobs@cassels.com; jbello@cassels.com; jbornstein@cassels.com

and with a copy to the Monitor:

ngoldstein@ksvadvisory.com; jknight@ksvadvisory.com; ebrenner@ksvadvisory.com

SCHEDULE "B": AUCTION PROCEDURES

1. **Auction.** If the Black Press Entities receive at least one Qualified Bid (other than the Stalking Horse Bid), the Black Press Entities will conduct and administer the Auction in accordance with the terms of the SISP. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.

2. **Participation.** Only parties that provided a Qualified Bid by the Qualified Bid Deadline, including, for greater certainty, the Stalking Horse Bid (collectively, the "**Qualified Parties**" and each a "**Qualified Party**"), shall be eligible to participate in the Auction. No later than 5:00 p.m. Pacific Time on the day prior to the Auction, each Qualified Party must inform the Black Press Entities and the Monitor in writing whether it intends to participate in the Auction. The Black Press Entities will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party (including the Stalking Horse Purchaser) provides such expression of intent, the highest or otherwise best Qualified Bid as determined by the Black Press Entities, in consultation with the Monitor, shall be designated as the Successful Bid (as defined below).

3. **Auction Procedures.** The Auction shall be governed by the following procedures:

- a. **Attendance.** Only the Black Press Entities, the Qualified Parties and the Monitor, and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any Overbids (as defined below) at the Auction;
- b. **No Collusion.** Each Qualified Party participating at the Auction shall be required to confirm on the record at the Auction that: (a) it has not engaged in any collusion with respect to the Auction and the bid process; and (b) its bid is a good-faith *bona fide* offer, it is irrevocable and it intends to consummate the proposed transaction if selected as the Successful Party (as defined below);
- c. **Minimum Overbid and Back-Up Bid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Black Press Entities, in consultation with the Monitor (the "**Initial Bid**"), and any bid made at the Auction by a Qualified Party subsequent to the Black Press Entities' announcement of the Initial Bid (each, an "**Overbid**"), must proceed in minimum additional cash increments of \$100,000, and all such Overbids shall be irrevocable until closing of the Successful Bid; provided, that if such Overbid is not selected as the Successful Bid or as the Back-Up Bid (if any) it shall only remain irrevocable until selection of the Successful Bid;
- d. **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each

subsequent Qualified Bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Black Press Entities, in their discretion, may establish separate video conference rooms to permit interim discussions among the Black Press Entities, the Monitor and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;

- e. **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit an Overbid with full knowledge and confirmation of the then-existing highest or otherwise best bid and no Qualified Party submits an Overbid; and
- f. **No Post-Auction Bids.** No bids will be considered for any purpose after the Successful Bid has been designated, and therefore the Auction has concluded.

Selection of Successful Bid

4. **Selection.** During the Auction, the Black Press Entities, in consultation with the Monitor, will: (a) review each subsequent Qualified Bid, considering the factors set out in Section 11 of the SISP and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in (i) above, (iii) the likelihood of the Qualified Party's ability to close a transaction by not later than the Outside Date (including factors such as: the transaction structure and execution risk; conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court's approval of the Successful Bid, (v) the net benefit to the Black Press Entities and their stakeholders and (vi) any other factors the directors or officers of the Black Press Entities may, consistent with their fiduciary duties, reasonably deem relevant; and (b) identify the highest or otherwise best bid received at the Auction (the "**Successful Bid**" and the Qualified Party making such bid, the "**Successful Party**").

5. **Acknowledgement.** The Successful Party shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one business day of the Successful Bid being selected as such, unless extended by the Black Press Entities in their sole discretion, subject to the milestones set forth in Section 10 of the SISP.

APPENDIX D

[ATTACHED]

1000817790 ONTARIO LTD.

- AND -

BLACK PRESS LTD.

- AND -

311773 B.C. LTD.

SHARE SUBSCRIPTION AGREEMENT

DATED MARCH 1, 2024

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SHARE SUBSCRIPTION AGREEMENT

THIS SHARE SUBSCRIPTION AGREEMENT dated March 1, 2024 is made by and between:

1000817790 ONTARIO LTD., a corporation incorporated under the laws of Ontario

(hereinafter, the “**Purchaser**”)

- and -

BLACK PRESS LTD., a company existing under the laws of British Columbia

(hereinafter, “**Black Press**”)

- and -

311773 B.C. LTD., a company existing under the laws of British Columbia

(hereinafter, “**3117**”, and collectively with Black Press, the “**Companies**”)

RECITALS:

- A. The primary business of Black Press is print newspapers and magazines, digital news, marketing and advertising services, commercial printing, and parcel delivery operating in Canada in British Columbia, Alberta, Yukon, Nunavut, and Northwest Territories, and in the US in Washington, Alaska and Hawaii;
- B. 3117 is a Canadian real property holding company and a BP Group Member;
- C. On January 15, 2024, pursuant to the Initial Order: (i) the CCAA Petitioners obtained relief under the CCAA; and (ii) KSV Restructuring Inc. was appointed as Monitor in the CCAA Proceedings;
- D. The Companies and certain of the BP Group Members commenced the CCAA Proceedings in order to, *inter alia*, seek a stay of proceedings and pursue the SISP with a view to implementing a transaction which will allow the continuation of their Business and operations, as a going concern; and
- E. The Purchaser has agreed to: (i) act as the “stalking horse bidder” in the context of the SISP and, (ii) if this Agreement is subsequently determined to be the “Successful Bid” in accordance with the SISP Procedures and the Approval and Reverse Vesting Order is granted by the Court, to subscribe for and purchase from the Companies, the Subscribed Shares, on the terms and conditions set out in this Agreement, in order to become the sole shareholder of the Companies upon Closing;

NOW THEREFORE in consideration of the covenants and mutual promises set forth in this Agreement (including the recitals hereof) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions.

In this Agreement:

“**3117 Subscribed Shares**” means such number and class of common shares in the capital of 3117, to be advised by the Purchaser, which will be issued on Closing and which will, immediately following Closing, represent 100% of the equity interests in 3117.

“**Action**” means any claim, action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before a Governmental Authority.

“**Affiliate**” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to “control” another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term “controlled” shall have a similar meaning.

“**Agreement**” means this Share Subscription Agreement between the Purchaser and the Companies, as may be amended, supplemented, restated or otherwise modified in accordance with the terms hereof.

“**Applicable Law**” means, with respect to any Person, property, transaction, event or other matter, any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order (including any securities laws or requirements of stock exchanges and any consent decree or administrative Order) or other requirement having the force of law (“**Law**”), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

“**Approval and Reverse Vesting Order**” means an order issued by the Court substantially in the form attached hereto as Exhibit “A” or otherwise acceptable to the Purchaser, the Companies and the Monitor, each acting reasonably, among other things: (i) approving the Transactions; (ii) vesting out of the BP Group Members all Excluded Assets, Excluded Contracts and Excluded Liabilities and discharging all Encumbrances against the BP Group Members, except only the Permitted Encumbrances; (iii) authorizing and directing each of the Companies to adopt and make effective the Notice of Alteration; (iv) terminating and cancelling all Existing Shares as well as any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock option or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of the Companies, if any (other than the rights of the Purchaser under this Agreement), for no consideration; (v) authorizing and directing the Companies to issue the Subscribed Shares, and vesting in the Purchaser (or as it may direct) all right, title and interest in and to the Subscribed Shares, free and clear of all Encumbrances; and (vi) adding the Non-Petitioner Entities as Petitioners in the CCAA Proceedings.

“**Approvals and Consents**” has the meaning set out in Section 5.5(c).

“Assumed Liabilities” means (a) Liabilities specifically and expressly designated by the Purchaser as assumed Liabilities in Schedule “E” (which, for the avoidance of doubt, may be amended by the Purchaser by submitting an amended list no later than ten Business Days before the Target Closing Date, provided that such amended list shall in any event include those Liabilities listed under the Statement of Trade Payables); (b) Liabilities under any Contracts, Permits and Licenses or Permitted Encumbrances (in each case, to the extent forming part of the Retained Assets) arising out of events or circumstances that occur after the Closing; (c) Cure Costs in relation to Contracts; (d) any Tax Liabilities and Transaction Taxes referred to in Section 3.1(d) and Section 3.2(d); and (e) to the extent not paid in connection with the CCAA Proceedings, any claims or charges then outstanding ranking in priority to the Notes.

“Authorization” means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval or building permit) or from any Person in connection with any easements, contractual rights or other matters.

“Books and Records” means all books, records, files, papers, books of account and other financial data including Tax Returns related to the Retained Assets in the possession, custody or control of any of the BP Group Members, including sales and advertising materials, sales and purchase data, trade association files, research and development records, lists of present and former customers and suppliers, personnel, employment and other records, and all records, data and information stored electronically, digitally or on computer-related media.

“BP Group” means the Companies, and Black Press Group Ltd., 0922015 B.C. Ltd., Central Web Offset Ltd., Sound Publishing Holding, Inc., Sound Publishing Properties, Inc., Sound Publishing, Inc., Oahu Publications, Inc., The Beacon Journal Publishing Company, WWA (BPH) Publications, Inc., San Francisco Print Media Co., Black Press Group Oregon LLC, Black Press (Barbados) Ltd., Whidbey Press (Barbados) Inc. and Black Press Delaware LLC.

“BP Group Members” means the entities that are members of the BP Group.

“BP Subscribed Shares” means such number and class of common shares in the capital of Black Press, to be advised by the Purchaser, which will be issued on Closing and which will, immediately following Closing, represent 100% of the equity interests in Black Press.

“Break Fee” has the meaning given to such term in the Support Agreement.

“Business” means the business and operations carried on by the BP Group as at the date of this Agreement and as at the date of Closing pertaining to print newspapers and magazines, digital news, marketing and advertising services, commercial printing, and parcel delivery operating in Canada in British Columbia, Alberta, Yukon, Nunavut, and Northwest Territories, and in the United States in Washington, Alaska and Hawaii.

“Business Day” means any day except Saturday, Sunday or any day on which banks are generally not open for business in the Province of Ontario or the Province of British Columbia.

“Canadian BP Group Members” mean, collectively, the Companies, Black Press Group Ltd., 0922015 B.C. Ltd., and Central Web Offset Ltd.

“Canadian Cash Consideration” means \$10.00, plus an amount sufficient to pay in full in cash all Canadian dollar denominated Encumbrances in respect of the BP Group Members ranking in priority to the

Notes, other than (i) amounts in respect of Closing Payments to the extent paid in accordance with Sections 2.3 and 6.2(b), and (ii) such amounts which are Assumed Liabilities.

“**Canadian Excluded Assets**” means the Excluded Assets held by the Canadian BP Group Members.

“**Canadian Excluded Assets and Contracts Promissory Note**” has the meaning set out in Section 3.2(b).

“**Canadian Excluded Assets Bill of Sale**” has the meaning set out in Section 3.2(b).

“**Canadian Excluded Contracts**” means the Excluded Contracts entered into with or held by or for the benefit of a Canadian BP Group Member.

“**Canadian Excluded Contracts Assignment Agreement**” has the meaning set out in Section 3.2(b).

“**Canadian Excluded Liabilities**” means all debts, obligations, Liabilities, Encumbrances (other than Permitted Encumbrances), indebtedness, contracts, leases, agreements, undertakings, claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) of or against any of the Canadian BP Group Members or relating to any Canadian Excluded Assets and Canadian Excluded Contracts as at the Closing Time, other than Assumed Liabilities. Without limiting the generality of the foregoing, "Canadian Excluded Liabilities" includes, *inter alia*, (i) the non-exhaustive list of those certain Liabilities set forth in Schedule “C” – *Excluded Liabilities of the Canadian BP Group Members*, (ii) any and all Liabilities relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which any of the Canadian BP Group Members may be bound (or, for greater certainty, would in the absence of Section 3 be bound) as at the Closing Time, (iii) all Liabilities relating to or under the Canadian Excluded Contracts and Canadian Excluded Assets, and (iv) all Liabilities for those employees of a Canadian BP Group Member who are Terminated Employees.

“**Canadian Excluded Liability Assumption Agreement**” has the meaning set out in Section 3.1(a).

“**Canadian Excluded Liability Promissory Note**” has the meaning set out in Section 3.1(a).

“**Cash Consideration**” means, collectively, the Canadian Cash Consideration and the US Cash Consideration.

“**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36.

“**CCAA Petitioners**” means collectively, Black Press, 3117 and those other petitioner companies listed in Exhibit “C”.

“**CCAA Proceedings**” means the proceedings commenced by the CCAA Petitioners under the CCAA.

“**Closing**” means the completion of the Transactions in accordance with the Closing Sequence and the other provisions of this Agreement.

“**Closing Cash Amount**” has the meaning set out in Section 7.2(h).

“**Closing Date**” means the date on which Closing occurs.

“**Closing Payments**” has the meaning set out in Section 7.2(h).

“**Closing Sequence**” has the meaning set out in Section 6.2.

“**Closing Time**” means the time immediately prior to the first step of the Closing Sequence on the Closing Date at which Closing occurs, as evidenced by the Monitor’s Certificate.

“**CNL**” has the meaning given to such term in the Support Agreement.

“**Company Advisors**” has the meaning given to it in the Support Agreement.

“**Conditions Certificates**” has the meaning set out in Section 7.3.

“**Contracts**” means all written contracts, agreements, leases, understandings and arrangements to which any of the BP Group Members is a party or by which any of the BP Group Members is bound or in which any of the BP Group Members has, or will at Closing have, any rights, including any Personal Property Leases, any Real Property Leases and any Contracts in respect of Employees, in each case excluding Excluded Assets and Excluded Contracts.

“**Court**” means the Supreme Court of British Columbia.

“**Cure Costs**” means, in respect of a Retained Contract, all amounts, costs, fees and expenses required to be paid, if any, to remedy all of the Petitioners’ monetary defaults in relation to such Retained Contract as at the date of Closing, other than those arising by reason only of the Petitioners’ insolvency, the commencement of the CCAA Proceedings or the Petitioners’ failure to perform a non-monetary obligation.

“**DIP Facility**” has the meaning given to it in the Initial Order.

“**DIP Financing**” has the meaning given to it in the Support Agreement.

“**Discharged**” means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, including all proceeds thereof, the full, final, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.

“**Employees**” means all individuals who, as of Closing Time, are employed by any of the BP Group Members, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not expired, but, for certainty, excludes any employees who are to be terminated pursuant to Section 7.1(h), and “**Employee**” means any one of them.

“**Encumbrances**” means all claims, Liabilities (direct, indirect, absolute or contingent), obligations, prior claims, right of retention, liens, security interests, charges, hypothecs, trusts, deemed trusts (statutory or otherwise), judgments, writs of seizure or execution, notices of sale, contractual rights (including purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual rights) and encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise.

“**Encumbrances To Be Discharged**” means all Encumbrances on the Subscribed Shares and the Retained Assets, including without limitation the Encumbrances listed in Schedule “D”, and excluding only the Permitted Encumbrances.

“**Excluded Assets**” means collectively those assets listed in each of Section 3.3 and Schedule “A”, an amended list of which (solely in respect of Schedule “A”) may be delivered by the Purchaser no later than ten Business Days before the Target Closing Date.

“**Excluded Assets and Contracts Promissory Notes**” means, collectively, the Canadian Excluded Assets and Contracts Promissory Note and the US Excluded Assets and Contracts Promissory Note.

“**Excluded Contracts**” means those contracts listed in Schedule “B”, as may be amended by the list sent pursuant to Section 7.1(k).

“**Excluded Liabilities**” means, collectively, the Canadian Excluded Liabilities and US Excluded Liabilities. For greater certainty, the Excluded Liabilities shall not include the obligations of the Companies in respect of the Closing Payments.

“**Excluded Liability Promissory Notes**” means, collectively, the Canadian Excluded Liability Promissory Note and the US Excluded Liability Promissory Note.

“**Existing Shares**” means all issued and outstanding shares of each of the Companies immediately prior to the Closing Time.

“**Expense Reimbursement**” has the meaning given to such term in the Support Agreement.

“**Filing Date**” means January 15, 2024.

“**Governmental Authority**” means the government of Canada, or any other nation, or of any political subdivision thereof, whether state, provincial (including the government of British Columbia), territorial, municipal or local, and any agency, authority, instrumentality, regulatory body, court, arbitrator or arbitrators, tribunal, central bank or other entity exercising executive, legislative, judicial or arbitral, taxing, regulatory or administrative powers or functions (including any applicable stock exchange).

“**GST/HST**” means the goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada), and any provincial, territorial or foreign legislation imposing a similar value added or multi-staged tax.

“**Initial Order**” means the Initial Order of the Court dated January 15, 2024, as amended and restated on January 25, 2024 and as may be further amended, restated or varied from time to time.

“**Interim Lender**” has the meaning given to it in the Initial Order.

“**Interim Period**” means the period from the date this Agreement is entered into by the Parties to the Closing Time.

“**Investment Canada Act**” means the *Investment Canada Act*, R.S.C., 1985, c. 28 and the regulations promulgated thereunder.

“**KERP**” has the meaning given to it in the Support Agreement.

“**Law**” has the meaning set out in the definition of “Applicable Law”.

“**Legal Proceeding**” means any litigation, Action, application, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration

proceeding or other similar proceeding, before or by any court or other tribunal or Governmental Authority and includes any appeal or review thereof and any application for leave to appeal or review.

“**Liability**” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“**Material Adverse Effect**” means any change, event, development, occurrence, facts, condition or effect (each, an “**Effect**”) that is, or would reasonably be expected to be, individually or in the aggregate with all other Effects, materially adverse to the Business or condition (financial or otherwise), assets, liabilities, operations, earnings of the BP Group or results of the Business taken as a whole, provided that (a) an epidemic, pandemic or disease outbreak (and any public health measures enacted in response to a pandemic, including travel restrictions or lockdowns), (b) a change in general economic, business, political or market conditions, or a development in the financial, banking, credit, debt, currency, capital or securities markets in general, including changes in interest rates; or (c) any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the BP Group Members with any third party, including any customers, employees, shareholders, financing sources, vendors, licensors, licensees, distributors, partners or suppliers as a direct result of the announcement of this Agreement, shall not qualify as a Material Adverse Effect.

