



HFX No. 538745

**SUPREME COURT OF NOVA SCOTIA**

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

**- AND -**

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF BLUE LOBSTER  
CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED, 3343533 NOVA SCOTIA LIMITED AND  
4318682 NOVA SCOTIA LIMITED**

**SEVENTH REPORT OF KSV RESTRUCTURING INC.  
AS MONITOR**

**January 22, 2026**

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## 1. Introduction

1. Pursuant to an Initial Order issued by the Supreme Court of Nova Scotia (the “**Court**”) on December 13, 2024 (the “**Filing Date**”), Blue Lobster Capital Limited (“**BLCL**”), 3284906 Nova Scotia Limited (“**Spirit Co**”), 3343533 Nova Scotia Limited (“**Lost Bell**”) and 4318682 Nova Scotia Limited (“**Annapolis Cider**”, together with Spirit Co and Lost Bell, the “**Operating Companies**” and with BLCL, the “**Applicants**”) were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and KSV Restructuring Inc. (“**KSV**”) was appointed as monitor in the CCAA proceedings (the “**Monitor**”).
2. The comeback motion (the “**Comeback Motion**”) in the CCAA proceedings was heard on December 20, 2024. At the Comeback Motion, the Court issued an Amended and Restated Initial Order (the “**ARIO**”), which extended the stay of proceedings to and including March 8, 2025 and set a hearing on January 21, 2025 to consider approval of a debtor-in-possession financing facility to fund the operations of the Operating Companies and the costs of these proceedings (the “**DIP Facility**”). A copy of the ARIO is provided in **Appendix “A”**.
3. On January 21, 2025, the Court issued an Order, which approved the DIP Facility in the amount of \$300,000 and granted a charge in this amount in favour of Royal Bank of Canada (“**RBC**”), the Operating Companies’ senior lender.
4. On March 7, 2025, the Court issued an Order which:
  - a) approved a sale and investment solicitation process to be carried out by the Monitor; and
  - b) extended the stay of proceedings to and including June 30, 2025.
5. The stay of proceedings has subsequently been extended several times and presently expires on January 31, 2026.
6. The sale approval motion (the “**Sale Approval Motion**”) in the CCAA proceedings was heard on July 7, 2025. On July 17, 2025, the Court issued the following Orders:
  - a) an Approval and Vesting Order, which:
    - i. approved a transaction (the “**Lynch Transaction**”) between Spirit Co and Annapolis Cider, as vendors, as represented by the Monitor, and Shannon Theresa Lynch, on behalf of a corporation to be incorporated, as purchaser (“**Lynch**”), for the business and assets of Spirit Co and Annapolis Cider, pursuant to an asset purchase agreement dated May 31, 2025 (the “**Lynch APA**”); and

- ii. vested the Purchased Assets (as defined in the Lynch APA) in Lynch, free and clear of encumbrances, upon execution and delivery of a certificate by the Monitor confirming completion of the Lynch Transaction;
  - b) an Approval and Vesting Order, which:
    - i. approved a transaction (the “**Coast Transaction**” and together with the Lynch Transaction, the “**Transactions**”) between Lost Bell, as vendors, represented by the Monitor, and Coast to Coast Marketing Ltd. and James Roue Beverage Company Ltd., as purchasers (together, “**Coast**”, and together with Lynch, the “**Purchasers**”), for the business and assets of Lost Bell, pursuant to an asset purchase agreement dated May 9, 2025 (the “**Coast APA**”); and
    - ii. vested the Purchased Assets (as defined in the Coast APA) in Coast, free and clear of encumbrances, upon execution and delivery of a certificate by the Monitor confirming completion of the Coast Transaction; and
  - c) an ancillary Order (the “**July 17<sup>th</sup> Ancillary Order**”) expanding the Monitor’s powers to:
    - i. execute the Transactions;
    - ii. approve the Operating Companies’ receipts and disbursements; and
    - iii. perform such other activities as may be required to realize on the Operating Companies’ remaining assets, including the real properties owned by BLCL (the “**BLCL Real Properties**”).
7. The Monitor closed the Transactions on August 8, 2025.
8. On September 16, 2025, the Court issued an order (the “**September 16<sup>th</sup> Order**”) that addressed, *inter alia*, the rights of Alexander Rice (“**Mr. Rice**”), the President of the Operating Companies, in the sale process for the BLCL Real Properties, the date by which any person residing at the BLCL Real Properties was required to vacate those properties (being September 16, 2025), and the date by which the Monitor would assume control of the sale process for those properties (also September 16, 2025). A copy of the September 16<sup>th</sup> Order is attached as **Appendix “B”**.<sup>1</sup>