“**Monitor**” means KSV Restructuring Inc. in its capacity as court-appointed monitor in the CCAA Proceedings, and shall include, as the context so requires, KSV Restructuring Inc., in its capacity as monitor or trustee in bankruptcy of Residual Cos to the extent subsequently appointed as such.

“**Monitor Advisors**” has the meaning given to it in the Support Agreement.

“**Monitor’s Certificate**” means the certificate, substantially in the form attached as Schedule “A” to the Approval and Reverse Vesting Order, to be delivered by the Monitor to the Companies and the Purchaser in accordance with Section 7.3, and thereafter filed by the Monitor with the Court.

“**Non-Petitioner Entities**” means collectively, Black Press (Barbados) Ltd., Whidbey Press (Barbados) Inc. Black Press Delaware LLC and Black Press Group Oregon LLC.

“**Note Indenture**” means the trust indenture between, inter alios, Black Press Group Ltd., as issuer, and Computershare Trust Company of Canada, as trustee (the “**Note Trustee**”), dated as of March 29, 2019 (as amended, modified, supplemented, extended, renewed, restated or replaced from time to time prior to the date hereof).

“**Noteholder Advisors**” has the meaning given to it in the Support Agreement.

“**Noteholders**” has the meaning given to such term in the Support Agreement.

“**Notes**” means the 12.0% First Lien Notes issued pursuant to the Note Indenture.

“**Notes Consideration**” has the meaning given to such term in Section 2.1(a).

“**Notice of Alteration**” means a Notice of Alteration in respect of amendments to the articles (a) of Black Press, to change the conditions in respect of Black Press’s authorized and issued share capital to provide for a redemption right in favour of Black Press, to create a new class or classes of common shares and to

make such other changes as may be requested by the Purchaser; and (b) of 3117, to change the conditions in respect of 3117's authorized and issued share capital to provide for a redemption right in favour of 3117, to create a new class or classes of common shares and to make such other changes as may be requested by the Purchaser, in each case which shall be in a form and substance satisfactory to the Purchaser, as confirmed in writing in advance of the filing thereof.

“Order” means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

“Organizational Documents” means any trust document, charter, certificate, memorandum or articles of incorporation or amalgamation, Notice of Articles, Notice of Alteration, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

“Outside Date” means April 12, 2024, or such other date as the Purchaser and the Companies (with the consent of the Monitor and the Interim Lender) may agree to in writing.

“Party” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **“Parties”** means more than one of them.

“PBGC” has the meaning given to such term in Section 7.1(n).

“PBGC Settlement Agreement” has the meaning given to such term in Section 7.1(n).

“Permits and Licenses” means the permits, licenses, Authorizations, approvals or other evidence of authority Related to the Business or issued to, granted to, conferred upon, or otherwise created for, the Companies or any other BP Group Members.

“Permitted Encumbrances” means the Encumbrances related to the Retained Assets listed in Schedule “F”, an amended list of which may be agreed to by the Purchaser, the Companies and Monitor prior to the granting of the Approval and Reverse Vesting Order.

“Person” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

“Personal Property” means all machinery, equipment, furniture, motor vehicles and other personal property that is Related to the Business, wherever located (including those in possession of suppliers, customers and other third parties).

“Personal Property Lease” means a lease, equipment lease, financing lease, conditional sales contract and other similar agreement relating to Personal Property to which any of the BP Group Members is a party or under which it has rights to use Personal Property.

“Purchase and Sale Transactions” means the transactions contemplated by this Agreement which provide for, among other things, (a) the issuance by the Companies of the Subscribed Shares to the Purchaser in consideration for the Subscription Price, and (b) the assignment by the BP Group Members to Residual Cos of the Excluded Liabilities, Excluded Assets, if any, and Excluded Contracts in consideration for the Excluded Liability Promissory Notes and the Excluded Assets and Contracts Promissory Notes.

“**Real Property Lease**” means a lease and other similar agreement relating to real property that is Related to the Business to which any of the BP Group Members is a party or under which it has rights to use real property.

“**Related to the Business**” means primarily (i) used in; (ii) arising from; or (iii) otherwise related to the Business or any part thereof.

“**Representative**” when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

“**Residual Co. (Canada)**” means a corporation to be incorporated under the laws of Canada or a province thereof in advance of Closing, to which the Canadian Excluded Assets, Canadian Excluded Liabilities and Canadian Excluded Contracts will be transferred as part of the Closing Sequence, which shall have no issued and outstanding shares.

“**Residual Co. (US)**” means an entity to be formed under the laws of Hawaii in advance of Closing, to which the US Excluded Assets, US Excluded Liabilities and US Excluded Contracts will be transferred as part of the Closing Sequence, which shall have no issued and outstanding shares.

“**Residual Cos**” means, together, Residual Co. (Canada) and Residual Co. (US).

“**Retained Assets**” has the meaning set out in Section 3.2.

“**SISP**” means the Sale and Investment Solicitation Process to be conducted by the Petitioners with the assistance and under the oversight of the Monitor in the context of the CCAA Proceedings in accordance with the SISP Procedures.

“**SISP Order**” means the order issued by the Court on January 25, 2024, approving, among other things, the SISP and the SISP Procedures and authorizing the BP Group Members to negotiate and finalize this Agreement as the “stalking horse bid”.

“**SISP Procedures**” means the procedures governing the SISP as outlined in the SISP Order.

“**Statement of Trade Payables**” means a statement from the Companies, certified by an officer of each of the Companies and acceptable to the Monitor, setting out (a) a list of vendors that have provided goods and/or services to the Companies in the ordinary course of business from and after the Filing Date but have not been paid for such goods and services as at the Closing Time, and (b) the corresponding amounts owing to each such vendor.

“**Subscribed Shares**” means, collectively, the BP Subscribed Shares and the 3117 Subscribed Shares.

“**Subscription Price**” has the meaning set out in Section 2.1.

“**Support Agreement**” means the second amended and restated support agreement dated March 1, 2024, between the Companies, the Noteholders and CNL.

“**Target Closing Date**” means March 22, 2024, or such other date as the Companies (with the consent of the Monitor and the Interim Lender) and the Purchaser may agree to in writing.

“**Tax Act**” means the *Income Tax Act* (Canada).

“Tax Returns” means all returns, reports, declarations, designations, forms, elections, notices, filings, information returns, and statements in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

“Taxes” or **“Tax”** means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, mining taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes or premiums, pension plan premiums and contributions, social security premiums, workers’ compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add- on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

“Terminated Employees” means those individuals employed by the BP Group Members whose employment will be terminated prior to Closing, as listed in a terminated employee list to be sent by the Purchaser to the Companies no later than ten Business Days before the Target Closing Date.

“Transaction Taxes” means all documentary, stamp, sales and transfer taxes, registration charges and transfer fees, including GST/HST, use, value added, and excise taxes and all filing and recording fees (and any penalties and interest associated with such taxes and fees) or any other Tax arising from, or relating to, or in respect of the consummation of the Transactions.

“Transactions” means all of the transactions contemplated by this Agreement, including the Purchase and Sale Transactions.

“US BP Group Members” means, collectively, Sound Publishing Holding, Inc., Sound Publishing Properties, Inc., Sound Publishing, Inc., Oahu Publications, Inc., The Beacon Journal Publishing Company, WWA (BPH) Publications, Inc., San Francisco Print Media Co., Black Press Group Oregon LLC and Black Press Delaware LLC.

“US Cash Consideration” means USD\$10.00, plus an amount sufficient to pay in full in cash all United States dollar denominated Encumbrances in respect of the BP Group Members ranking in priority to the Notes, other than (i) amounts in respect of Closing Payments to the extent paid in accordance with Sections 2.3 and 6.2(b), and (ii) such amounts which are Assumed Liabilities.

“US Excluded Assets” means the Excluded Assets held by the US BP Group Members.

“US Excluded Assets and Contracts Promissory Note” has the meaning set out in Section 3.2(c).

“US Excluded Assets Bill of Sale” has the meaning set out in Section 3.2(c).

“US Excluded Contracts” means the Excluded Contracts entered into with or held by or for the benefit of a US BP Group Member.

“US Excluded Contracts Assignment Agreement” has the meaning set out in Section 3.2(c).

“**US Excluded Liabilities**” means all debts, obligations, Liabilities, Encumbrances (other than Permitted Encumbrances), indebtedness, contracts, leases, agreements, undertakings, claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) of or against any of the US BP Group Members or relating to any US Excluded Assets and US Excluded Contracts as at the Closing Time, other than Assumed Liabilities, including, *inter alia*, (i) the non-exhaustive list of those certain Liabilities set forth in Schedule “C” – *Excluded Liabilities of the US BP Group Members*, (ii) any and all Liabilities relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which any of the US BP Group Members may be bound as at the Closing Time, (iii) all Liabilities relating to or under the US Excluded Contracts and US Excluded Assets, (iv) all Liabilities for those employees of a US BP Group Member who are Terminated Employees.

“**US Excluded Liability Assumption Agreement**” has the meaning set out in Section 3.1(b).

“**US Excluded Liability Promissory Note**” has the meaning set out in Section 3.1(b).

“**Wind-Up Reserve**” has the meaning given to it in the Support Agreement.

1.2 Actions on Non-Business Days

If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

1.3 Currency and Payment Obligations

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in the lawful currency of Canada.

1.4 Calculation of Time

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

1.5 Additional Rules of Interpretation

- (a) *Consents, Agreements, Approval, Confirmations and Notice to be Written.* Any consent, agreement, approval or confirmation from, or notice to, any party permitted or required by this Agreement shall be written consent, agreement, approval, confirmation, or notice, and email shall be sufficient.
- (b) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- (c) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

- (d) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles or Sections of this Agreement, and Schedules to this Agreement.
- (e) *Words of Inclusion.* Wherever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.
- (f) *References to this Agreement.* The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.
- (g) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.
- (h) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

1.6 Exhibits and Schedules

- (a) The following are the Exhibits and Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

EXHIBITS

- Exhibit “A” - Form of Approval and Reverse Vesting Order
- Exhibit “B” - SISP Order
- Exhibit “C” - CCAA Petitioners

SCHEDULES

- Schedule “A” - Excluded Assets
- Schedule “B” - Excluded Contracts
- Schedule “C” - Excluded Liabilities
- Schedule “D” - Encumbrances To Be Discharged
- Schedule “E” - Assumed Liabilities
- Schedule “F” - Permitted Encumbrances

- (b) Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Exhibits and Schedules and the interpretation provisions set out in this Agreement apply to the Exhibits and Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Exhibits and Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

ARTICLE 2 SUBSCRIPTION FOR SUBSCRIBED SHARES AND RELATED MATTERS

2.1 Subscription Price

On the Closing Date and in accordance with the Closing Sequence, the Purchaser shall subscribe for and purchase the BP Subscribed Shares and the 3117 Subscribed Shares in consideration for the payment by the Purchaser of the Subscription Price, as allocated between the BP Subscribed Shares and the 3117 Subscribed Shares as set forth below. The subscription price for the Subscribed Shares shall be an amount equal to the aggregate of the following (the “**Subscription Price**”):

- (a) BP Subscribed Shares. The Purchaser shall subscribe for and purchase the BP Subscribed Shares in exchange for (i) the transfer and assignment to Black Press of \$5,500,000 aggregate principal amount of Notes plus accrued interest thereon as of the Closing Date which shall be treated as credited against (in satisfaction of that amount of) a portion of the Subscription Price; and (ii) a portion of the Cash Consideration to be advised by the Purchaser prior to Closing.
- (b) 3117 Subscribed Shares. The Purchaser shall subscribe for and purchase the 3117 Subscribed Shares in exchange for (i) the transfer and assignment to 3117 of \$500,000 aggregate principal amount of Notes plus accrued interest thereon as of the Closing Date which shall be treated as credited against (in satisfaction of that amount of) a portion of the Subscription Price (collectively, with the \$5,500,000 aggregate principal amount of Notes plus accrued interest thereon as of the Closing Date to be assigned to Black Press pursuant to Section 2.1(a), the “**Notes Consideration**”); and (ii) a portion of the Cash Consideration to be advised by the Purchaser prior to Closing.

A portion of the Cash Consideration (as set out in Section 6.2(g)) will be subsequently transferred to Residual Cos pursuant to the Approval and Reverse Vesting Order in full and final payment and satisfaction of the Excluded Assets and Contracts Promissory Notes and the Excluded Liability Promissory Notes, on the Closing Date and in accordance with the Closing Sequence.

2.2 Assumption of Assumed Liabilities

On the Closing Date and in accordance with the Closing Sequence, the BP Group Members shall retain the Assumed Liabilities. For greater certainty, all Assumed Liabilities, including, but not limited to, the Statement of Trade Payables amounts, will be assumed and retained by the Companies and paid on the later of (a) Closing, and (b) when such Assumed Liabilities become due and owing in accordance with their current payment terms and conditions, absent any acceleration that may be asserted to be caused by or associated with the BP Group Members’ insolvency or the CCAA Proceedings.

2.3 Payment of the Closing Payments

On the Closing Date, the Companies shall satisfy, in accordance with the Closing Sequence and Section 7.2(h), the Closing Payments from the Closing Cash Amount such that all the Closing Payments shall be satisfied in full concurrently with the Closing.

ARTICLE 3 EXCLUDED ASSETS AND EXCLUDED LIABILITIES

3.1 Transfer of Excluded Liabilities to Residual Cos.

- (a) On the Closing Date and in accordance with the Closing Sequence, the Canadian Excluded Liabilities shall be assumed by Residual Co. (Canada) and the Companies shall issue to Residual Co. (Canada) an interest-free promissory note (the “**Canadian Excluded Liability Promissory Note**”) in the amount equal to \$5 in consideration for Residual Co. (Canada) assuming the Canadian Excluded Liabilities. The Canadian Excluded Liabilities shall be assumed in accordance with the Closing Sequence, pursuant to the Approval and Reverse Vesting Order and evidenced by an assignment and assumption agreement in form and substance acceptable to the Purchaser, the Companies and the Monitor (the “**Canadian Excluded Liability Assumption Agreement**”).
- (b) On the Closing Date and in accordance with the Closing Sequence, the US Excluded Liabilities shall be assumed by Residual Co. (US) and the Companies shall issue to Residual Co. (US) an interest-free promissory note (the “**US Excluded Liability Promissory Note**”) in the amount equal to USD\$5 in consideration for Residual Co. (US) assuming the US Excluded Liabilities. The US Excluded Liabilities shall be assumed in accordance with the Closing Sequence, pursuant to the Approval and Reverse Vesting Order and evidenced by an assignment and assumption agreement in form and substance acceptable to the Purchaser, the Companies and the Monitor (the “**US Excluded Liability Assumption Agreement**”).
- (c) Notwithstanding any other provision of this Agreement, neither the Purchaser nor any of the BP Group Members shall assume or have any Liability for any of the Excluded Liabilities and all Excluded Liabilities shall be Discharged from the BP Group Members and their assets, undertaking, business and properties as at and from and after the completion of the final step of the Closing Sequence, pursuant to the Approval and Reverse Vesting Order.
- (d) For greater certainty, the BP Group Members shall be solely liable for all Tax Liabilities and Transaction Taxes, if any, of the BP Group Members arising in connection with the assignment of the Excluded Liabilities to Residual Cos and the assumption by Residual Cos of same.

3.2 Transfer of Excluded Assets and Excluded Contracts to Residual Cos.

- (a) The BP Group Members shall retain all of the assets owned by them on the date of this Agreement and any assets acquired by them up to and including Closing, including their respective Contracts, Permits and Licenses and Books and Records (the “**Retained Assets**”), except for inventory sold in the ordinary course of business in the Interim Period and the Excluded Assets, if any, Excluded Contracts, and any Contracts disclaimed by any of the BP Group Members with the consent of the Purchaser.

- (b) On the Closing Date and in accordance with the Closing Sequence, the Canadian BP Group Members shall transfer or cause to be transferred the Canadian Excluded Assets, if any, (other than, for greater certainty, the Closing Cash Amount) and Canadian Excluded Contracts to Residual Co. (Canada), in accordance with the Closing Sequence, on the Closing Date and same shall be vested in Residual Co. (Canada) pursuant to the Approval and Reverse Vesting Order by a bill of sale (the “**Canadian Excluded Assets Bill of Sale**”) and assignment of contracts (the “**Canadian Excluded Contracts Assignment Agreement**”), in form and substance satisfactory to the Purchaser, the Companies and the Monitor, all in consideration of an interest-free promissory note issued by the Companies (the “**Canadian Excluded Assets and Contracts Promissory Note**”) in the amount equal to \$5.
- (c) On the Closing Date and in accordance with the Closing Sequence, the US BP Group Members shall transfer or cause to be transferred the US Excluded Assets, if any, (other than, for greater certainty, the Closing Cash Amount) and US Excluded Contracts to Residual Co. (US), in accordance with the Closing Sequence, on the Closing Date and same shall be vested in Residual Co. (US) pursuant to the Approval and Reverse Vesting Order by a bill of sale (the “**US Excluded Assets Bill of Sale**”) and assignment of contracts (the “**US Excluded Contracts Assignment Agreement**”), in form and substance satisfactory to the Purchaser, the Companies and the Monitor, all in consideration of an interest-free promissory note issued by the Companies (the “**US Excluded Assets and Contracts Promissory Note**”) in the amount equal to USD\$5.
- (d) For greater certainty, the BP Group Members shall be solely liable for all Tax Liabilities and Transaction Taxes, if any, of the BP Group Members arising in connection with or as a result of the transfer of the Excluded Assets and Excluded Contracts to Residual Cos.

3.3 Excluded Assets

Notwithstanding any provision of this Agreement to the contrary, as of immediately following the Closing, the assets of the BP Group Members shall not include any of the assets listed on Schedule “A” nor any of the following assets:

- (a) the Closing Cash Amount, which for the avoidance of doubt, shall be paid in accordance with Sections 2.3 and 6.2(b), and shall not be transferred to the Residual Cos pursuant to Section 3.2;
- (b) all written information or records that are solely related to any Excluded Asset or any Excluded Liability; provided, however that the BP Group Members shall retain such items and provide copies thereof to the Residual Cos as soon as reasonably practicable after Residual Cos request for same;
- (c) the Excluded Contracts; and
- (d) any rights which accrue to the Residual Cos under this Agreement and the other documents required to be delivered pursuant to this Agreement or the Support Agreement.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties as to the Companies

Subject to the issuance of the Approval and Reverse Vesting Order, the Companies represent and warrant to the Purchaser as follows and acknowledge and agree that the Purchaser is relying upon such representations and warranties in connection with the subscription by the Purchaser of the Subscribed Shares:

- (a) Incorporation and Status. Each of the BP Group Members is a corporation incorporated or limited liability company organized, as applicable, and existing under the laws of its jurisdiction of incorporation or formation, is in good standing under such laws and, with respect to the Companies, has the power and authority to enter into, deliver and perform its obligations under this Agreement subject only to SISP Order and the Approval and Reverse Vesting Order.
- (b) Corporate Authorization. The execution, delivery and performance by each of the Companies of this Agreement has been authorized by all necessary corporate actions on the part of the Companies.
- (c) No Conflict. The execution, delivery and performance by each of the Companies of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of its Organizational Documents.
- (d) Execution and Binding Obligation. Subject only to the Approval and Reverse Vesting Order, this Agreement has been duly executed and delivered by each of the Companies and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms.
- (e) No Other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition from the BP Group Members of any of the Subscribed Shares or the Retained Assets.
- (f) No Commissions. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the Transactions based on any arrangement or agreement.
- (g) Proceedings. There are no Legal Proceedings pending against any of the BP Group Members or, to the knowledge of the Companies, threatened, with respect to, or in any manner affecting, title to the Retained Assets or which would reasonably be expected to enjoin, delay, restrict or prohibit the issuance of all or any part of the Subscribed Shares as contemplated by this Agreement or which would reasonably be expected to delay, restrict or prevent the Companies from fulfilling any of their obligations set forth in this Agreement.
- (h) Authorized and Issued Capital. The authorized capital of Black Press consists of 8,065 Class "C" shares, 1,935 Class "B" shares and 10,000 common shares, of which all are issued and outstanding. The authorized capital of 3117 consists of 25,000,000 common shares, 100,000 Class "A" preferred shares, 500,000 Class "B" preferred shares and

500,000 Class “C” preferred shares, of which 12,400 common shares, 100 Class “A” preferred shares and 42,773 Class “B” preferred shares are issued and outstanding. Except for the foregoing issued and outstanding shares, there are no other issued and outstanding common shares or other securities of either of the Companies, nor are there any securities convertible into or options, equity-based awards or other rights, agreements or commitments that are held by any Person and which are convertible into or exchangeable for common shares or any other securities of either of the Companies.

- (i) Tax. To the Companies’ knowledge: (i) all Taxes shown as due and owing on the Tax Returns and any related notices of assessment for each of the Companies for all Tax periods ending on or prior to the Closing Date have been duly and timely paid; and (ii) each of the Companies has withheld and has duly and timely remitted, or shall duly and timely remit, to the appropriate Governmental Authority all Taxes required by law to be withheld or deducted.

4.2 Representations and Warranties as to the Purchaser

The Purchaser represents and warrants to and in favour of the Companies as follows and acknowledges and agrees that the Companies are relying upon such representations and warranties in connection with the issuance by the Companies of the Subscribed Shares.

- (a) Incorporation and Status. The Purchaser is incorporated and existing under the Laws of its jurisdiction of incorporation and has the corporate power and authority to enter into, deliver and perform its obligations under, this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement and the completion of the Transactions contemplated by this Agreement does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchaser.
- (d) Execution and Binding Obligation. Subject only to the Approval and Reverse Vesting Order, this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms.
- (e) No Commissions. There are no claims for brokerage commissions, finders’ fees or similar compensation in connection with the Transactions based on any arrangement or agreement.
- (f) Litigation. There are no Legal Proceedings pending, or to the knowledge of the Purchaser, threatened against the Purchaser before any Governmental Authority, which would: (i) prevent the Purchaser from paying the Subscription Price to the Companies; (ii) prohibit or seek to enjoin, restrict or prohibit the Transactions contemplated by this Agreement; or (iii) which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.

- (g) Investment Canada Act. The Purchaser is not a “non-Canadian” within the meaning of the Investment Canada Act.
- (h) Consents. Except for: (i) the issuance of the Approval and Reverse Vesting Order; and (ii) any regulatory approvals required to be obtained pursuant to this Agreement, no Authorization, consent or approval of, or filing with or notice to, any Governmental Authority, court or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser, and each of the agreements to be executed and delivered by the Purchaser hereunder, the purchase of the Subscribed Shares hereunder.

4.3 As is, Where is

The Subscribed Shares shall be issued, sold and delivered to the Purchaser subject only to the representations and warranties contained herein. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to the either the Subscribed Shares or the Retained Assets (including title, encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever, with respect to same). For greater certainty, the Retained Assets shall be retained by the BP Group Members in the context of the Transactions on an “as is where is” basis.

Without limiting the generality of the foregoing, except as may be expressly set out in this Agreement, no representations or warranties have been given by any Party with respect to the Liability any Party has with respect to Taxes in connection with entering into this Agreement, the issuance of the Approval and Reverse Vesting Order, the consummation of the Transactions or for any other reason. Each Party is to rely on its own investigations in respect of any Liability for Taxes payable, collectible or required to be remitted by the Companies or any other Party on or after Closing and the quantum of such Liability, if any, and the Purchaser acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records, and other documents and data of the Companies in order to make an independent analysis of same.

ARTICLE 5 COVENANTS

5.1 Target Closing Date

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on the Target Closing Date.

5.2 Application for Approval and Reverse Vesting Order

As soon as practicable after the execution of this Agreement, the Companies shall following the conduct of the SISP and if this Agreement is determined to be the “Successful Bid” in accordance with the SISP Procedures, serve and file an application seeking the issuance of the Approval and Reverse Vesting Order with the Court.

The Companies shall diligently use their commercially reasonable efforts to seek the issuance and entry of the Approval and Reverse Vesting Order (if this Agreement is determined to be the “Successful Bid” in accordance with the SISP Procedures) and the Purchaser shall cooperate with the Companies in their efforts to obtain the issuance and entry of such orders. If this Agreement is determined to be the “Successful Bid” in accordance with the SISP Procedures, the Companies’ application and application materials seeking the

Approval and Reverse Vesting Order shall be in form and substance satisfactory to the Purchaser, acting reasonably. The Companies will provide to the Purchaser a reasonable opportunity to review a draft of the application and application materials to be served and filed with the Court, it being acknowledged that such application and application materials should be served as promptly as reasonably possible following the determination that this Agreement is the “Successful Bid” in accordance with the SISP Procedures, and will serve such materials on the service list prepared by the Companies and reviewed by the Monitor, and on such other interested parties, and in such manner, as the Purchaser may reasonably require. The Companies will promptly inform counsel for the Purchaser of any and all threatened or actual objections to the application for the issuance of the Approval and Reverse Vesting Order of which they become aware, and will promptly provide to the Purchaser a copy of all written objections received. However, and notwithstanding the foregoing, the Companies will have no obligation to provide the Purchaser with any application materials or draft application materials for the issuance of the Approval and Reverse Vesting Order if this Agreement is not determined to be the “Successful Bid” pursuant to the SISP Procedures.

5.3 Interim Period

- (a) During the Interim Period, except: (i) as contemplated or permitted by this Agreement (including the Approval and Reverse Vesting Order); (ii) as necessary in connection with the CCAA Proceedings; (iii) as otherwise provided in the Initial Order and any other Court Orders, prior to the Closing Time; or (iv) as consented to by the Purchaser and Companies, such consent not to be unreasonably withheld, conditioned or delayed: (A) each of the Companies shall, and shall cause each of the other BP Group Members to, continue to maintain its business and operations in substantially the same manner as conducted on the date of this Agreement including preserving, renewing and keeping in full force its corporate existence as well as its Permits and Licenses and Contracts; and (B) other than the Excluded Assets and inventory sold in the ordinary course, the Companies shall not, and the Companies shall not permit the BP Group Members to, transport, remove or dispose of, any of their assets out of their current locations.
- (b) During the Interim Period, and subject to the terms of the SISP and the SISP Order, except as contemplated or permitted by this Agreement (including the Approval and Reverse Vesting Order), neither the Companies nor any of the other BP Group Members shall enter into any non-arms’ length transactions involving the BP Group Members or its assets or the Business without the prior approval of the Purchaser.
- (c) During the Interim Period, the Purchaser shall furnish to the Companies such information concerning the Purchaser as shall be reasonably requested, including all such information as shall be necessary to enable the Companies to verify that the representations and warranties and covenants of the Purchaser contained in this Agreement have been complied with.

5.4 Access During Interim Period

During the Interim Period, the Companies shall give, or cause to be given, to the Purchaser, and its Representatives, reasonable access during normal business hours to the Retained Assets, including the Books and Records, to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Business and the Retained Assets as the Purchaser reasonably deems necessary or desirable to further familiarize themselves with the Business and the Retained Assets. Without limiting the generality of the foregoing: (a) the Purchaser and its Representatives shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement and to the Employees; and (b) subject to the ongoing reasonable oversight

and participation of the Companies and the Monitor, and with prior notice to the Monitor, the Purchaser and its Representatives shall be permitted to contact and discuss the transactions contemplated herein with Governmental Authorities and, solely in the event this Agreement is declared the “Successful Bid” in accordance with the SISP Procedures, the customers and contractual counterparties of the BP Group Members. Such investigations shall be carried out at the Purchaser’s sole and exclusive risk and cost, during normal business hours, and without undue interference with the operations of the BP Group Members, and the Companies shall, and shall cause the other BP Group Members, to co-operate reasonably in facilitating such investigations and shall furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser.

5.5 Regulatory Approvals and Consents

If this Agreement is determined to be the “Successful Bid” in accordance with the SISP Procedures:

- (a) Each of the Parties shall use its commercially reasonable efforts to: (i) take, or cause to be taken, all appropriate action, and do, or cause to be done, all things necessary, proper or advisable under any Applicable Law or otherwise to consummate and make effective the Transactions; (ii) obtain any consents, approvals or orders required to be obtained or made in connection with the authorization, execution and delivery of this Agreement and the consummation of the Transactions; and (iii) make all filings and give any notice, and thereafter make any other submissions either required or reasonably deemed appropriate by each of the Parties, with respect to this Agreement and the Transactions required under any Applicable Law.
- (b) The Parties shall use reasonable efforts to cooperate and consult with each other in connection with the making of any such filings and notices, including providing copies of all such documents to the non-filing Party and its advisors within a reasonable period of time prior to filing or the giving of notice. Each Party shall pay for its own filing fees and other charges arising out of the actions taken under this Section 5.5.
- (c) The Parties shall cause their respective affiliates to, promptly give each other and the Monitor reasonable advance notice of all information, documents and data as may be requested, required or ordered to be provided to Governmental Authorities pursuant to statutory or non-statutory requests for information, supplemental information requests and any court orders in connection with the approvals and consents outlined in this Section 5.5.

5.6 Insurance Matters

During the Interim Period, the Companies shall keep, and shall cause the other BP Group Members to keep, in full force and effect all of their applicable existing insurance policies and give any notice or present any claim under any such insurance policies consistent with past practices of the BP Group Members in the ordinary course of business.

5.7 Books and Records

The Purchaser shall preserve and keep the Books and Records acquired by it pursuant to this Agreement for a period of six (6) years after Closing, or for any longer periods as may be required by any Laws applicable to such Books and Records. The Purchaser shall make such Books and Records, as well as electronic copies of such books and records (to the extent such electronic copies exist), available to the Monitor and shall permit the Monitor to take copies of such Books and Records as they may reasonably require.

ARTICLE 6 CLOSING ARRANGEMENTS

6.1 Closing

The Closing shall take place virtually by exchange of documents in PDF format on the Closing Date, in accordance with the Closing Sequence, and shall be subject to such escrow document release arrangements as the Parties may agree.

6.2 Closing Sequence

On the Closing Date, commencing immediately following the Closing Time, Closing shall take place in the following sequence (the “**Closing Sequence**”):

- (a) First, the Purchaser shall pay the Notes Consideration and the Cash Consideration to be held in escrow by the Monitor, on behalf of the Companies, to be released in accordance with this Closing Sequence;
- (b) Second, the Companies shall pay from the Closing Cash Amount the amounts necessary to satisfy each of the Closing Payments;
- (c) Third, the relevant Canadian BP Group Members shall: (i) transfer or cause to be transferred to Residual Co. (Canada), and Residual Co. (Canada) shall assume, the Canadian Excluded Assets and the Canadian Excluded Contracts pursuant to the Approval and Reverse Vesting Order, the Canadian Excluded Assets Bill of Sale and the Canadian Excluded Contracts Assignment Agreement, (ii) issue the Canadian Excluded Assets and Contracts Promissory Note to Residual Co. (Canada), (iii) transfer or cause to be transferred to Residual Co. (Canada), and Residual Co. (Canada) shall assume, the Canadian Excluded Liabilities pursuant to the Approval and Reverse Vesting Order and the Canadian Excluded Liabilities Assumption Agreement, and (iv) issue the Canadian Excluded Liability Promissory Note to Residual Co. (Canada);
- (d) Fourth, the relevant US BP Group Members shall: (i) transfer or cause to be transferred to Residual Co. (US), and Residual Co. (US) shall assume the US Excluded Assets and the US Excluded Contracts pursuant to the Approval and Reverse Vesting Order, the US Excluded Assets Bill of Sale and the US Excluded Contracts Assignment Agreement, (ii) issue the US Excluded Assets and Contracts Promissory Note to Residual Co. (US), (iii) transfer to Residual Co. (US), and Residual Co. (US) shall assume, the US Excluded Liabilities pursuant to the Approval and Reverse Vesting Order and the US Excluded Liabilities Assumption Agreement, and (iv) issue the US Excluded Liability Promissory Note to Residual Co. (US);
- (e) Fifth, the Companies shall file the Notice of Alteration, and all Existing Shares as well as any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options, share units (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of the Companies shall be deemed terminated and cancelled for no consideration in accordance with and pursuant to the Approval and Reverse Vesting Order;

- (f) Sixth, the Companies shall issue the Subscribed Shares and the Purchaser shall subscribe for and purchase the Subscribed Shares, and the Notes Consideration and the Cash Consideration shall be released from escrow for the benefit of the Companies, but the Cash Consideration shall continue to be held by the Monitor, in escrow on the Companies' behalf and in accordance with Sections 6.2(g), and 6.2(h);
- (g) Seventh, the Companies shall satisfy all amounts and Liabilities owing under the Excluded Assets and Contracts Promissory Notes and the Excluded Liability Promissory Notes using a portion of the Cash Consideration in the amounts equal to (i) \$10.00 in aggregate in respect of the Canadian Excluded Liability Promissory Note and the Canadian Excluded Assets and Contracts Promissory Note and (ii) USD\$10.00 in aggregate in respect of the US Excluded Liability Promissory Note and the US Excluded Assets and Contracts Promissory Note, and irrevocably direct the Monitor to cause such payment to be made from the Cash Consideration held by the Monitor, although such amount shall continue to be held by the Monitor on behalf of, respectively, Residual Co. (Canada) and Residual Co. (US), at which point both the Excluded Liability Promissory Notes and the Excluded Assets and Contracts Promissory Notes shall be irrevocably and indefeasibly satisfied, in full, and terminated; and
- (h) Eighth, the Companies shall satisfy all amounts and Liabilities owing under the DIP Facility and in respect of the DIP Financing using the remaining Cash Consideration, and irrevocably direct the Monitor to cause such payment to be made from the Cash Consideration held by the Monitor, following which all amounts and Liabilities owing under the DIP Facility and in respect of the DIP Financing shall be irrevocably and indefeasibly satisfied, in full, and terminated.

6.3 The Companies' Closing Deliveries

At or before the Closing (as applicable), the Companies shall deliver or cause to be delivered to the Purchaser the following:

- (a) the Excluded Liability Promissory Notes and the Excluded Assets and Contracts Promissory Notes;
- (b) a copy of the Canadian Excluded Liability Assumption Agreement, signed by the Companies and Residual Co. (Canada);
- (c) a copy of the US Excluded Liability Assumption Agreement, signed by the Companies and Residual Co. (US);
- (d) a copy of the Canadian Excluded Assets Bill of Sale, signed by the Companies and Residual Co. (Canada);
- (e) a copy of the US Excluded Assets Bill of Sale, signed by the Companies and Residual Co. (US);
- (f) a copy of the Canadian Excluded Contracts Assignment Agreement, signed by the Companies and Residual Co. (Canada);
- (g) a copy of the US Excluded Contracts Assignment Agreement, signed by the Companies and Residual Co. (US);

- (h) a copy of the Approval and Reverse Vesting Order;
- (i) share certificates representing the Subscribed Shares registered in the name of the Purchaser;
- (j) the Statement of Trade Payables, reviewed by the Monitor;
- (k) a certificate of status, compliance, good standing or like certificate with respect to the Companies issued by the appropriate government official of its jurisdiction of incorporation, to the extent such certificate exists in such jurisdiction;
- (l) a certificate dated as of the Closing Date and executed by an executive officer of each of the Companies confirming and certifying that each the conditions in Sections 7.1(d), 7.1(e), 7.1(f) and 7.1(g) have been satisfied;
- (m) an irrevocable mutual release between Residual Cos, on the one hand, and the BP Group Members, on the other hand, releasing such respective parties and each of their respective directors, officers, employees, agents, representatives, legal and financial advisors from any and all rights, actions, causes of action, suits, demands, debts, covenants, or claims, of any nature whatsoever, whether contractual, extra-contractual, in law or in equity or otherwise, past, present, or future, direct or indirect, whether known or unknown, except any covenants and obligations hereunder which survive Closing, in a form and substance acceptable to the Purchaser, the Companies, and the Monitor, acting reasonably; and
- (n) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions (including the Purchase and Sale Transactions and the Closing Sequence) provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

6.4 The Purchaser's Closing Deliveries

At or before the Closing (as applicable), the Purchaser shall deliver or cause to be delivered to the Companies (or to the Monitor, if so indicated below), the following:

- (a) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by the appropriate government official of its jurisdiction of formation;
- (b) a certificate dated as of the Closing Date and executed by an executive officer of the Purchaser confirming and certifying that each the conditions in Sections 7.2(c), 7.2(d), 7.2(e) and 7.2(f) have been satisfied;
- (c) an assignment agreement executed by the Noteholders assigning the Noteholders' beneficial interest in the Notes to the Purchaser;
- (d) the Notes Consideration, in accordance with Section 6.2(a);
- (e) the Cash Consideration, in accordance with Section 6.2(a); and
- (f) such other agreements, documents and instruments as may be reasonably required by the Companies to complete the Transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

ARTICLE 7
CONDITIONS OF CLOSING

7.1 The Purchaser's Conditions

The Purchaser shall not be obligated to complete the Transactions contemplated by this Agreement, unless, at or before the commencement of the first step in the Closing Sequence, each of the conditions listed below in this Section 7.1 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser, and may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing; provided that if the Purchaser does not waive a condition(s) and completes the Closing, such condition(s) shall be deemed to have been waived by the Purchaser. The Companies shall take, and cause the BP Group Members to take, all such commercially reasonable actions, steps and proceedings as are reasonably within their control to ensure that the conditions listed below in this Section 7.1 are fulfilled at or before the Closing Time.