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<sup>1</sup> Although the September 16<sup>th</sup> Order was issued on the same date as certain deadlines in the Order, the Monitor was working on the basis that its term had been agreed prior to that date. The Monitor experienced delays receiving feedback from Mr. Rice regarding the September 16<sup>th</sup> Order.

9. On October 22, 2025, the Court issued the following Orders:
- a) a claims procedure Order (the “**Claims Procedure Order**”), which, among other things, approved the procedure (the “**Claims Procedure**”) for soliciting and determining claims against the Applicants; and
  - b) an ancillary Order, which, among other things, approved the activities of the Monitor to October 15, 2025 and extended the stay of proceedings to and including January 31, 2026 (the “**Stay Period**”).

A copy of the Claims Procedure Order is attached as **Appendix “C”**.

10. On November 14, 2025, the Court issued the following Orders:
- a) an Approval and Vesting Order, which:
    - i. approved a transaction (the “**Brunswick Transaction**”) between BLCL, as represented by the Monitor, and Ashley MacLeod and Danae Harvalias (the “**Brunswick Property Purchaser**”), for the property located at 2138 Brunswick Street, Halifax, Nova Scotia (the “**Brunswick Property**”) pursuant to an agreement of purchase and sale dated October 15, 2025 (the “**Brunswick Property APS**”); and
    - ii. vested the Brunswick Property in the Brunswick Property Purchaser, free and clear of encumbrances, upon execution and delivery of a certificate by the Monitor confirming completion of the Brunswick Transaction; and
  - b) an Ancillary Order (the “**November 14<sup>th</sup> Ancillary Order**”), which, among other things:
    - i. authorized the Monitor to make distributions to RBC up to the amount of the debt owing to it from BLCL from the proceeds of the Brunswick Property Transaction.
11. The Monitor closed the Brunswick Property Transaction on December 1, 2025 and RBC was repaid, in full, from the sale proceeds shortly thereafter.
12. The Court materials filed in these proceedings, including the affidavits sworn by Mr. Rice and KSV’s reports filed in these proceedings, including its report filed as proposed monitor, can be found on the Monitor’s website at <https://www.ksvadvisory.com/experience/case/blue> (the “**Case Website**”).

## 1.1 Purposes of this Report

1. The purposes of this report (the “**Seventh Report**”) are to:
- a) provide background information about these CCAA proceedings;
  - b) summarize the results of the Claims Procedure;

- c) provide an update on the sale process for the remaining BLCL Real Properties;
- d) seek an extension of the Stay Period to April 30, 2026;
- e) report on the Applicants' weekly cash flow projection for the period from January 11, 2026 to April 30, 2026 (the "**Extended Cash Flow Forecast**");
- f) summarize the Monitor's activities since the Monitor's sixth report to Court dated November 3, 2025 (the "**Sixth Report**"); and
- g) recommend that the Court issue an Order:
  - i. extending the Stay Period to and including April 30, 2026; and
  - ii. approving this Seventh Report and the Monitor's activities described herein.

## 1.2 Restrictions

1. In preparing this Seventh Report, the Monitor has relied upon the Operating Companies' unaudited financial information, financial forecasts, books and records, information available in the public domain and discussions with a former employee of the Operating Companies who has been retained on a contract basis to assist the Monitor with administrative matters.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Seventh 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 Operating Companies' financial information should perform its own diligence.

## 1.3 Currency

1. All currency references in this Seventh Report are in Canadian dollars.

## 2. Background

1. The Operating Companies are private companies incorporated under the laws of Nova Scotia.
2. Prior to these proceedings, the primary business of the Operating Companies was the manufacturing and sale of alcoholic beverages (including Ready-To-Drink beverages), such as spirits, wine and cider.