- (a) Successful Bid. This Agreement shall have been declared the "Successful Bid" in accordance with the SISP Procedures.
- (b) Court Approval. The following conditions have been met: (i) the Initial Order, the SISP Order and the Approval and Reverse Vesting Order shall have been issued by the Court; (ii) the Initial Order, the SISP Order and the Approval and Reverse Vesting Order shall not have been vacated, set aside or stayed; and (iii) at least two clear Business Days have elapsed since the Approval and Reverse Vesting Order was issued by the Court.
- (c) The Companies' Deliverables. The Companies shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 6.3.
- (d) No Violation of Orders or Law. During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has: (i) the effect of making any of the Transactions illegal, or (ii) the effect of otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement; or (iii) the effect of modifying or amending the Approval and Reverse Vesting Order without the consent of the Purchaser.
- (e) No Material Adverse Effect. During the Interim Period, there shall have been no Material Adverse Effect.
- (f) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement (including the Approval and Reverse Vesting Order), each of the representations and warranties contained in Section 4.1 shall be true and correct in all material respects (unless otherwise explicitly qualified by materiality, in which case, such qualification shall not apply): (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (g) No Breach of Covenants. The Companies shall have performed in all material respects (unless otherwise explicitly qualified by materiality, in which case, such qualification shall not apply) all covenants, obligations and agreements contained in this Agreement required to be performed by the Companies on or before the Closing.

- (h) The Terminated Employees. The Companies shall have terminated the employment of the Terminated Employees, as requested by the Purchaser in its sole discretion, and all Liabilities owing to any such terminated employees in respect of such terminations, including all amounts owing on account of statutory notice, termination payments, severance, vacation pay, benefits, bonuses or other compensation or entitlements, all of which Liabilities shall be Excluded Liabilities or shall be Discharged by the Approval and Reverse Vesting Order.
- (i) Residual Cos. Pursuant to the Approval and Reverse Vesting Order: (i) all Excluded Assets and Excluded Liabilities shall have been transferred to Residual Cos or Discharged; and (ii) the BP Group Members, their businesses and properties shall have been released and forever Discharged of all claims and Encumbrances (other than Assumed Liabilities, if any); such that, from and after Closing the businesses and properties of the BP Group Members shall exclude the Excluded Assets and the Excluded Contracts, and shall not be subject to any Excluded Liabilities.
- (j) CCAA Proceedings. Upon Closing, the CCAA Proceedings will have been terminated in respect of the BP Group Members, their businesses and properties, as set out in the Approval and Reverse Vesting Order.
- (k) Disclaim Contracts. The Companies shall have sent notices of disclaimer for such contracts and other agreements as the Purchaser may require, as listed in a list of contracts to disclaim as sent by the Purchaser to the Companies and which shall be delivered by the Purchaser no later than 20 days before the Target Closing Date.
- (l) Support Agreement. The conditions in favour of the Noteholders and CNL in the Support Agreement shall have been satisfied or waived and the Support Agreement shall not have been terminated by the Noteholders or CNL and shall remain in effect.
- (m) DIP Financing. The DIP Financing shall not have been terminated by the Interim Lender and shall remain in effect.
- (n) Pension Benefit Guarantee Corporation Settlement. The Court shall have issued an Order approving the settlement agreement (the “**PBGC Settlement Agreement**”) between the applicable BP Group Members and Pension Benefit Guarantee Corporation (“**PBGC**”) dated February 15, 2024 and authorizing and empowering the Petitioners, *nunc pro tunc*, to enter into the PBGC Settlement Agreement and to make the payment of USD\$2,000,000 to PBGC in accordance with the terms of the PBGC Settlement Agreement, which Order shall be in form and substance satisfactory to the Purchaser, acting reasonably.

7.2 The Companies’ Conditions

The Companies shall not be obligated to complete the Transactions contemplated by this Agreement unless each of the conditions listed below in this Section 7.2 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Companies, and may be waived by the Companies in whole or in part, without prejudice to any of their rights of termination in the event of nonfulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Companies only if made in writing, provided that if the Companies do not waive a condition(s) and complete the Closing, such condition(s) shall be deemed to have been waived by the Companies. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser’s control as may be necessary to

ensure that the conditions listed below in this Section 7.2 are fulfilled at or before the commencement of the first step in the Closing Sequence.

- (a) Successful Bid. This Agreement shall have been declared the “Successful Bid” in accordance with the SISP Procedures.
- (b) Court Approval. The following conditions have been met: (i) the Initial Order, the SISP Order and the Approval and Reverse Vesting Order shall have been issued by the Court; (ii) the Initial Order, the SISP Order and the Approval and Reverse Vesting Order shall not have been vacated, set aside or stayed; and (iii) at least two clear Business Days have elapsed since the Approval and Reverse Vesting Order was issued by the Court.
- (c) Purchaser’s Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Companies at the Closing all the documents and payments contemplated in Section 6.4.
- (d) No Violation of Orders or Law. During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of: (i) making any of the Transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement.
- (e) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement (including the Approval and Reverse Vesting Order), each of the representations and warranties contained in Section 4.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (f) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.
- (g) Support Agreement. The conditions in favour of the Companies in the Support Agreement shall have been satisfied or waived and the Support Agreement shall not have been terminated by the Companies and shall remain in effect.
- (h) Closing Cash Amount. On the Closing Date, prior to Closing, the Companies shall have cash in an amount sufficient to satisfy the following payments in full on Closing (the “Closing Cash Amount”) and such payments shall have been made on or before the Closing:
 - (i) the reasonable and documented outstanding fees and expenses up to and including Closing of each of the Company Advisors, the Monitor and the Monitor Advisors;
 - (ii) the reasonable and documented outstanding fees and expenses up to and including Closing of the Noteholder Advisors;
 - (iii) the Wind-Up Reserve payable to the Monitor in accordance with the Support Agreement;

- (iv) the outstanding brokerage fees of Dirk, Van Essen and April; and
- (v) all amounts owing under the KERP (collectively, (i) through (v), the “**Closing Payments**”).

7.3 Monitor’s Certificate

When the conditions to Closing set out in Section 7.1 and Section 7.2 have been satisfied and/or waived by the Companies or the Purchaser, as applicable, the Companies, the Purchaser or their respective counsel will each deliver to the Monitor confirmation that such conditions of Closing, as applicable, have been satisfied and/or waived (the “**Conditions Certificates**”). Upon receipt of the Conditions Certificates, the Monitor shall: (i) issue forthwith its Monitor’s Certificate concurrently to the Companies and the Purchaser, at which time the Closing Sequence will be deemed to have commenced and be completed in the order set out in the Closing Sequence, and Closing will be deemed to have occurred; and (ii) file as soon as practicable a copy of the Monitor’s Certificate with the Court (and shall provide a true copy of such filed certificate to the Companies and the Purchaser). In the case of: (i) and (ii) above, the Monitor will be relying exclusively on the basis of the Conditions Certificates without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

ARTICLE 8 TERMINATION

8.1 Grounds for Termination

- (a) Subject to Section 8.1(b), this Agreement may be terminated on or prior to the Closing Date:
 - (i) by the mutual agreement of the Companies and the Purchaser;
 - (ii) by the Purchaser, on the one hand, or the Companies (with the consent of the Monitor), on the other hand, if the Court declines at any time to grant the Approval and Reverse Vesting Order; provided that the reason for the Approval and Reverse Vesting Order not being approved by the Court is not due to any act, omission or breach of this Agreement by the Party proposing to terminate this Agreement;
 - (iii) by the Purchaser, on the one hand, or the Companies (with the consent of the Monitor), on the other hand, if this Agreement is determined not to be the “Successful Bid”, as defined in and in accordance with the SISP Procedures; provided, however, that the Companies shall pay to the Purchaser the Break Fee and the Expense Reimbursement in accordance with the terms of the Support Agreement;
 - (iv) by the Purchaser, on the one hand, or the Companies (with the consent of the Monitor), on the other hand, at any time following the Outside Date, if Closing has not occurred on or prior to 5:00 p.m. (Pacific time) on the Outside Date, provided that the reason for the Closing not having occurred is not due to any act or omission, or breach of this Agreement, by the Party proposing to terminate this Agreement;
 - (v) by the Companies (with the consent of the Monitor), if there has been a material violation or breach by the Purchaser, of any agreement, covenant, representation

or warranty of the Purchaser in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 7.2, as applicable, by the Outside Date and such violation or breach has not been waived by the Companies or cured by the Purchaser within five (5) Business Days of the Companies providing notice to the Purchaser of such breach, unless either of the Companies is itself in material breach of its own obligations under this Agreement at such time; or

- (vi) by the Purchaser, if there has been a material violation or breach by the Companies of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, any condition set forth in Section 7.1, as applicable, by the Outside Date and such violation or breach has not been waived by the Purchaser or cured by the Companies within five (5) Business Days of the Purchaser providing notice to the Companies of such breach, unless the Purchaser is itself in material breach of its own obligations under this Agreement at such time.
- (b) Prior to the Companies agreeing to or electing to any termination pursuant to this Section 8.1, the Companies shall first obtain the consent of the Monitor and Interim Lender; provided, however, Interim Lender consent shall not be required where the Companies agree or elect to terminate this Agreement pursuant to Section 8.1(a)(iii) or Section 8.1(a)(v).
- (c) The Party desiring to terminate this Agreement pursuant to this Section 8.1 (other than pursuant to Section 8.1(a)) shall give written notice of such termination to the other Party or Parties, as applicable, and the Monitor specifying in reasonable detail the basis for such Party's exercise of its termination rights.

8.2 Effect of Termination.

If this Agreement is terminated pursuant to Section 8.1:

- (a) all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Sections 8.1(a)(iii) (*Break Fee and Expense Reimbursement*), 8.2(b) (*Effect of Termination*), 9.4 (*Public Announcements*), 9.5 (*Notices*), 9.9 (*Waiver and Amendment*), 9.12 (*Governing Law*), 9.13 (*Dispute Resolution*), 9.14 (*Attornment*), 9.15 (*Successors and Assigns*), 9.16 (*Assignment*), 9.17 (*No Liability*), and 9.18 (*Third Party Beneficiaries*), which shall survive such termination. For the avoidance of doubt, any Liability incurred by a Party prior to the termination of this Agreement shall survive such termination; and
- (b) if, prior to the termination, the Notes Consideration or Cash Consideration has been paid to the Monitor pursuant to Section 6.2(a), the Parties shall jointly instruct the Monitor in writing to return the Notes Consideration and the Cash Consideration to the Purchaser.

ARTICLE 9 GENERAL

9.1 Tax Returns.

The Purchaser shall: (a) prepare or cause to be prepared and file or cause to be filed all Tax Returns for the BP Group Members for all Tax periods ending on or prior to the Closing Date and for which Tax Returns have not been filed as of such date; and (b) cause the BP Group Members to duly and timely make or prepare all Tax Returns required to be made or prepared by them and to duly and timely file all Tax Returns required to be filed by them for periods beginning before and ending after the Closing Date. The Purchaser will use best efforts to provide drafts of all Tax Returns required to be prepared by the Purchaser to the Residual Cos and the Monitor in advance of their filing with the relevant Governmental Authority. The Purchaser, the Residual Cos and the Monitor shall, subject only to Applicable Law, cooperate in considering any amendments to such Tax Returns as the Residual Cos or the Monitor may request.

9.2 Survival.

All representations, warranties, covenants and agreements of the Companies or the Purchaser made in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, or as otherwise expressly provided in this Agreement.

9.3 Expenses.

The Companies shall be responsible for all reasonable and documented out-of-pocket costs, expenses, and disbursements of the Purchaser (including all reasonable and documented fees, expenses and disbursements of the Purchaser's outside counsel) in connection with the negotiation, preparation, execution, delivery, and performance of this Agreement, the SISP, the Transactions or the enforcement of any and all of its rights and remedies available thereunder. The Companies shall be responsible for their own costs and expenses (including any Taxes imposed on such expenses) incurred in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the Transactions (including the fees and disbursements of legal counsel, bankers, agents, investment bankers, accountants, brokers and other advisers).

9.4 Public Announcements.

The Companies shall be entitled to disclose this Agreement to the Court and parties in interest in the CCAA Proceedings, other than any information which the Purchaser advises the Companies in writing as being confidential (in which case, the Petitioners will apply for a sealing Order in respect of such information), and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein), the Parties shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the Transactions contemplated hereby without the prior consent of the other Parties.

9.5 Notices.

- (a) Mode of Giving Notice. Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if: (i) delivered personally; (ii) sent by

prepaid courier service; or (iii) sent by e-mail, in each case, to the applicable address set out below:

if to the Companies:

Black Press Ltd.

15288 54A Avenue, Surrey
BC V3S 6T4

Attention: Glenn Rogers, CEO
E-mail: glenn.rogers@blackpress.ca

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

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance Street
Toronto, ON M5H 0B4

Attention: Ryan Jacobs
E-mail: rjacobs@cassels.com

Attention: Joseph Bellissimo
Email: jbellissimo@cassels.com

Attention: Jeremy Bornstein
Email: jbornstein@cassels.com

with a copy to the Monitor:

KSV Restructuring Inc.

220 Bay St. Suite 1300, Toronto
ON M5J 2W4

Attention: Noah Goldstein
E-mail: ngoldstein@ksvadvisory.com

Attention: Jason Knight
E-mail: jknight@ksvadvisory.com

If to the Purchaser:

c/o Bennett Jones LLP

100 King Street West
1 First Canadian Place
Suite 3400, P.O. Box 50
Toronto ON M5X 1B8

Attention: Mark Rasile
E-mail: rasilem@bennettjones.com

Attention: Mike Shakra
E-mail: shakram@bennettjones.com

- (b) Deemed Delivery of Notice. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 5:00 p.m. Pacific time on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.
- (c) Change of Address. Any Party may from time to time change its address under this Section 9.5 by notice to the other Parties given in the manner provided by this Section 9.5.

9.6 Time of Essence.

Time shall be of the essence of this Agreement in all respects.

9.7 Further Assurances.

The Companies and the Purchaser shall, at the sole expense of the requesting Party, from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Parties may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

9.8 Entire Agreement.

This Agreement, the Support Agreement and the agreements and other documents required to be delivered pursuant to this Agreement or the Support Agreement, and set out all the covenants, promises, warranties, representations, conditions and agreements among the Parties in connection with the subject matter of this Agreement, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral among the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement or the Support Agreement and any document required to be delivered pursuant to this Agreement or the Support Agreement.

9.9 Waiver and Amendment.

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless: (a) executed in writing by the Companies and Purchaser (including by way of email); and (b) the Monitor shall have provided its prior consent. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

9.10 Severability.

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from

the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

9.11 Remedies Cumulative.

The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

9.12 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

9.13 Dispute Resolution.

If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach of this Agreement for the purposes of Article 8, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court may direct. The Parties irrevocably submit and attorn to the exclusive jurisdiction of the Court.

9.14 Attornment.

Each Party agrees: (a) that any Legal Proceeding relating to this Agreement shall be brought in the Court, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (b) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Court on any jurisdictional basis, including *forum non conveniens*; and (c) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from the Court as contemplated by this Section 9.14. Each Party agrees that service of process on such Party as provided in this Section 9.14 shall be deemed effective service of process on such Party.

9.15 Successors and Assigns.

This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns.

9.16 Assignment.

Each of the Companies shall not be permitted to assign any of its rights or delegate any of its obligations under this Agreement, without the prior written consent of the Purchaser. Prior to the issuance of the Approval and Reverse Vesting Order, the Purchaser shall be entitled and permitted to assign any or all or any portion of its rights, interests, and obligations under this Agreement to any Affiliate of the Purchaser, so long as the Companies and the Monitor have confirmed in writing that they are satisfied, in their sole discretion that such Affiliate assignee has the ability to perform all of the Purchaser's rights, duties, and obligations hereunder. Any purported assignment or delegation in violation of this Section 9.16 is null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder.

9.17 No Liability.

The Purchaser and the Companies acknowledge and agree that the Monitor, acting in its capacity as the Monitor of the Companies in the CCAA Proceedings, and the Monitor's Affiliates and their respective former and current directors, officers, employees, agents, advisors, lawyers and successors and assigns will have no Liability under or in connection with this Agreement whatsoever (including, without limitation, in connection with the receipt, holding or distribution of the Notes Consideration and the Cash Consideration or the filing of the Monitor's Certificate) or any portion thereof, whether in its capacity as Monitor, in its personal capacity or otherwise; save and except for any claim or liability arising out of gross negligence or willful misconduct on the part of the Monitor or such Monitor's Affiliates. If, at any time, there shall exist, in the sole and absolute discretion of the Monitor, any dispute between the Companies and the Purchaser with respect to the holding or disposition of any portion of the Notes Consideration or the Cash Consideration or any other obligation of the Monitor hereunder in respect of the Notes Consideration or the Cash Consideration, or if at any time the Monitor is unable to determine the proper disposition of any portion of the Notes Consideration or the Cash Consideration or its proper actions with respect to its obligations hereunder in respect of the Notes Consideration or the Cash Consideration, then the Monitor may: (i) make an application to the Court for direction with respect to such dispute or uncertainty and, to the extent required by law or otherwise at the sole and absolute discretion of the Monitor, pay the Notes Consideration or the Cash Consideration or any portion thereof into the Court for holding and disposition in accordance with the instructions of the Court or (ii) hold the Notes Consideration or the Cash Consideration or any portion thereof and not make any disbursement thereof until: (a) the Monitor receives a written direction signed by both the Companies and the Purchaser directing the Monitor to disburse the Notes Consideration or the Cash Consideration or any portion thereof in the manner provided for in such direction, or (b) the Monitor receives an order from the Court, which is not stayed or subject to appeal and for which the applicable appeal period has expired, instructing it to disburse the Notes Consideration or the Cash Consideration in the manner provided for in the order.