3. BLCL is primarily a real estate investment company which owned the following BLCL Real Properties as of the Filing Date:

| Address   | Property Type  |
|---|--|
| 14 Allan Ave., Stellarton, Nova Scotia<br>("14 Allan")              | Residential – Duplex   |
| 140 George St., Stellarton, Nova Scotia<br>("140 George")           | Heritage Commercial Property; presently vacant                       |
| 18 Claremont Ave., Stellarton, Nova Scotia<br>("18 Claremont")      | Residential – Single Family Home; presently vacant                   |
| 2138 Brunswick St., Halifax, Nova Scotia                            | Residential – Single Family Home                                     |
| 224 Old Post Rd., Crapaud, Prince Edward Island<br>("224 Old Post") | 9,000 square foot Warehouse  |
| 61/63 Provost St., New Glasgow, Nova Scotia<br>("61/63 Provost")    | 4-unit Corporate Office Space – the Operating Companies' head office |

4. As noted above, the Brunswick Property has been sold; however, all of the other BLCL Real Properties remain listed for sale, as discussed in Section 4 below.

### 3. Claims Procedure Overview<sup>2</sup>

1. The Claims Procedure was summarized in the Monitor's fifth report to Court dated October 15, 2025 (the "**Fifth Report**"), a copy of which is attached (without appendices) as **Appendix "D"**.
2. The Monitor conducted the Claims Procedure in accordance with the Claims Procedure Order. The Monitor's activities included:
  - a) compiling a list of Known Creditors based on the Applicants' books and records;
  - b) sending a Proof of Claim Document Package to all Known Creditors on or around October 23, 2025;
  - c) arranging for a notice of the Claims Procedure to be published on October 29, 2025 in *The Globe and Mail* (National Edition) and the *Halifax Herald*;
  - d) posting the Proof of Claim Document Package and the Claims Procedure Order on the Monitor's Case Website;
  - e) sending additional notices to creditors on November 10, 2025 reminding them of the Claims Bar Date (being November 26, 2025);
  - f) corresponding with Creditors to assist them to complete Proof of Claim forms; and

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<sup>2</sup> Capitalized terms in this section have the meaning provided to them in the Claims Procedure Order unless otherwise defined herein.

g) logging and tracking Proof of Claim forms upon receipt.

3. The following table summarizes the claims received, by entity, on or before the Claims Bar Date (collectively, the **“Filed Claims”**).

|   | Filed Claims | Total Claims | Filed Claims (%) | Value of Filed Claims (\$000s) | Total Value of Claims (\$000s) | Value of Filed Claims (%) |
|---|--------------|--------------|------------------|--------------------------------|--------------------------------|---------------------------|
| BLCL  | 3            | 7            | 43%              | 259                            | 368                            | 70%                       |
| Spirit Co <sup>3</sup>                          | 52           | 107          | 49%              | 1,344                          | 1,713                          | 78%                       |
| Lost Bell                                       | 5            | 16           | 31%              | 164                            | 162                            | 102%                      |
| Annapolis Cider                                 | 15           | 39           | 38%              | 223                            | 278                            | 80%                       |
| Total Operating Companies                       | 72           | 162          | 44%              | 1,731                          | 2,153                          | 80%                       |
| <b>Total, before the Beck Claim (see below)</b> | <b>75</b>    | <b>169</b>   | <b>44%</b>       | <b>1,990</b>                   | <b>2,521</b>                   | <b>79%</b>                |

4. As reflected in the table, the Filed Claims represent approximately 44% of the total number of claims and approximately 79% of the total book value of claims, each based on the Applicants’ books and records.
5. The Monitor has scheduled a motion to be heard on February 24, 2026 (the **“February Motion”**), at which time it expects to be able to make recommendations as to the distribution to creditors of the net recoveries in these proceedings, the basis for the recommended distribution methodology, as well as other matters that effect those distributions, including an allocation of professional fees and costs of realization since the commencement of these proceedings.

### 3.1 Beck Claim

1. Beck Flavors Inc. (**“Beck”**), a supplier of flavour extracts to Spirit Co for its Blue Lobster Vodka Soda, filed a claim of approximately \$844,000 (the **“Beck Claim”**) against Spirit Co. The Operating Companies’ accounts payable listing reflected this liability as approximately \$486,000<sup>4</sup>. This claim was being litigated as of the Filing Date. The Beck Claim includes amounts for unpaid invoices, accrued interest, and legal fees.
2. Pursuant to a floor stock agreement between Spirit Co and Beck dated July 28, 2020 (the **“Floor Stock Agreement”**), Beck agreed to supply an agreed quantity of flavour extracts at an agreed price, and Spirit Co agreed to pay Beck in accordance with the terms set out in the Floor Stock Agreement.
3. On October 25, 2021, Beck filed a Statement of Claim against Spirit Co. Spirit Co counterclaimed against Beck alleging lost sales resulting from the late delivery of flavour compounds required for production.

<sup>3</sup> Excludes a claim by Beck Flavors Inc., which is discussed below.

<sup>4</sup> Although recorded as an account payable in the Operating Companies’ accounts payable listing, this obligation is not acknowledged as due and payable due the ongoing litigation.



4. The Monitor is working with its counsel to consider the Beck claim with a view to seeing if it can be resolved. If the claim cannot be resolved consensually, the Monitor intends to refer it to the Claims Officer appointed pursuant to the Claims Procedure Order<sup>5</sup> to be determined.

## 4. Real Properties

1. In accordance with the September 16<sup>th</sup> Order, the Monitor is conducting the sale process for the BLCL Real Properties.
2. As of the date of this Seventh Report, five BLCL Real Properties and the real property municipally known as MNZ-3 Lot Black River Road, PID #55450050 (the “**Lost Bell Property**”) continue to be listed for sale. A summary of the current listing price for each property, the listing agent for each property and the date each property was listed for sale, is provided in the table below.

| Property           | Listing Agent  | Listing Date       | Price (\$)       |
|--------------------|--|--------------------|------------------|
| <b>BLCL</b>        |  |                    |                  |
| 61/63 Provost      | Royal LePage Atlantic<br>(Stellarton) (“ <b>Royal<br/>LePage Stellarton</b> ”) | October 13, 2025   | 499,000          |
| 14 Allan           |  | October 16, 2025   | 399,000          |
| 18 Claremont       |  | October 16, 2025   | 299,000          |
| 140 George         |  | October 13, 2025   | 209,000          |
| 224 Old Post       | Coldwell Banker/Parker<br>Realty (“ <b>Coldwell</b> ”)                         | October 6, 2025    | 379,000          |
|                    |  |                    | 1,785,000        |
| <b>Lost Bell</b>   |  |                    |                  |
| Lost Bell Property | Royal LePage Atlantic<br>(New Minas)   | September 10, 2025 | 299,900          |
| Total Value        |  |                    | <b>2,084,900</b> |

3. The Monitor is engaged in ongoing discussions with each of the realtors and is considering how best to sell the properties, including whether price reductions are appropriate in certain instances, as has been recommended by certain of the realtors.

## 5. Cash Flow Forecast

1. As set out in the Fifth Report, the Applicants, with the assistance of the Monitor, prepared a cash flow forecast (the “**Cash Flow Forecast**”) for the period October 5, 2025 to January 31, 2026 (the “**Forecast Period**”).

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<sup>5</sup> Jeffrey Larry of Paliare Roland Rosenberg Rothstein LLP

2. A comparison of the Cash Flow Forecast to actual results for the period October 5, 2025 to January 10, 2026 is provided below:

| (unaudited; \$)  | Forecast         | Actual                       | Variance       |
|--|------------------|------------------------------|----------------|
| Receipts   |                  |                              |                |
| Rental Income  | 11,040           | 9,592                        | (1,448)        |
| Other  | 38,382           | 4,552                        | (33,830)       |
|  | 49,422           | 13,144                       | (35,278)       |
| Disbursements  |                  |                              |                |
| Payroll – CRA source remittances                                       | 56,707           | 55,446                       | 1,261          |
| Professional Fees  | 351,547          | 272,352                      | 79,195         |
| HST  | 114,971          | 103,570                      | 11,401         |
| Excise Tax   | 66,250           | 66,333                       | (83)           |
| Operating Costs  | 102,297          | 143,775                      | (41,478)       |
|  | 691,772          | 641,476                      | 50,296         |
| Net Cash Flow  | (642,350)        | (627,332)                    | 15,018         |
| Opening Cash Balance   | 1,896,935        | 1,896,935                    | -              |
| Net Cash Flow  | (642,350)        | (627,332)                    | 15,018         |
| Ending Cash Balance before the<br>undernoted transactions <sup>6</sup> | 1,254,585        | 1,269,603                    | 15,018         |
| Brunswick Property proceeds, net of<br>commission and legal fees       | -                | 1,233,781                    | 1,233,781      |
| Distribution to RBC  | -                | (1,092,118)                  | (1,092,118)    |
| Total cash   | <b>1,254,585</b> | <b>1,411,266<sup>7</sup></b> | <b>156,681</b> |