9.18 Third Party Beneficiaries.

Except with respect to: (i) the Monitor as expressly set forth in this Agreement (including Section 9.17), and (ii) Residual Cos as relates to all rights, covenants, obligations and benefits in favour of the Companies under this Agreement that survive Closing and are transferred to Residual Cos as an Excluded Asset, or Excluded Contract at the Closing, this Agreement is for the sole benefit of the Parties, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

9.19 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Parties by e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

BLACK PRESS LTD.

By: *Glenn Rogers*
Name: Glenn Rogers
Title: Chief Executive Officer

311773 B.C. LTD.

By: *Glenn Rogers*
Name: Glenn Rogers
Title: Chief Executive Officer

100817790 ONTARIO LTD.

By: _____
Name: Todd H. Carpenter
Title: Director

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

BLACK PRESS LTD.

By: _____
Name: Glenn Rogers
Title: Chief Executive Officer

311773 B.C. LTD.

By: _____
Name: Glenn Rogers
Title: Chief Executive Officer

100817790 ONTARIO LTD.

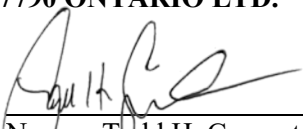
By:  _____
Name: Todd H. Carpenter
Title: Director

EXHIBIT "A"

FORM OF APPROVAL AND REVERSE VESTING ORDER

Attached.

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.
2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Share Subscription Agreement dated March 1, 2024 (the "**Subscription Agreement**") made by and between 1000817790 Ontario Ltd (the "**Purchaser**"), Black Press Ltd. ("**Black Press**") and 311773 B.C. Ltd. ("**3117**") or the Second Hargreaves Affidavit, as applicable.

ADDITIONAL PETITIONERS

3. Effective as of the Order Effective Time (as defined below) with respect to Black Press (Barbados) Ltd., Whidbey Press (Barbados) Inc., Black Press Delaware LLC and Black Press Group Oregon LLC (collectively, the "**Additional Petitioners**"), the Amended and Restated Initial Order granted January 25, 2024 (the "**ARIO**") shall be deemed to have been amended such that the Additional Petitioners shall for all purposes be deemed to be Petitioners (as Petitioners is defined in the ARIO) and, for greater certainty:
 - (a) the Additional Petitioners are hereby granted all of the rights and protections afforded to the Petitioners by the ARIO;
 - (b) to the extent not already granted by the terms of the ARIO, the directors and officers of the Additional Petitioners are hereby granted all of the rights and protections afforded to the directors and officers of the Petitioners by the ARIO;
 - (c) the Monitor, in addition to its prescribed rights and obligations under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), subject to the dispensation of certain requirements as provided for by this Order, is hereby directed and empowered to perform such duties with respect

to the Additional Petitioners as the Monitor is required to perform with respect to the Petitioners pursuant to the ARIO or by this Court from time to time;

- (d) the Charges created by the ARIO shall constitute a charge on the Property (as defined in the ARIO) of the Additional Petitioners with such priorities and protections as are provided to the Charges in the ARIO in connection with the Property.

4. The Monitor's obligation to publish the notice prescribed by section 23(1)(a)(i) of the CCAA with respect to the Additional Petitioners is hereby dispensed with.

APPROVAL AND VESTING

5. The Subscription Agreement, a copy of which is attached as Appendix "●" to the Second Report, and the Transactions are hereby approved and the execution of the Subscription Agreement by Black Press and 3117 is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary, with the approval of the Monitor. The Petitioners are hereby authorized and directed to perform their obligations under the Subscription Agreement and to take all steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions, including, but not limited to: (i) the filing of the Notice of Alteration; (ii) the issuance of the Subscribed Shares to the Purchaser; and (iii) the cancellation of the Existing Shares.

6. Notwithstanding any provision hereof, the closing of the Transactions shall be deemed to occur in the manner, order and sequence set out in the Subscription Agreement, including in accordance with the Closing Sequence, with such alterations, changes or amendments as may be agreed to by the Purchaser, with the prior consent of the Petitioners and the Monitor, acting reasonably, provided that such alterations, changes or amendments do not materially alter or impact the Transactions or alter the consideration which the Petitioners or their applicable stakeholders will benefit from as part of the Transactions.

7. This Order shall constitute the only authorization required by the Petitioners to proceed with the Transactions and that no shareholder or other approval shall be required in connection therewith.

8. Upon the delivery of the Monitor's certificate (the "**Monitor's Certificate**") to the Petitioners and the Purchaser, substantially in the form attached as **Schedule "C"** hereto, the following shall occur and shall be deemed to have occurred at the Effective Time, all in accordance with the Closing Sequence set out in the Subscription Agreement and the steps contemplated thereunder:

- (a) the Purchaser shall pay the Notes Consideration and the Cash Consideration to be held in escrow by the Monitor, on behalf of the Petitioners;
- (b) Black Press and 3117 shall pay from the Closing Cash Amount the amounts necessary to satisfy each of the Closing Payments;
- (c) (i) with respect to the Petitioners formed or incorporated under the laws of Canada or any other jurisdiction outside of the United States, (the "**Canadian and Other Acquired Entities**"), in consideration for the Canadian Excluded Assets and Contracts Promissory Note, all of the Canadian and Other Acquired Entities' right, title and interest in and to their respective Canadian Excluded Assets and Canadian Excluded Contracts shall vest, and shall be deemed to have vested, absolutely and exclusively in [Canadian Residual Co] ("**Residual Co. (Canada)**"); and (ii) with respect to the Petitioners formed or incorporated under the laws of the United States, (the "**US Acquired Entities**"), in consideration for the US Excluded Assets and Contracts Promissory Note, all of the US Acquired Entities' right, title and interest in and to their respective US Excluded Assets and US Excluded Contracts shall vest, and shall be deemed to have vested, absolutely and exclusively in [US Residual Co] ("**Residual Co. (US)**"), and, in each case, all applicable Claims and Encumbrances (each defined below) shall continue to attach to such Canadian Excluded Assets or US Excluded Assets, as applicable, with the same nature and priority as they had immediately prior to their transfer; provided that, for certainty, the Canadian Excluded Assets and US Excluded Assets transferred hereby shall not include the Closing Cash Amount, which shall be used to satisfy the Closing Payments in accordance with paragraph 21 hereof;
- (d) (i) with respect to the Canadian and Other Acquired Entities, in consideration for the Canadian Excluded Liability Promissory Note and the Canadian Excluded

Liability Assumption Agreement, all of the Canadian Excluded Liabilities (which, for greater certainty includes all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) of the Canadian and Other Acquired Entities, other than Assumed Liabilities of the Canadian and Other Acquired Entities, shall be, and shall be deemed to be, transferred to, assumed by and vested absolutely and exclusively in Residual Co. (Canada), such that all the Canadian Excluded Liabilities become obligations of Residual Co. (Canada), and shall no longer be an obligation of any of the Canadian and Other Acquired Entities, and the Canadian and Other Acquired Entities and all of their remaining assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate (collectively, the "**Canadian and Other Retained Assets**") shall be and are hereby forever released and discharged from all Canadian Excluded Liabilities, and all related Claims and Encumbrances, other than the permitted encumbrances, easements and restrictive covenants (the "**Canadian Permitted Encumbrances**") affecting or relating to the Canadian and Other Retained Assets listed on **Schedule "D"** hereto, are hereby expunged and discharged as against the Retained Assets; provided that, for certainty, the Canadian Excluded Liabilities Transferred hereby shall not include the obligations of the Petitioners in respect of the Closing Payments, which shall be satisfied pursuant to paragraph 21 hereof; and (ii) with respect to the US Acquired Entities, in consideration for the US Excluded Liability Promissory Note and the US Excluded Liability Assumption Agreement, all of the US Excluded Liabilities (which, for greater certainty includes all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) of the US Acquired Entities, other than Assumed Liabilities of the US Acquired Entities, shall be, and shall be deemed to be, transferred to, assumed by and vested absolutely and exclusively in Residual Co. (US), such that all the US Excluded Liabilities become obligations of Residual Co. (US), and shall no longer be an obligation of any of the US Acquired Entities,

and the US Acquired Entities and all of their remaining assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate (collectively, the "**US Retained Assets**") shall be and are hereby forever released and discharged from all US Excluded Liabilities, and all related Claims and Encumbrances, other than the Permitted Encumbrances affecting or relating to the US Retained Assets listed on **Schedule "E"** hereto (the "**US Permitted Encumbrances**", and together with the Canadian Permitted Encumbrances, the "**Permitted Encumbrances**"), are hereby expunged and discharged as against the US Retained Assets; provided that, for certainty, the US Excluded Liabilities transferred hereby shall not include the obligations of the Petitioners in respect of the Closing Payments, which shall be satisfied pursuant to paragraph 21 hereof;

- (e) the Retained Assets will be retained by the Petitioners, in each case free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (x) any encumbrances or charges created by the ARIO, the SISP Approval Order, or any other Order of this Court, and (y) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (British Columbia), the *Uniform Commercial Code* (USA) or any other personal property registry system (all of which are collectively referred to as the "Encumbrances", which term shall not include the Permitted Encumbrances);
- (f) Black Press and 3117 shall file the Notice of Alteration, and all Existing Shares as well as any agreement, contract, plan, indenture, warrant, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options, share units (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of Black Press and 3117, shall be and shall be deemed to be terminated and cancelled for no consideration;

- (g) Black Press and 3117 shall issue the Subscribed Shares and the Purchaser shall subscribe for and purchase the Subscribed Shares, and the Notes Consideration and the Cash Consideration shall be released from escrow for the benefit of Black Press and 3117, but the Cash Consideration shall continue to be held by the Monitor, in escrow on the Companies' behalf and in accordance with paragraphs 8(h) and 8(i) herein;
- (h) Black Press and 3117 shall satisfy all amounts and Liabilities owing under the Excluded Assets and Contracts Promissory Notes and the Excluded Liability Promissory Notes with a portion of the Cash Consideration in the amounts equal to (i) \$10.00 in aggregate in respect of the Canadian Excluded Liability Promissory Note and the Canadian Excluded Assets and Contracts Promissory Note and (ii) US\$10.00 in aggregate in respect of the US Excluded Liability Promissory Note and the US Excluded Assets and Contracts Promissory Note, and the Monitor shall be irrevocably directed by Black Press and 3117 to cause such payment to be made from the Cash Consideration, although such amount shall continue to be held by the Monitor on behalf of, respectively, Residual Co. (Canada) and Residual Co. (US), following which the Excluded Liability Promissory Notes and the Excluded Assets and Contracts Promissory Notes shall be and shall be deemed to be irrevocably and indefeasibly satisfied, in full, and terminated;
- (i) Black Press and 3117 shall satisfy all amounts and Liabilities owing under the DIP Facility and in respect of the DIP Financing from the remaining Cash Consideration, and the Monitor is irrevocably directed to cause such payment to be made from the Cash Consideration, following which all amounts and Liabilities owing under the DIP Facility and in respect of the DIP Financing shall be and shall be deemed to be irrevocably and indefeasibly satisfied, in full, and terminated;
- (j) the Interim Lender's Charge (as defined in the ARIO) shall be released, released and discharged as of the Effective Time without any further act or formality; and
- (k) the Petitioners shall and shall be deemed to cease to be Petitioners in these CCAA proceedings, and the Petitioners shall be deemed to be released from the purview of the ARIO and all other Orders of this Court granted in respect of these CCAA

proceedings, save and except for this Order the provisions of which (as they relate to the Petitioners) shall continue to apply in all respects.

9. The Monitor may rely on written notice from the Petitioners and the Purchaser regarding the fulfillment of conditions to Closing under the Subscription Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

10. The Monitor shall file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions.

11. Upon delivery of the Monitor's Certificate, and upon filing a copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to the Petitioners, the Retained Assets or the Excluded Assets (collectively, the "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and a copy of this Order as though they were originals and to register such transfers and interest authorizations as may be required to give effect to the terms of this Order and the Subscription Agreement and the Transactions. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of interest against any of the Retained Assets or Excluded Assets and the Monitor and the Purchaser are hereby specifically authorized to discharge the registrations on the Retained Assets and the Excluded Assets, as applicable.

12. For the purposes of determining the nature and priority of Claims, from and after the Effective Time, subject to the payment of the Closing Payments, all Claims and Encumbrances released, expunged and discharged pursuant to this Order, including as against the Petitioners and the Retained Assets, shall attach to the Excluded Assets, in each case, with the same nature and priority as they had immediately prior to the Transactions, as if the Transactions had not occurred, with the same priority as they had with respect to the Petitioners and the Retained Assets immediately prior to the Transactions, as if the Transactions had not occurred.

13. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, the Petitioners or the Monitor, as the case may be, are authorized, permitted and

directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Petitioners' records pertaining to past and current employees of the Petitioners. The Purchaser shall, and shall cause the Petitioners after Closing to, maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Petitioners prior to Closing.

14. At the Effective Time and without limiting the provisions of paragraph 8 hereof, the Petitioners and the Purchaser shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the Petitioners, including without limiting the generality of the foregoing all taxes that could be assessed against the Petitioners or the Purchaser (including its affiliates and any predecessor corporations) pursuant to section 160 and section 160.01 of the *Income Tax Act* (Canada), or any equivalent legislation in any jurisdiction (including provincial legislation), in connection with the Petitioners (provided, as it relates to the Petitioners, such release shall not apply to (i) Transaction Taxes, (ii) Taxes in respect of the business and operations conducted by the Petitioners after the Effective Time or (iii) any Taxes that are Assumed Liabilities).

15. Except to the extent expressly contemplated by the Subscription Agreement, all Contracts (excluding Excluded Contracts) to which a Petitioner is a party upon the Effective Time will be and remain in full force and effect upon and following the Effective Time and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such Contract may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred upon or prior to the Effective Time and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Petitioners);

- (b) the insolvency of the Petitioners or the fact that the Petitioners sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Subscription Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or
- (d) any transfer or assignment, or any change of control of the Petitioners arising from the implementation of the Subscription Agreement, the Transactions or the provisions of this Order.

16. For greater certainty: (a) nothing in paragraph 15 herein shall waive, compromise or discharge any obligations of the Petitioners in respect of any Assumed Liabilities; (b) the designation of any Claim as an Assumed Liability is without prejudice to the Petitioners right to dispute the existence, validity or quantum of any such Assumed Liability; and (c) nothing in this Order or the Subscription Agreement shall affect or waive the Petitioners' rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Assumed Liability.

17. From and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of the Petitioners then existing or previously committed by the Petitioners, or caused by the Petitioners, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any Contract, existing between such Person and the applicable Petitioner(s) arising directly or indirectly from the filing by the Petitioners under the CCAA and the implementation of the Transactions, including without limitation any of the matters or events listed in paragraph 15 hereof, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Petitioners or the Purchaser from performing their obligations under, or be a waiver of defaults by the Petitioners under, the Subscription Agreement and any related agreements and documents.

18. From and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations and assessment, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Petitioners or the Retained Assets relating in any way to or in respect of any Excluded Assets, Excluded Contracts or Excluded Liabilities and any other claims, obligations and other matters which are waived, released, expunged or discharged pursuant to this Order.

19. From and after the Effective Time:

- (a) the nature of the Assumed Liabilities retained by the Petitioners, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to Residual Co. (Canada) or Residual Co. (US), as applicable;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Petitioners under or in respect of any Excluded Contract or Excluded Liability (each an "**Excluded Liability Claim**") shall no longer have such right or claim against the Petitioners but will have an equivalent Excluded Liability Claim against Residual Co. (Canada) or Residual Co. (US), as applicable, in respect of the Excluded Contract or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against Residual Co. (Canada) or Residual Co. (US), as applicable; and
- (d) the Excluded Liability Claim of any Person against Residual Co. (Canada) or Residual Co. (US), as applicable, following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Petitioners prior to the Effective Time.

20. As of the date of the Effective Time, Residual Co. (Canada) and Residual Co. (US) shall be companies to which the CCAA applies, and Residual Co. (Canada) and Residual Co. (US) shall be added as petitioners in these CCAA proceedings and all references in any Order of this Court in respect of these CCAA proceedings to: (i) a "Petitioner" shall refer to and include Residual Co. (Canada) and Residual Co. (US), *mutatis mutandis*; and (ii) "Property", as defined in the ARIO, shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of Residual Co. (Canada) and Residual Co. (US) (collectively, the "**Residual Cos. Property**"), and, for greater certainty, each of the Charges (as defined in the ARIO) (other than the Interim Lender's Charge) shall constitute a charge on the Residual Cos. Property.

CLOSING PAYMENTS

21. The Closing Cash Amount shall be distributed by Black Press Group Ltd., on the Closing Date, in such amount sufficient to satisfy the following obligations (collectively, the "**Closing Payments**"):

- (a) the reasonable and documented outstanding fees and expenses up to and including Closing of each of the Company Advisors, the Monitor and the Monitor Advisors;
- (b) the reasonable and documented outstanding fees and expenses up to and including Closing of the Noteholder Advisors;
- (c) the Wind-Up Reserve payable to the Monitor in accordance with the Second Amended and Restated Support Agreement;
- (d) the outstanding brokerage fees of Dirk, Van Essen and April; and
- (e) all amounts owing under the KERP.

RELEASES

22. Effective as of the Effective Time,

- (a) the current and former directors, officers, employees, legal counsel and advisors of the Black Press Entities, Residual Co. (Canada) and Residual Co. (US) (or any of them);
- (b) the Monitor and its legal counsel;
- (c) the Purchaser and its current and former directors, officers, employees, legal counsel and advisors; and
- (d) (i) Carpenter Newsmedia, LLC; (ii) Canso Investment Counsel Ltd. ("**Canso**"), and all investment accounts managed by Canso; and (iii) Deans Knight Capital Management ("**DK**"), and all investment accounts managed by DK, and their respective current and former directors, officers, employees, legal counsel and advisors,

(in such capacities, collectively, the "**Released Parties**")

shall be deemed to be forever irrevocably released by the Releasing Parties (as defined below) and discharged from any and all present and future claims (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Effective Time or undertaken or completed in connection with or pursuant to the terms of this Order in respect of, relating to, or arising out of (i) the Black Press Entities, the business, operations, assets, property and affairs of the Black Press Entities wherever or however conducted or governed, the administration and/or management of the Black Press Entities, these CCAA proceedings and/or the Chapter 15 Cases, or (ii) the Subscription Agreement, the Second Amended and Restated Support Agreement, the Amended and Restated DIP Term Sheet and the Definitive Documents (when used in this Order, as defined in the ARIO), all documents required in connection with Closing (the "**Closing Documents**") and any agreement, document, instrument, matter or

transaction involving the Black Press Entities arising in connection with or pursuant to any of the foregoing, and/or the consummation of the Transactions (collectively, subject to the excluded matters below, the "**Released Claims**"), which Released Claims shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties; provided that, nothing in this paragraph shall waive, discharge, release, cancel or bar (x) any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA or claim with respect to any act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence, or (y) any obligations of any of the Released Parties under or in connection with the Subscription Agreement, the Closing Documents, the Second Amended and Restated Support Agreement, the Amended and Restated DIP Term Sheet, the Definitive Documents, and/or any agreement, document, instrument, matter or transaction involving the Black Press Entities arising in connection with or pursuant to any of the foregoing. "**Releasing Parties**" means any and all Persons (besides the Black Press Entities and their respective current and former affiliates), and their current and former affiliates' current and former members, directors, managers, officers, investment committee members, special committee members, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, assigns, participants, subsidiaries, affiliates, partners, limited partners, general partners, affiliated investment funds or investment vehicles, managed accounts or funds, and each of their respective current and former members, equity holders, officers, directors, managers, principals, members, management companies, advisory board members, investment fund advisors or managers, employees, agents, trustees, investment managers, financial advisors, partners, legal counsel, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.

23. Effective as of the Effective Time, the Released Parties shall be deemed to be forever irrevocably released by each of the Black Press Entities and their respective current and former affiliates, and discharged from, any and all Released Claims held by the Black Press Entities and such current and former affiliates as of the Effective Time, which Released Claims shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties; provided that, nothing in this paragraph shall waive, discharge, release, cancel or bar (a) any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA or claim with respect to any act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence; or (b) any obligations of any of the Released Parties under or in connection with the

Subscription Agreement, the Closing Documents, the Second Amended and Restated Support Agreement, the Definitive Documents, and/or any agreement, document, instrument, matter or transaction involving the Black Press Entities arising in connection with or pursuant to any of the foregoing; provided further that, the releases set forth in this paragraph shall not include, nor limit or modify in any way, any claim (or any defenses) which any of the Black Press Entities may hold or be entitled to assert against any Released Party as of the Effective Time relating to any contracts, leases, agreements, licenses, bank accounts or banking relationships, accounts receivable, invoices, or other ordinary course obligations which are remaining in effect following the Effective Time.

24. Without affecting or limiting the releases set forth in paragraphs 22 and 23 herein, effective as of the Effective Time, none of the Released Parties shall have or incur, and each Released Party is released and exculpated from, any Causes of Action (as defined below) against such Released Party for any act or omission in respect of, relating to, or arising out of the Subscription Agreement, the Closing Documents, the Second Amended and Restated Support Agreement, the Definitive Documents and/or the consummation of the Transactions, these CCAA proceedings, the Chapter 15 Cases, the formulation, preparation, dissemination, negotiation, filing or consummation of the Subscription Agreement, the Closing Documents, the Second Amended and Restated Support Agreement, the Definitive Documents and all related agreements and documents, any transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Transactions, the pursuit of approval and consummation of the Transactions or the recognition thereof in any jurisdiction, and/or the transfer of assets and liabilities pursuant to this Order, except for Causes of Action related to any act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence. "**Causes of Action**" means any action, claim, cross-claim, third-party claim, damage, judgment, cause of action, controversy, demand, right, action, suit, obligation, liability, debt, account, defense, offset, power, privilege, license, lien, indemnity, interest, guaranty, or franchise of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, in contract or in tort, at law or in equity, or pursuant to any other theory of law or otherwise.

25. All Persons are permanently and forever barred, estopped, stayed and enjoined, on and after the Effective Time, with respect to any and all claims or Causes of Action released pursuant to this Order (including but not limited to the Released Claims), from (a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any of the Released Parties; (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 respective property; (c) commencing, conducting, continuing or making in any manner, directly or indirectly, any action, suit, claim, demand or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes a claim or might reasonably be expected to make a claim, in any manner or forum, including by way of contribution or indemnity or other relief, against one or more of the Released Parties; (d) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any Encumbrance of any kind against the Released Parties, or their respective property; or (e) taking any actions to interfere with the consummation of the Transactions; and any such proceedings will be deemed to have no further effect against such parties and will be released, discharged or vacated without cost.

26. Notwithstanding;

- (a) the pendency of these CCAA proceedings;
- (b) any applications or motions for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the “**BIA**”) or any other similar legislation in respect of the Petitioners, Residual Co. (Canada) or Residual Co. (US) and any bankruptcy order issued pursuant to any such applications or motions; and
- (c) any assignment in bankruptcy or similar process made in respect of the Petitioners, Residual Co. (Canada) or Residual Co. (US);
- (d) the Subscription Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets, Excluded

Contracts and Excluded Liabilities in and to Residual Co. (Canada) or Residual Co. (US), as applicable, and the issuance of the Subscribed Shares), and any payments by the Purchaser authorized herein or pursuant to the Subscription Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioners, Residual Co. (Canada) and/or Residual Co. (US), and shall not be void or voidable by creditors of the Petitioners, Residual Co. (Canada) or Residual Co. (US), as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation or similar legislation of any other jurisdiction, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

THE MONITOR

27. The Monitor, its employees and representatives shall not be deemed directors of Residual Co. (Canada) or Residual Co. (US), *de facto* or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct of the Monitor.

28. No action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order. The entities related or affiliated with the Monitor or belonging to the same group as the Monitor (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under the present paragraph.

29. The Monitor shall not, as a result of this Order or any matter contemplated hereby: (i) be deemed to have taken part in the management or supervision of the management of any of the Petitioners, Residual Co. (Canada) or Residual Co. (USA), or to have taken or maintained possession or control of the business or property of any of the Petitioners, Residual Co. (Canada) or Residual Co. (US), or any part thereof; or (ii) be deemed to be in Possession (as defined in the ARIO) of any property of the Petitioners, Residual Co. (Canada) or Residual Co. (US) within the meaning of any applicable Environmental Legislation (as defined in the ARIO) or otherwise.

30. Nothing in this Order, including the release of the Petitioners from the purview of these CCAA proceedings, and the addition of Residual Co. (Canada) and Residual Co. (US) as petitioners in these CCAA Proceedings, shall affect, vary, derogate from, limit or amend any rights, approvals and protections afforded to the Monitor in these CCAA Proceedings and KSV shall continue to have the benefit of any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the ARIO, and any other Orders in these CCAA Proceedings or otherwise, including all approvals, protections and stays of proceedings in favour of KSV in its capacity as Monitor, all of which are expressly continued and confirmed.

EMPLOYEES

31. Residual Co. (Canada) shall be deemed to be the former employer of any former employees of the Black Press Entities who were terminated between July 15, 2023 and the Effective Time whose claims against the Black Press Entities are transferred to Residual Co. (Canada) pursuant to this Order, provided that such deeming: (i) shall be effective immediately after the Effective Time; and (ii) will solely be for the purposes of termination pay and severance pay pursuant to the *Wage Earners Protection Program*.

GENERAL

32. Following the Effective Time, the Purchaser and the Petitioners shall be authorized to take all steps as may be necessary to effect the discharge of all Claims and Encumbrances as against the Petitioners, the Subscribed Shares and the Retained Assets.

33. Following the Effective Time, the style of cause of these proceedings shall be and is hereby changed to:

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS
AMENDED

AND

AND IN THE MATTER OF ● AND ●

34. This Order shall have full force and effect in all provinces and territories in Canada, and any other jurisdiction in which it is enforceable.

35. The Petitioners shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners, the Purchaser or the Monitor as may be deemed necessary or appropriate for that purpose.

36. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to give effect to this Order and to assist the Petitioners, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this order or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

37. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

38. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date (the "**Order Effective Time**").

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

Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT

REGISTRAR

SCHEDULE "A"
PETITIONERS

- Black Press
- 3117
- Black Press Group Ltd.
- 0922015 B.C. Ltd.
- Central Web Offset Ltd.
- Sound Publishing Holding, Inc.
- Sound Publishing Properties, Inc.
- Sound Publishing, Inc.
- Oahu Publications, Inc.
- The Beacon Journal Publishing Company
- WWA (BPH) Publications Inc.
- San Francisco Print Media Co.

SCHEDULE "B"
LIST OF COUNSEL

Name of Counsel	Party Represented

SCHEDULE "C"
Monitor's Certificate

No. S-240259
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS
AMENDED

AND

**IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"**

PETITIONERS

MONITOR'S CERTIFICATE

RECITALS

A. Pursuant to an Initial Order of the Supreme Court of British Columbia (the "**Court**") dated January 15, 2024 (the "**Initial Order**"), the Petitioners were granted creditor-protection pursuant to the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and KSV Restructuring Inc. was appointed as court-appointed monitor of the Petitioners.

B. Pursuant to an Order of the Court dated March ●, 2024 (the "**Approval and Vesting Order**"), the Court, *inter alia*, (i) approved the Subscription Agreement and the Transactions, (ii) vested out of the: (ii) Canadian and Other Acquired Entities all of the Canadian and Other Acquired Entities' right, title, interest in and to and obligations in respect of their respective Canadian Excluded Assets, Canadian Excluded Contracts and Canadian Excluded Liabilities, except for Canadian Permitted Encumbrances; (iii) US Acquired Entities all of the US Acquired Entities' right, title, interest in and to and obligations in respect of their respective US Excluded

Assets, US Excluded Contracts and US Excluded Liabilities, except for US Permitted Encumbrances; (iv) authorized and directed Black Press and 3117 to file the Notice of Alteration; (v) terminated and cancelled all Existing Shares as well as any agreement, contract, plan, indenture, warrant, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of Black Press and 3117, or shall be and shall be deemed to be terminated and cancelled for no consideration; and (vi) authorized and directed Black Press and 3117 to issue the Subscribed Shares to the Purchaser free and clear of any Encumbrances.

C. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Approval and Vesting Order, the Affidavit of Christopher Hargreaves made March [●], 2024 or the Subscription Agreement, as applicable.

THE MONITOR CERTIFIES that it was advised by the Petitioners and the Purchasers that:

1. The Monitor has received the entire Cash Consideration;
2. The Monitor has received written confirmation from the Purchaser and the Petitioners, in form and substance satisfactory to the Monitor, that all conditions to Closing have been satisfied or waived by the Purchaser or the Petitioners, as applicable; and
3. This Certificate was delivered by the Monitor at _____ [TIME] on [March / April] ●, 2024 (the “**Effective Time**”).

**KSV Restructuring Inc., in its capacity as
Monitor of the Petitioners, and not in its
personal capacity**

Per: _____
Name:
Title:

SCHEDULE "D"
Canadian Permitted Encumbrances

Canadian and Other Retained Assets and all Assumed Liabilities in respect thereof, including without limitation the following:

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Alberta	Computershare Trust Company of Canada	311773 B.C. Ltd.		19032106309	03/21/2026
Alberta	Computershare Trust Company of Canada	311773 B.C. Ltd.		19032109384 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032107329	03/21/2026
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032109628 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032132160 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Central Web Offset Ltd.		19032106325	03/21/2026
Alberta	Computershare Trust Company of Canada	Central Web Offset Ltd.		19032111136 (Land Charge)	Infinity
Alberta	Fujifilm Canada Inc.	Central Web Offset Ltd.		19022823277	02/28/2024
Alberta	Kipp Scott Motors Ltd.	Black Press Group Ltd.		23012619158	01/26/2025
Alberta	Kipp Scott Motors Ltd.	Black Press Group Ltd.		23012619233	01/26/2025
Alberta	Wajax Limited	Central Web Offset Ltd.		23103017302	10/30/2024
Alberta	Wajax Limited	Central Web Offset Ltd.		23110626549	11/06/2024
British Columbia	Bannister Cadillac Buick GMC Ltd.	Black Press Group Ltd.		675912M	12/26/2025
British Columbia	Canadian Imperial Bank of Commerce	Black Press Group Ltd.		393907L	03/26/2026
British Columbia	Coast Capital Savings Federal Credit Union	311773 B.C. Ltd.		452907H	07/12/2028
British Columbia	Coast Capital Savings Federal Credit Union	Black Press Ltd.		447262P	03/31/2028
British	Computershare	311773 B.C.		383749L	03/21/2026

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Columbia	Trust Company of Canada	Ltd.			
British Columbia	Computershare Trust Company of Canada	Black Press Group Ltd.		383827L	03/21/2026
British Columbia	Computershare Trust Company of Canada	Black Press Ltd.		383723L	03/21/2026
British Columbia	Computershare Trust Company of Canada	Central Web Offset Ltd.		383738L	03/21/2026
British Columbia	CWB National Leasing Inc.	Black Press Group Ltd.		619206M	11/26/2024
British Columbia	De Lage Landen Financial Services Canada Inc.	Black Press Group Ltd.		383827L	11/23/2024
British Columbia	De Lage Landen Financial Services Canada Inc.	Black Press Group Ltd.		486825N	01/19/2027
British Columbia	Ford Credit Canada Leasing, Division of Canadian Road Leasing Company	Black Press Group Ltd.		957958M	05/10/2024
British Columbia	Jim Pattison Industries Ltd.	Black Press Group Ltd.		242480P	12/08/2027
British Columbia	Jim Pattison Industries Ltd.	Black Press Group Ltd.		308695P	12/08/2027
British Columbia	Mercedes-Benz Financial Mercedes-Benz Financial Services Canada Corporation	Black Press Group Ltd.		861276N	07/15/2027
British Columbia	TDF Group Inc.	Black Press Group Ltd.		857832N	07/13/2028
British Columbia	The Bank of Nova Scotia	Black Press Group Ltd.		845440N	07/07/2028
British Columbia	The Bank of Nova Scotia	Black Press Group Ltd.		850704N	07/11/2028
British Columbia	Vancouver City Savings Credit Union	311773 B.C. Ltd.		048747N	06/17/2027
British Columbia	Vancouver City Savings Credit Union	Black Press Group Ltd.		048759N	06/17/2027
British	Vancouver City	Black Press Ltd.		048782N	06/17/2027

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Columbia	Savings Credit Union				
British Columbia	Vault Credit Corporation	Black Press Group Ltd.		378787N	11/19/2026
Manitoba	Computershare Trust Company of Canada	Black Press Group Ltd.		201904413904	03/21/2026
Northwest Territory	Northern News Services Limited and Canarctic Graphics Ltd.	Black Press Group Ltd.		1753873	05/12/2026
Ontario	Canadian Imperial Bank of Commerce	Black Press Group Ltd.	749587374	20190329 1528 1590 3211	03/29/2026
Ontario	Computershare Trust Company of Canada	311773 B.C. Ltd.	749588859	20190329 1608 9234 6038	03/29/2026
Ontario	Computershare Trust Company of Canada	Black Press Group Ltd.	749589111	20190329 1618 9234 6051	03/29/2026
Ontario	Computershare Trust Company of Canada	Black Press Ltd.	749589093	20190329 1617 9234 6049	03/29/2026
Ontario	Computershare Trust Company of Canada	Central Web Offset Ltd.	749589084	20190329 1616 9234 6048	03/29/2026
Yukon	Computershare Trust Company of Canada	Black Press Group Ltd.		9156968	03/21/2026
Yukon	Meridian Onecap Credit Corp.	Black Press Group Ltd.		9097210	02/14/2024

SCHEDULE "E"
US Permitted Encumbrances

US Retained Assets and all Assumed Liabilities in respect thereof, including without limitation the following:

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Delaware	Computershare Trust Company of Canada, Trustee	Black Press Delaware LLC	20191995054		12/12/2028
Delaware	Computershare Trust Company of Canada, Trustee	San Francisco Print Media Co.	20191995138		12/12/2028
Hawaii	Computershare Trust Company of Canada, Trustee	Oahu Publications, Inc.	A-70200859		04/10/2028
Hawaii	Computershare Trust Company of Canada, Trustee	Oahu Publications, Inc.	A-71320824		07/12/2029
Hawaii	LCA Bank Corporation	Oahu Publications, Inc.	A-64720870		09/20/2023
Hawaii	Leaf Capital Funding, LLC	Oahu Publications, Inc.	A-78800652		07/29/2026
Ohio	Computershare Trust Company of Canada, Trustee	The Beacon Journal Publishing Company	OH00229131426		10/25/2028
Oregon	Computershare Trust Company of Canada, Trustee	Black Press Group Oregon LLC	91837951		10/26/2028

EXHIBIT "B"

SISP ORDER

Attached.



No. S-240259
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"

PETITIONERS

O R D E R MADE AFTER APPLICATION

(SISP APPROVAL ORDER)

BEFORE THE HONOURABLE)
JUSTICE) January 25, 2024
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 25th day of January, 2024 (the "**Order Date**"); AND ON HEARING Vicki Tickle and Stephanie Fernandes, counsel for the Petitioners and the non-petitioner affiliates of the Petitioners listed in Schedule "B" hereto (the "**Non-Petitioner Stay Parties**") and collectively with the Petitioners, the "**Black Press Entities**"), and those other counsel listed on Schedule "C" hereto; AND UPON READING the material filed, including the First Affidavit of Christopher Hargreaves made January 12, 2024 (the "**First Hargreaves Affidavit**"), the First Report of KSV Restructuring Inc. in its capacity as monitor of the Petitioners (the "**Monitor**") dated January 23, 2024 (the "**First Report**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.
2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sale and Investment Solicitation Process in respect of the business and assets of the Black Press Entities, in the form attached hereto as Schedule "D" (the "**SISP**"), the Amended and Restated Initial Order of this Court dated January 25, 2024 (the "**ARIO**"), or the First Hargreaves Affidavit, as applicable.