3. The table above reflects that (i) the Applicants presently have a cash balance of approximately \$1.4 million, (ii) professional fees for the period were approximately \$79,000 less than forecasted, and (iii) the cash balance as of January 10, 2026 was consistent with the forecast.
4. The Monitor has extended the cash flow forecast to April 30, 2026 (the “**Extended Cash Flow Forecast**”). The Extended Cash Flow Forecast, the statutory reports required to be signed by management (the “**Management Report**”) and the Monitor pursuant to Sections 10(2)(b) and 23(1)(b) of the CCAA are included in **Appendix “E”**.
5. In accordance with the enhanced powers granted to the Monitor pursuant to the July 17<sup>th</sup> Ancillary Order, the Monitor has signed the Management Report on behalf of the Applicants’ management.

<sup>6</sup> These transactions were not included in the Cash Flow Forecast.

<sup>7</sup> The Monitor references the discussion at Section 5.5 of its Fifth Report to Court which addressed a purchase price adjustment in the Lynch Transaction resulting from the Operating Companies not writing off unusable inventory that had been in inventory for several years and which was known to management. This adjustment resulted in a reduction in cash in the amount of \$435,000 (less a \$40,000 holdback to be adjusted based on the proceeds from sale of the obsolete inventory). This issue was not known to the Monitor at the time of the Sale Approval Motion, at which there was a discussion about the potential range of distributions to creditors. This adjustment will reduce creditor recoveries.

6. The Extended Cash Flow Forecast reflects that the costs of these proceedings will be paid from cash on hand and further recoveries in these proceedings. The Extended Cash Flow Forecast also reflects that the Applicants are projected to have sufficient cash to fund these proceedings during the proposed extension of the Stay Period.
7. The Monitor expects that there will be additional recoveries in these proceedings, including from the sale of the Lost Bell Property and the reimbursement by BLCL (from the sale of the BLCL Real Properties) of CCAA-related costs which the Operating Companies paid on behalf of BLCL. The Monitor expects to address the reimbursement issue at the February Motion.

## 6. Stay Extension

1. The stay of proceedings currently expires on January 31, 2026. The Monitor recommends that the stay of proceedings be extended to April 30, 2026 for the following reasons:
  - a) in the context of a CCAA proceeding in which a “super-monitor”<sup>8</sup> has been appointed, it is the Monitor’s view that it is appropriate that the Monitor be held to the “good faith” and “due diligence” standards. As “super-monitor” in these CCAA proceedings, the Monitor believes that it has been discharging its duties and obligations in good faith and with due diligence;
  - b) it will provide the Monitor the opportunity to advance the Claims Procedure, including resolving the Beck Claim and making distributions to creditors<sup>9</sup>;
  - c) it will provide the Monitor with additional time to sell the remaining BLCL Real Properties and the Lost Bell Property;
  - d) no stakeholder is prejudiced by extending the Stay Period and there are sufficient funds on hand to fund these proceedings; and
  - e) as of the date of this Seventh Report, neither the Applicants nor the Monitor is aware of any party opposed to the proposed extension of the Stay Period.

## 7. Monitor’s Activities since the Sixth Report

1. Since the Sixth Report, the Monitor has, among other things:
  - a) dealt with post-closing matters relating to the Transactions;
  - b) carried out the Claims Procedure in accordance with the Claims Procedure Order, as described in Section 3 above;

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<sup>8</sup> All employees of the Applicants, including management, resigned or were terminated following closing the Transactions.

<sup>9</sup> If the Beck Claim is unresolved at the time that the Monitor makes distributions to creditors, it will be necessary to hold back for the Beck Claim.

- c) negotiated the Brunswick Property Transaction and corresponded with Bryant Realty regarding same;
- d) closed the Brunswick Property Transaction;
- e) advanced the sale process for the remaining BLCL Real Properties and the Lost Bell Property, and corresponded with the Realtors regarding same;
- f) considered the allocation of fees and costs between the Operating Companies and BLCL and dealt with its counsel in this regard; and
- g) prepared this Seventh Report and reviewed all motion material filed in connection with this motion.