SALE AND INVESTMENT SOLICITATION PROCESS

3. The SISP is hereby approved and the Petitioners and the Monitor are hereby authorized and directed to implement the SISP pursuant to the terms thereof. The Petitioners and the Monitor are hereby authorized and directed to perform their respective obligations and to do all things reasonably necessary to perform their obligations thereunder, subject to prior approval of the Court being obtained before completion of any transaction(s) under the SISP.
4. The Petitioners and the Monitor and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the SISP, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Petitioners or the Monitor, as applicable, in performing their obligations under the SISP, as determined by this Court in a final order that is not subject to appeal or other review.

5. In conducting the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding.

STALKING HORSE PURCHASE AGREEMENT

6. The Petitioners are hereby authorized and empowered to enter into a definitive share purchase and subscription agreement with the Noteholders and CNL or one or more entities to be formed by the Noteholders and CNL (as applicable, the "**Stalking Horse Purchaser**"), which shall be substantially on the terms set out in the Stalking Horse Term Sheet attached as Appendix "A" to the Amended and Restated Transaction Support Agreement attached as Appendix "B" to the First Report and satisfactory to the Monitor (the "**Stalking Horse Transaction Agreement**"), such minor amendments as may be acceptable to each of the parties thereto, with the approval of the Monitor; provided that, nothing herein approves the sale and the vesting of any Property to the Stalking Horse Purchaser (or any of its designees) pursuant to the Stalking Horse Transaction Agreement and that the approval of any sale and vesting of any such Property shall be considered by this Court on a subsequent application made to this Court if the transaction set out in the Stalking Horse Transaction Agreement is the Successful Bid pursuant to the SISP.

7. As soon as reasonably practicable following the Petitioners and the Stalking Horse Purchaser executing the Stalking Horse Transaction Agreement, and in any event by no later than seven (7) Business Days prior to the Qualified Bid Deadline under the SISP, the Monitor shall post a copy thereof on its website, and the Petitioners shall: (a) serve a copy thereof on the Service List; and (b) provide a copy thereof to each SISP Participant (as hereinafter defined), excluding from the public record any confidential information that the Petitioners and the Stalking Horse Purchaser, with the consent of the Monitor, agree should be redacted.

BID PROTECTIONS

8. The Bid Protections are hereby approved and, subject to the entry of the Stalking Horse Transaction Agreement, the Petitioners are hereby authorized and directed to pay the Bid Protections to the Stalking Horse Purchaser (or to such other person as it may direct) in the manner and circumstances described in the Stalking Horse Transaction Agreement.

9. The Stalking Horse Purchaser shall be entitled to the benefit of and is hereby granted a charge (the "**Bid Protections Charge**") on the Property, which charge shall not exceed \$1,750,000, as security for payment of the Bid Protections in the manner and circumstances described in the Stalking Horse Transaction Agreement.

10. The filing, registration or perfection of the Bid Protections Charge shall not be required, and that the Bid Protections Charge shall be valid and enforceable for all purposes, including against any right, title or interest filed, registered, recorded or perfected subsequent to the Bid Protections Charge, notwithstanding any such failure to file, register, record or perfect.

11. The Bid Protections Charge shall constitute a charge on the Property and the Bid Protections Charge shall rank in priority to all other Encumbrances in favour of any Person notwithstanding the order of perfection or attachment, other than the Charges.

12. Except for the Charges or as may be approved by this Court on notice to parties in interest, the Petitioners shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Bid Protections Charge, unless the Petitioners also obtain the prior written consent of the Monitor and the Stalking Horse Purchaser.

13. The Bid Protections Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Purchaser in respect of the Bid Protections Charge shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the

declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Petitioners, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Bid Protections Charge nor the execution, delivery, perfection, registration or performance of the Stalking Horse Transaction Agreement shall create or be deemed to constitute a breach by any of the Petitioners of any Agreement to which any of the Petitioners is a party; and
- (b) the payments made by the Petitioners pursuant to this Order, the Stalking Horse Transaction Agreement and the granting of the Bid Protections Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

14. The Bid Protections Charge created by this Order over leases of real property shall only be a charge in the applicable Petitioner's interest in such real property lease.

15. The Stalking Horse Purchaser, with respect to the Bid Protections Charge only, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the BIA.

PIPEDA

16. Pursuant to section 18(10)(o) of the *Personal Information Protection Act* (British Columbia), and any similar legislation in any other applicable jurisdictions, the Petitioners or the Monitor and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants that are party to a non-disclosure agreement with the Petitioners (each, a "**SISP Participant**") and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the SISP (a "**Transaction**"). Each SISP Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the SISP Participant's evaluation for the purpose of effecting a Transaction, and, if a SISP Participant does not complete a Transaction, shall return all such information to the Petitioners or the Monitor, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Petitioners or the Monitor.


GENERAL

17. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Petitioners, the Monitor, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners, the Foreign Representative and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

18. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

19. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

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



Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT



REGISTRAR

SCHEDULE "A"
Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

SCHEDULE "B"
Non-Petitioner Stay Parties

Black Press (Barbados) Ltd.

Whidbey Press (Barbados) Inc.

Black Press Delaware LLC

Black Press Group Oregon LLC

SCHEDULE "C"
LIST OF COUNSEL

Name of Counsel	Party Represented
Mary Buttery, KC	KSV RESTRUCTURING INC., the
	COURT - APPOINTED MONITOR
DAVID GRUBER + MICHAEL SHAKRA	CANSO INVESTMENT COUNSEL LTD.
SCOTT STEPHENS + HEATHER FRYDENLUND	VANCOUVER CITY SAVINGS CREDIT UNION + COAST CAPITAL SAVINGS FEDERAL CREDIT UNION
EAMONN WATSON	SERVUS CREDIT UNION LTD.
RYAN LAMY LAITY	THE UNITED STATES OF AMERICA

SCHEDULE "D"
SISP

See attached.

Sale and Investment Solicitation Process

1. On January 15, 2024, the Supreme Court of British Columbia, Vancouver Registry (the "**CCAA Court**") issued an Order (the "**Initial Order**") granting certain relief to Black Press Ltd., 311773 B.C. Ltd., Black Press Group Ltd., 0922015 B.C. Ltd., Central Web Offset Ltd., Sound Publishing Holding, Inc., Sound Publishing Properties, Inc., Sound Publishing, Inc., Oahu Publications, Inc., The Beacon Journal Publishing Company, WWA (BPH) Publications, Inc., San Francisco Print Media Co. (collectively, the "**Petitioners**" and together with the Non-Petitioner Stay Parties (the "**Black Press Entities**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**" and the Petitioners proceedings thereunder, the "**CCAA Proceedings**").
2. Pursuant to the Initial Order, KSV Restructuring Inc. was appointed as monitor (in such capacity, the "**Monitor**") of the Petitioners in the CCAA Proceedings.
3. Pursuant to proceedings commenced in the United States Bankruptcy Court for the District of Delaware (the "**US Bankruptcy Court**") under Chapter 15, Title 11, of the United States Code, the Petitioners obtained, among other things, recognition of the CCAA Proceedings.
4. On January 25, 2024, the CCAA Court granted:
 - (i) an Order amending and restating the Initial Order (the "**ARIO**"), and
 - (ii) an Order (the "**SISP Approval Order**") that, among other things, authorized:
 - (a) the Petitioners to implement a sale and investment solicitation process in respect of the Black Press Entities (the "**SISP**") in accordance with the terms hereof, (b) the Black Press Entities to negotiate and finalize a definitive Stalking Horse Transaction Agreement (the "**Stalking Horse Bid**") with the Stalking Horse Purchaser; (c) approved the Bid Protections subject to entry of the Stalking Horse Transaction Agreement; and (d) granted the Bid Protections Charge.
5. Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the ARIO or the SISP Approval Order, as applicable. Copies of the ARIO and the SISP Approval Order can be found at www.ksvadvisory.com/experience/case/black-press (the "**Monitor's Website**").
6. This SISP sets out the manner in which: (a) binding bids for executable transactions involving the business and/or assets of, or the equity interests in, the Black Press Entities will be solicited from interested parties; (b) any such bids received will be addressed; (c) any Successful Bid (as defined below) will be selected; and (d) CCAA Court approval of any Successful Bid will be sought.
7. The SISP shall be conducted by the Petitioners with the assistance and under the oversight of the Monitor and the Monitor shall be entitled to receive all information in relation to the SISP.
8. Parties who wish to have their bids considered must participate in the SISP.
9. The Black Press Entities and the Monitor, in accordance with section 10 below, shall:

- a) disseminate marketing materials and a process letter to potentially interested parties identified by the Black Press Entities and the Monitor;
 - b) solicit interest from parties with a view to such interested parties entering into non-disclosure agreements (each an "**NDA**") (parties shall only obtain access to the virtual data room and be permitted to participate in the SISP if they execute an NDA, in form and substance satisfactory to the Black Press Entities; provided that those parties that have already executed a NDA with the Black Press Entities shall not be required to execute a further agreement unless such agreement has expired or will expire during the SISP);
 - c) provide applicable parties who have entered into an NDA with the Black Press Entities access to a virtual data room containing, among other things, diligence information; and
 - d) request that such parties submit a binding offer meeting at least the requirements set forth in Section 11 below, as determined by the Black Press Entities and the Monitor (each a "**Qualified Bid**"), by the Qualified Bid Deadline (as defined below).
10. The SISP shall be conducted subject to the terms hereof and the following key milestones, which milestones may be extended by the Black Press Entities, with the consent of the Monitor and the Stalking Horse Purchaser:¹
- a) the CCAA Court issues the SISP Approval Order by no later than January 25, 2024;
 - b) the Black Press Entities and the Monitor commence the solicitation process by no later than January 25, 2024, it being understood that the Black Press Entities and/or the Monitor shall be at liberty to contact, provide marketing materials and commence discussions with interested parties prior to such date as they consider appropriate;
 - c) deadline to submit a Qualified Bid – 5:00 p.m. Pacific Time on February 16, 2024 (the "**Qualified Bid Deadline**");

¹ To the extent any dates fall on a non-business day in British Columbia, they shall be deemed to be the first business day thereafter.

- d) deadline to determine whether a bid is a Qualified Bid and, if applicable, to notify those parties who submitted a Qualified Bid of the Auction (as defined below) – by no later than 5:00 p.m. Pacific Time on February 21, 2024;
- e) the Black Press Entities and the Monitor to hold an Auction (if applicable) and select the successful bid(s) (the “**Successful Bid**”) – by no later than 10:00 a.m. Pacific Time on February 26, 2024 (the “**Definitive Agreement Deadline**”);
- f) Transaction Order (as defined below) hearing:
 - o (if there is no Auction) – by no later than March 1, 2024 subject to CCAA Court availability; or
 - o (if there is an Auction) – by no later than March 6, 2024, subject to CCAA Court availability; and
- g) closing of the Successful Bid as soon thereafter as possible and, in any event, by no later than 5:00 p.m. Pacific Time on March 15, 2024 (the “**Outside Date**”).

11. In order to constitute a Qualified Bid, a bid must comply with the following:

- a) it provides for aggregate consideration, payable in cash in full on closing in an amount equal to or greater than (i) all outstanding obligations under the Senior Secured Notes (as defined in the First Hargreaves Affidavit), (ii) all outstanding obligations under the DIP Term Sheet, (iii) any obligations in priority to amounts owing under the DIP Term Sheet, including any Charges, (iv) the amount of \$500,000 to fund any professional fees incurred in connection with the wind-up of the Petitioners’ CCAA proceedings and any further proceedings or wind-up costs; and (v) the amount of \$1,750,000 to satisfy the Bid Protections (the “**Consideration Value**”), and provides a detailed sources schedule that identifies, with specificity, the composition of the Consideration Value and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or being excluded;
- b) it contemplates closing of the proposed transaction by not later than the Outside Date;
- c) it contains:
 - i. duly executed binding definitive transaction document(s);
 - ii. the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of each of its equityholder(s);
 - iii. a redline to the Stalking Horse Transaction Agreement posted in the virtual data room;
 - iv. evidence of authorization and approval from the bidder’s board of directors (or equivalent governing body) and, if necessary to complete the transaction, the bidder’s equityholder(s);

- v. disclosure of any past or current connections or agreements with the Black Press Entities or any of their affiliates, any known, potential, prospective bidder, or any current or former officer, manager, director, member or known current or former equity security holder of any of the Black Press Entities or any of their affiliates;
 - vi. such other information reasonably requested by the Black Press Entities or the Monitor;
 - vii. indicates whether any Transaction Order (as defined below) approving the bid will require recognition from the US Bankruptcy Court;
- d) it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until closing of the Successful Bid; provided, that if such bid is not selected as the Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid (such bid, the "**Back-Up Bid**") it shall only remain irrevocable until selection of the Successful Bid;
- e) it provides that the bid will serve as a Back-Up Bid if it is not selected as the Successful Bid and if selected as the Back-Up Bid it will remain irrevocable until the earlier of: (i) closing of the Successful Bid; or (ii) closing of the Back-Up Bid;
- f) it provides written evidence of a bidder's ability to fully fund and consummate the transaction (and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid;
- g) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- h) it is not conditional upon:
- i. approval from the bidder's board of directors (or equivalent governing body) or equityholder(s);
 - ii. the outcome of any unperformed due diligence by the bidder; or
 - iii. the bidder obtaining financing;
- i) it includes acknowledgments and representations that the bidder: (i) has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid; (ii) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Black Press Entities, the Monitor and their respective employees, officers, directors, agents, advisors and other representatives, regarding the proposed transactions, this SISF, or any information (or the

completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents; (iii) is making its bid on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Black Press Entities, the Monitor or any of their respective employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transactions documents; (iv) is bound by this SISP and the SISP Approval Order; and (v) is subject to the exclusive jurisdiction of the CCAA Court with respect to any disputes or other controversies arising under or in connection with the SISP or its bid;

- j) it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the transaction (including the anticipated timing necessary to obtain such approvals);
 - k) it includes full details of the bidder's intended treatment of the Petitioners' employees, customers, contracts, collective bargaining agreements, pension and benefit obligations and vendors under the proposed bid;
 - l) it is accompanied by a cash deposit (the "**Deposit**") paid by wire transfer of immediately available funds in an amount equal to at least 10% of the Consideration Value, which Deposit shall be retained by the Monitor in an interest-bearing trust account in accordance with the terms hereof;
 - m) it includes a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
 - n) it is received by the Black Press Entities, with a copy the Monitor, by the Qualified Bid Deadline at the email addresses specified on Schedule "A" hereto.
12. The Black Press Entities, with the consent of the Monitor, may in their sole discretion waive compliance with any one or more of the requirements specified in Section 11 above and deem a non-compliant bid to be a Qualified Bid, provided that requirements 11(a), 11(b) and 11(l) may not be waived without the consent of the Stalking Horse Bidder.
13. Notwithstanding the requirements specified in Section 11 above, the transaction contemplated by the Stalking Horse Transaction Agreement (the "**Stalking Horse Bid**"), is deemed to be a Qualified Bid, provided that, for greater certainty, no Deposit shall be required to be submitted in connection with the Stalking Horse Bid.
14. If one or more Qualified Bids (other than the Stalking Horse Bid) has been received by the Black Press Entities on or before the Qualified Bid Deadline, the Black Press Entities shall proceed with an auction process to determine the successful bid(s) (the "**Auction**"), which Auction shall be administered in accordance with Schedule "B" hereto. The successful bid(s) selected pursuant to the Auction shall constitute the "**Successful Bid(s)**". Forthwith upon determining to proceed with an Auction, the Black Press Entities shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Bid) of which Qualified Bid is the highest or otherwise best bid (as determined by the Black Press Entities, in consultation with the Monitor) along with a copy of such bid.

15. If by the Qualified Bid Deadline, no Qualified Bid (other than the Stalking Horse Bid) has been received by the Black Press Entities, then the Stalking Horse Bid shall be deemed the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Transaction Agreement.
16. Following selection of a Successful Bid, if any, the Black Press Entities, with the assistance of its advisors, and in consultation with the Monitor, shall seek to finalize any remaining necessary definitive agreement(s) with respect to the Successful Bid in accordance with the milestones set out in Section 10. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the Black Press Entities in consultation with the Monitor, the Petitioners shall apply to the CCAA Court for an order or orders approving such Successful Bid and/or the mechanics to authorize the Petitioners to complete the transactions contemplated thereby, as applicable, and authorizing the Petitioners to: (a) enter into any and all necessary agreements and related documentation with respect to the Successful Bid; (b) undertake such other actions as may be necessary to give effect to such Successful Bid; and (c) implement the transaction(s) contemplated in such Successful Bid (each, a "**Transaction Order**"). If the Successful Bid is not consummated in accordance with its terms, the Black Press Entities shall be authorized, but not required, to elect that the Back-Up Bid (if any) is the Successful Bid.
17. The highest Qualified Bid may not necessarily be accepted by the Black Press Entities. The Black Press Entities, with the written consent of the Monitor, reserve the right not to accept any Qualified Bid or to otherwise terminate the SISP. The Black Press Entities, with the written consent of the Monitor, reserve the right to deal with one or more Qualified Bidders to the exclusion of others, to accept a Qualified Bid for different parts of the Black Press Entities business and assets or to accept multiple Qualified Bids and enter into definitive agreements in respect of all such bids, provide that the aggregate of such Qualified Bids satisfies the requirements of Section 11(a) and (b).
18. If a Successful Bid is selected and a Transaction Order authorizing the consummation of the transaction contemplated thereunder is granted by the Court, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a Qualified Bid that is not selected as a Successful Bid will be returned to the applicable bidder as soon as reasonably practicable (but not later than ten (10) business days) after the date upon which the Successful Bid is approved pursuant to a Transaction Order or such earlier date as may be determined by the Black Press Entities, in consultation with the Monitor; provided, the Deposit in respect of the Back-Up Bid shall not be returned to the applicable bidder until the closing of the Successful Bid.
19. The Black Press Entities shall be permitted, in their discretion, to provide general updates and information in respect of the SISP to legal counsel to any creditor (each a "**Creditor**") on a confidential basis, upon: (a) irrevocable confirmation in writing from such counsel that the applicable Creditor will not submit any bid in the SISP; and (b) counsel to such Creditor entering into confidentiality arrangements with the Black Press Entities, in form and substance satisfactory to the Black Press Entities and the Monitor.
20. The Interim Lender shall only be entitled to the consultation rights specified herein in its favour and confidential updates and information from the Black Press Entities and the

Monitor in respect of the SISP, including copies of any Qualified Bids, upon the Interim Lender (in its capacity as Stalking Horse Bidder) irrevocably confirming in writing to the Petitioners and the Monitor that it will not submit any bid in the SISP except for the Stalking Horse Agreement and will not participate in the Auction.

21. Any amendments to this SISP may only be made by the Black Press Entities with the written consent of the Monitor and the Interim Lender or by further order of the court.

SCHEDULE "A": E-MAIL ADDRESSES FOR DELIVERY OF BIDS

To the counsel for the Black Press Entities:

vtickle@cassels.com; jenns@cassels.com; riacobs@cassels.com; jbello@cassels.com;
jbornstein@cassels.com

and with a copy to the Monitor:

ngoldstein@ksvadvisory.com; jknight@ksvadvisory.com; ebrenner@ksvadvisory.com

SCHEDULE "B": AUCTION PROCEDURES

1. **Auction.** If the Black Press Entities receive at least one Qualified Bid (other than the Stalking Horse Bid), the Black Press Entities will conduct and administer the Auction in accordance with the terms of the SISP. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.

2. **Participation.** Only parties that provided a Qualified Bid by the Qualified Bid Deadline, including, for greater certainty, the Stalking Horse Bid (collectively, the "**Qualified Parties**" and each a "**Qualified Party**"), shall be eligible to participate in the Auction. No later than 5:00 p.m. Pacific Time on the day prior to the Auction, each Qualified Party must inform the Black Press Entities and the Monitor in writing whether it intends to participate in the Auction. The Black Press Entities will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party (including the Stalking Horse Purchaser) provides such expression of intent, the highest or otherwise best Qualified Bid as determined by the Black Press Entities, in consultation with the Monitor, shall be designated as the Successful Bid (as defined below).

3. **Auction Procedures.** The Auction shall be governed by the following procedures:

- a. **Attendance.** Only the Black Press Entities, the Qualified Parties and the Monitor, and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any Overbids (as defined below) at the Auction;
- b. **No Collusion.** Each Qualified Party participating at the Auction shall be required to confirm on the record at the Auction that: (a) it has not engaged in any collusion with respect to the Auction and the bid process; and (b) its bid is a good-faith *bona fide* offer, it is irrevocable and it intends to consummate the proposed transaction if selected as the Successful Party (as defined below);
- c. **Minimum Overbid and Back-Up Bid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Black Press Entities, in consultation with the Monitor (the "**Initial Bid**"), and any bid made at the Auction by a Qualified Party subsequent to the Black Press Entities' announcement of the Initial Bid (each, an "**Overbid**"), must proceed in minimum additional cash increments of \$100,000, and all such Overbids shall be irrevocable until closing of the Successful Bid; provided, that if such Overbid is not selected as the Successful Bid or as the Back-Up Bid (if any) it shall only remain irrevocable until selection of the Successful Bid;
- d. **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each

subsequent Qualified Bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Black Press Entities, in their discretion, may establish separate video conference rooms to permit interim discussions among the Black Press Entities, the Monitor and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;

- e. **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit an Overbid with full knowledge and confirmation of the then-existing highest or otherwise best bid and no Qualified Party submits an Overbid; and
- f. **No Post-Auction Bids.** No bids will be considered for any purpose after the Successful Bid has been designated, and therefore the Auction has concluded.

Selection of Successful Bid

4. **Selection.** During the Auction, the Black Press Entities, in consultation with the Monitor, will: (a) review each subsequent Qualified Bid, considering the factors set out in Section 11 of the SISP and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in (i) above, (iii) the likelihood of the Qualified Party's ability to close a transaction by not later than the Outside Date (including factors such as: the transaction structure and execution risk; conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court's approval of the Successful Bid, (v) the net benefit to the Black Press Entities and their stakeholders and (vi) any other factors the directors or officers of the Black Press Entities may, consistent with their fiduciary duties, reasonably deem relevant; and (b) identify the highest or otherwise best bid received at the Auction (the "**Successful Bid**" and the Qualified Party making such bid, the "**Successful Party**").

5. **Acknowledgement.** The Successful Party shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one business day of the Successful Bid being selected as such, unless extended by the Black Press Entities in their sole discretion, subject to the milestones set forth in Section 10 of the SISP.

EXHIBIT “C”

CCAA PETITIONERS

- Black Press
- 3117
- Black Press Group Ltd.
- 0922015 B.C. Ltd.
- Central Web Offset Ltd.
- Sound Publishing Holding, Inc.
- Sound Publishing Properties, Inc.
- Sound Publishing, Inc.
- Oahu Publications, Inc.
- The Beacon Journal Publishing Company
- WWA (BPH) Publications Inc.
- San Francisco Print Media Co.

SCHEDULE "A"

EXCLUDED ASSETS

None other than the Excluded Assets set forth in Section 3.3.

SCHEDULE "B"

EXCLUDED CONTRACTS

[To be updated.]

SCHEDULE “C”

EXCLUDED LIABILITIES

[To be updated.]

Excluded Liabilities of the Canadian BP Group Members:

None.

Excluded Liabilities of the US BP Group Members:

All Liabilities in respect of the data incident that occurred on or around January 10, 2024 in relation to the cyber attack by Akira Ransomware Group on Oahu Publications, Inc.

SCHEDULE "D"

ENCUMBRANCES TO BE DISCHARGED

Charged Entity	Jurisdiction	Registration Number	Date	Secured Party	Particulars

[To be updated.]

**SCHEDULE “E”
ASSUMED LIABILITIES**

All trade payables and Liabilities incurred in the normal course of operations from the date of the Initial Order that remain outstanding as at the Closing Date (as such trade payables and Liabilities are set out in the Statement of Trade Payables).

All mortgages registered on title to the real property owned by any of the BP Group Members.

All Liabilities in respect of the Notes other than those Liabilities released upon Closing in respect of the Notes Consideration.

All Liabilities in respect of the defined benefit component of the Pension Black for Employees of Black Press Group Ltd. with the BCFSA Plan Number P086192 which was wound up effective December 31, 2023, including without limitation the related post-retirement life insurance and medical and accidental death and dismemberment benefits (and all other related health and medical benefits).

SCHEDULE "F"

PERMITTED ENCUMBRANCES

Canadian Permitted Encumbrances

Canadian and Other Retained Assets and all Assumed Liabilities in respect thereof, including without limitation:

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Alberta	Computershare Trust Company of Canada	311773 B.C. Ltd.		19032106309	03/21/2026
Alberta	Computershare Trust Company of Canada	311773 B.C. Ltd.		19032109384 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032107329	03/21/2026
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032109628 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Black Press Group Ltd.		19032132160 (Land Charge)	Infinity
Alberta	Computershare Trust Company of Canada	Central Web Offset Ltd.		19032106325	03/21/2026
Alberta	Computershare Trust Company of Canada	Central Web Offset Ltd.		19032111136 (Land Charge)	Infinity
Alberta	Fujifilm Canada Inc.	Central Web Offset Ltd.		19022823277	02/28/2024
Alberta	Kipp Scott Motors Ltd.	Black Press Group Ltd.		23012619158	01/26/2025
Alberta	Kipp Scott Motors Ltd.	Black Press Group Ltd.		23012619233	01/26/2025
Alberta	Wajax Limited	Central Web Offset Ltd.		23103017302	10/30/2024

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Alberta	Wajax Limited	Central Web Offset Ltd.		23110626549	11/06/2024
British Columbia	Bannister Cadillac Buick GMC Ltd.	Black Press Group Ltd.		675912M	12/26/2025
British Columbia	Canadian Imperial Bank of Commerce	Black Press Group Ltd.		393907L	03/26/2026
British Columbia	Coast Capital Savings Federal Credit Union	311773 B.C. Ltd.		452907H	07/12/2028
British Columbia	Coast Capital Savings Federal Credit Union	Black Press Ltd.		447262P	03/31/2028
British Columbia	Computershare Trust Company of Canada	311773 B.C. Ltd.		383749L	03/21/2026
British Columbia	Computershare Trust Company of Canada	Black Press Group Ltd.		383827L	03/21/2026
British Columbia	Computershare Trust Company of Canada	Black Press Ltd.		383723L	03/21/2026
British Columbia	Computershare Trust Company of Canada	Central Web Offset Ltd.		383738L	03/21/2026
British Columbia	CWB National Leasing Inc.	Black Press Group Ltd.		619206M	11/26/2024
British Columbia	De Lage Landen Financial Services Canada Inc.	Black Press Group Ltd.		383827L	11/23/2024
British Columbia	De Lage Landen Financial Services Canada Inc.	Black Press Group Ltd.		486825N	01/19/2027
British Columbia	Ford Credit Canada Leasing, Division of Canadian Road	Black Press Group Ltd.		957958M	05/10/2024

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
	Leasing Company				
British Columbia	Jim Pattison Industries Ltd.	Black Press Group Ltd.		242480P	12/08/2027
British Columbia	Jim Pattison Industries Ltd.	Black Press Group Ltd.		308695P	12/08/2027
British Columbia	Mercedes-Benz Financial Mercedes-Benz Financial Services Canada Corporation	Black Press Group Ltd.		861276N	07/15/2027
British Columbia	TDF Group Inc.	Black Press Group Ltd.		857832N	07/13/2028
British Columbia	The Bank of Nova Scotia	Black Press Group Ltd.		845440N	07/07/2028
British Columbia	The Bank of Nova Scotia	Black Press Group Ltd.		850704N	07/11/2028
British Columbia	Vancouver City Savings Credit Union	311773 B.C. Ltd.		048747N	06/17/2027
British Columbia	Vancouver City Savings Credit Union	Black Press Group Ltd.		048759N	06/17/2027
British Columbia	Vancouver City Savings Credit Union	Black Press Ltd.		048782N	06/17/2027
British Columbia	Vault Credit Corporation	Black Press Group Ltd.		378787N	11/19/2026
Manitoba	Computershare Trust Company of Canada	Black Press Group Ltd.		201904413904	03/21/2026
Northwest Territory	Northern News Services Limited and Canarctic Graphics Ltd.	Black Press Group Ltd.		1753873	05/12/2026
Ontario	Canadian Imperial Bank of Commerce	Black Press Group Ltd.	749587374	20190329 1528 1590 3211	03/29/2026

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Ontario	Computershare Trust Company of Canada	311773 B.C. Ltd.	749588859	20190329 1608 9234 6038	03/29/2026
Ontario	Computershare Trust Company of Canada	Black Press Group Ltd.	749589111	20190329 1618 9234 6051	03/29/2026
Ontario	Computershare Trust Company of Canada	Black Press Ltd.	749589093	20190329 1617 9234 6049	03/29/2026
Ontario	Computershare Trust Company of Canada	Central Web Offset Ltd.	749589084	20190329 1616 9234 6048	03/29/2026
Yukon	Computershare Trust Company of Canada	Black Press Group Ltd.		9156968	03/21/2026
Yukon	Meridian Onecap Credit Corp.	Black Press Group Ltd.		9097210	02/14/2024

US Permitted Encumbrances

US Retained Assets and all Assumed Liabilities in respect thereof, including without limitation:

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Delaware	Computershare Trust Company of Canada, Trustee	Black Press Delaware LLC	20191995054		12/12/2028
Delaware	Computershare Trust Company of Canada, Trustee	San Francisco Print Media Co.	20191995138		12/12/2028
Hawaii	Computershare Trust Company of Canada, Trustee	Oahu Publications, Inc.	A-70200859		04/10/2028
Hawaii	Computershare Trust Company of Canada, Trustee	Oahu Publications, Inc.	A-71320824		07/12/2029

Jurisdiction	Secured Party	Debtor	File No.	Reg. No.	Expiry
Hawaii	LCA Bank Corporation	Oahu Publications, Inc.	A-64720870		09/20/2023
Hawaii	Leaf Capital Funding, LLC	Oahu Publications, Inc.	A-78800652		07/29/2026
Ohio	Computershare Trust Company of Canada, Trustee	The Beacon Journal Publishing Company	OH00229131426		10/25/2028
Oregon	Computershare Trust Company of Canada, Trustee	Black Press Group Oregon LLC	91837951		10/26/2028

APPENDIX E

[ATTACHED]

Black Press Ltd. and 311773 B.C. Ltd. et. al.
Projected Weekly Cash Flow Statement (Consolidated)
February 26, 2024 to April 14, 2024
(Unaudited: \$CAD Thousands)

		Week ending							
	Note	03-Mar-24	10-Mar-24	17-Mar-24	24-Mar-24	31-Mar-24	07-Apr-24	14-Apr-24	Total
RECEIPTS									
Collections	2	4,383	5,383	4,775	4,175	3,340	4,425	5,225	31,706
DISBURSEMENTS									
<u>Operating Disbursements</u>									
Payroll	3	(4,000)	(337)	(3,393)	-	(3,393)	(1,304)	(3,250)	(15,677)
Newsprint, press supplies, ink, printing	4	(517)	(517)	(517)	(517)	(517)	(517)	(517)	(3,621)
Distributors	5	(577)	(395)	(577)	(170)	(577)	(395)	(577)	(3,268)
Sales taxes		(300)	-	(351)	-	-	(300)	(351)	(1,302)
Other operating costs	6	(2,612)	(1,389)	(1,624)	(1,479)	(1,159)	(2,842)	(1,159)	(12,263)
		(8,007)	(2,638)	(6,462)	(2,166)	(5,646)	(5,358)	(5,854)	(36,131)
<u>Other Disbursements (Income)</u>									
Restructuring costs	7	(625)	-	(1,157)	(396)	-	(1,948)	-	(4,126)
Pension Benefit Guarantee Corp Settlement	8	-	-	(2,701)	-	-	-	-	(2,701)
Key employee retention program	9	-	-	-	-	-	(156)	-	(156)
		(625)	-	(3,858)	(396)	-	(2,104)	-	(6,983)
Total Disbursements		(8,631)	(2,638)	(10,320)	(2,562)	(5,646)	(7,462)	(5,854)	(43,115)
Net Cash Flow		(4,248)	2,745	(5,546)	1,613	(2,306)	(3,037)	(629)	(11,409)
Opening cash balance		4,275	652	3,396	1,862	3,475	2,168	1,131	4,275
Net cash flow		(4,248)	2,745	(5,546)	1,613	(2,306)	(3,037)	(629)	(11,409)
DIP facility advances	10	625	-	4,011	-	1,000	2,000	-	7,636
Ending cash balance		652	3,396	1,862	3,475	2,168	1,131	502	502

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of Black Press Ltd., 311773 B.C. Ltd. and the following other petitioner companies (collectively, the "Petitioners") from February 26 to April 14, 2024 (the "Period") in respect of the proceedings under the Companies' Creditors Arrangement Act ("CCAA"). Certain Petitioners' receipts and disbursements were forecasted in US dollars, converted at a rate of 1.3507:1.
 - Black Press Group Ltd.
 - 0922015 B.C. Ltd.
 - Central Web Offset Ltd.
 - Sound Publishing Holding, Inc.
 - Sound Publishing Properties, Inc.
 - Sound Publishing, Inc.
 - Oahu Publications, Inc.
 - The Beacon Journal Publishing Company
 - WWA (BPH) Publications, Inc.
 - San Francisco Print Media Co.

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical

2. Represents collection of revenue from operations.

Most Probable

3. Represents employee payroll, vacation pay and benefits for the Petitioners.
4. Represents the various input costs associated with producing the Petitioners' publications.
5. Represents amounts payable to the various entities that distribute the Petitioners' publications.
6. Represents other critical expenses, including technology, delivery costs, marketing, rent, insurance, and administration expenses.
7. Includes fees of the monitor, its counsel, the Petitioners' US and Canadian counsel, and Canso's US and Canadian counsel.
8. Represents the US\$2 million settlement with the Pension Benefit Guaranty Corporation ("PBGC") pursuant to a settlement agreement dated February 15, 2024, between PBGC and the Petitioners.
9. Represents payment of the key employees retention plan that the Petitioners' will seek to have approved at the Comeback Hearing.
10. Excludes \$3.72 million of advances made under the DIP prior to the Period.

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

IN THE MATTER OF
BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The management of Black Press Ltd., 311773 B.C. Ltd., and those other petitioner companies listed in Schedule "A" (collectively, the "**Petitioners**") have developed the assumptions and prepared the attached statement of projected cash flow as of the 4th day of March, 2024 for the period February 26, 2024 to April 14, 2024 (the "**Cash Flow**"). All such assumptions are disclosed in the notes to the Cash Flow.

The hypothetical assumptions are reasonable and consistent with the purpose of the Cash Flow as described in Note 1 to the Cash Flow, and the probable assumptions are suitably supported and consistent with the plans of the Petitioners and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Note 1 using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Vancouver, British Columbia this 4th day of March, 2024.

BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"



Per: Chris Hargreaves
Director of Corporate Finance
Black Press Group Ltd.

SCHEDULE "A"

Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

APPENDIX F

[ATTACHED]

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

IN THE MATTER OF
BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"

MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The attached statement of projected cash-flow of Black Press Ltd., 311773 B.C. Ltd., and those other petitioner companies listed in Schedule "A" (collectively, the "**Petitioners**"), as of the 4th day of March, 2024, consisting of a weekly projected cash flow statement for the period February 26, 2024 to April 14, 2024 (the "**Cash Flow**") has been prepared by the management of the Petitioners for the purpose described in Note 1, using the probable and hypothetical assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Petitioners. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Petitioners or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- c) the Cash Flow does not reflect the probable and hypothetical assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 of the Cash Flow and readers are cautioned that it may not be appropriate for other purposes.

Dated at Calgary, Alberta this 4th day of March, 2024.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS CCAA MONITOR OF
BLACK PRESS LTD., 311773 B.C. LTD., AND THOSE ENTITIES LISTED IN SCHEDULE "A"
AND NOT IN ITS PERSONAL CAPACITY**

SCHEDULE "A"

Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

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