## 8. Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the relief sought by the Monitor in this motion.

\* \* \*

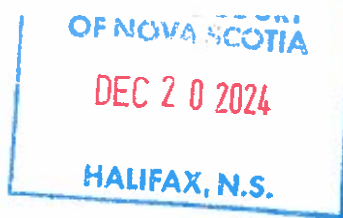
All of which is respectfully submitted,

**KSV RESTRUCTURING INC., IN ITS CAPACITY AS MONITOR OF  
BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED, 3343533 NOVA  
SCOTIA LIMITED AND 4318682 NOVA SCOTIA LIMITED  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**



**PER: BOBBY KOFMAN, PRESIDENT**

## **Appendix “A”**



Hfx. No. 538745

**SUPREME COURT OF NOVA SCOTIA**

In the matter of the *Companies' Creditors Arrangement Act*, R.S.C 1985, c. C-36, as amended (the "**CCAA**")

And in the matter of an application by Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and 4318682 Nova Scotia Limited (collectively, the "**Applicants**") for relief under s. 11 of the CCAA and other relief

**AMENDED AND RESTATED INTIAL ORDER**



Before the Honourable Justice D. Jamieson in chambers:

The Applicants propose to make a compromise or arrangement under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended (the "**CCAA**") and they applied for an initial order and, now or in the future, other relief under the CCAA as may be sought on notice of motion.

The following parties received notice of this application:

**The Service List attached hereto as Schedule "A"**

The following parties, represented by the following counsel, made submissions:

| Party                                 | Counsel   |
|---------------------------------------|---|
| Applicants                            | Darren D. O'Keefe, O'Keefe & Sullivan<br>Marc Dunning, Burchell Wickwire Bryson LLP |
| Royal Bank of Canada (" <b>RBC</b> ") | Maurice Chiasson, K.C. and Sara Scott,<br>Stewart McKelvey                          |
| KSV Restructuring Inc.                | Sharon Kour, Reconstruct LLP  |

On motion of the Applicants and upon reading the affidavits of Kevin Alexander Rice sworn November 27, 2024 and 17 December 2024 (the "**Rice Affidavits**") and the Exhibits thereto, the affidavit of Marc Dunning sworn on November 27, 2024 (the "**Dunning Affidavit**") and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants and such other counsel as appeared, with all parties being duly served as appears from the affidavits of service of Marc Dunning sworn 11 December 2024, 12 December 2024 and 17 December 2024, and on reading the Pre-Filing Report of KSV Restructuring Inc. dated 27 November 2024 the Supplement to the Pre-Filing Report of KSV Restructuring Inc. dated December 10, 2024, and their consent act as the Monitor attached to the within application, the following is ordered and declared:

**Service:**

1. The service of the notice of application in chambers, and the supporting documents, as set out in the affidavit of service is hereby deemed adequate notice so that the motion is properly returnable today and further service thereof is hereby dispensed with.

**Application:**

2. The Applicants are companies to which the CCAA applies.

**Plan of Arrangement:**

3. The Applicants, in consultation with the Monitor, 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 (the "**Plan**").

**Possession of Property and Operations:**

4. The Applicants 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 (the "**Property**"). Subject to further order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants shall be authorized and empowered to continue to retain and employ consultants, agents, experts, accountants,

counsel, and such other persons (collectively "**Assistants**") and the employees currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. The Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- a. all outstanding and future wages, salaries, employee and pension benefits, vacation pay, and expenses payable to employees who continue to provide service on or after the date of this Order ("**Active Employees**"), in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- b. all existing and future employee health, dental, life insurance, short- and long-term disability and related benefits (collectively, the "Group Benefits") payable on or after the date of this Order to Active Employees, in each case incurred in the ordinary course of business and consistent with existing policies and arrangements or such amended policies and arrangements as are necessary or desirable to deliver the existing Group Benefits;
- c. with prior written approval of the Monitor, the fees and disbursements for any Assistants retained or employed by the Applicants in respect of these proceedings, at their reasonable standard rates and charges.

6. Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

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



incurred prior to the date of this Order, the Applicants shall only be entitled to pay such amounts if they are determined by the Applicants, in consultation with the Monitor, to be necessary to the continued operation of the Business or preservation of the Property and such payments are approved in advance by the Monitor or by further Order of this Court. Notwithstanding the foregoing, any such payments shall not exceed the amount of \$125,000.00.

7. The Applicants shall remit or pay, in accordance with legal requirements or on terms as may be agreed to between the Applicants and the applicable authority:

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

8. Until such time as a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases, including, for greater certainty, common area maintenance charges, utilities and realty taxes, and any other amounts payable to the landlord under the lease, or as otherwise may be negotiated between the Applicants and the landlord from time to time ("**Rent**"), for the period

commencing from and including the date of this Order, in accordance with its existing lease agreements. On the date of the first of such payments, any arrears relating to the period commencing from and including the date of this Order shall also be paid.

9. Except as specifically permitted herein or by further order of this Court, the Applicants are hereby directed, until further order of this Court: i) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their respective creditors as of this date without prior written consent of the Monitor; ii) to grant no security interests, trusts, liens, charges, or encumbrances upon or in respect of any of its Property; and iii) to not grant credit or incur liabilities except in the ordinary course of the Business or with the prior written approval of the Monitor.

**Restructuring:**

10. The Applicants shall, subject to such requirements as are imposed by the Monitor and under any agreements for debtor in possession financing which may be granted, have the right to:

- a. permanently or temporarily cease, downsize or shut down any of its business or operations; and
- b. pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any refinancing.

**No Proceedings Against the Applicants or the Property:**

11. Until and including 08 March 2025 or such later date as this Court may order (the "**Stay Period**"), no claim, grievance, application, action, suit, right or remedy, or proceeding or enforcement process in any court, tribunal, or arbitration association (each, a "**Proceeding**") shall be commenced, continued, or enforced against or in respect of any of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

**No Exercise of Rights or Remedies:**

12. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall i) empower the Applicants to carry on any business which the Applicants 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) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety, or the environment; iv) prevent the filing of any registration to preserve or perfect a security interest; or v) prevent the registration of a claim for lien and the related filing of an action to preserve the right of a lien holder, provided that the Applicants shall not be required to file a defence during the stay period.

**No Interference with Rights:**

13. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate, or cease to perform any right, renewal right, contract, agreement, licence, or permit in favour of or held by the Applicants, including but not limited to renewal rights in respect of existing insurance policies on the same terms, except with the written consent of the Applicants and the Monitor, or leave of this Court.

**Continuation of Services:**

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

the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

**Non-Derogation of Rights:**

15. Notwithstanding anything else contained herein, 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 date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

**Proceedings Against Directors and Officers:**

16. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current, or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants 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 Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court, these proceedings are dismissed by final order of this Court, or with leave of this Court.

**Appointment of Monitor:**

17. 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 Applicants, the Property, and the Applicants' conduct of the Business with the powers and obligations set out in the CCAA or set forth herein and the Applicants and its shareholders, officers, directors, employees and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, cooperate 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.

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

- a. monitor the Applicant's receipts and disbursements;

- b. report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, the activities of the Applicants, and such other matters as may be relevant to the proceedings herein;
- c. advise the Applicants in its development of the Plan and any amendments to the Plan, and, to the extent deemed appropriate by the Monitor, assist in its negotiations with creditors, customers, vendors, and other interested Persons;
- d. assist the Applicants, to the extent deemed appropriate by the Monitor, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- e. have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents and to the Business of the Applicants, to the extent that is necessary to adequately assess the Applicant's Business and financial affairs or to perform its duties arising under this Order;
- f. 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, including any affiliate of, or person related to the Monitor;
- g. be at liberty to perform such other duties as are required by this Order or by this Court from time to time.

19. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

20. Nothing herein contained shall limit the protections afforded the Monitor at law including those protections set out in the CCAA.

21. Nothing herein shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the

Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Nova Scotia Environment Act*, the *Nova Scotia Water Resources Protection Act*, or the *Nova Scotia Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

22. The Monitor shall provide any creditor of the Applicants with information provided by the Applicants 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 Applicants 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 Applicants may agree.

23. The Monitor, counsel to the Monitor, and all counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case not to exceed their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a semi-monthly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

24. The Monitor and its legal counsel shall pass their accounts from time to time before a judge of this court or a referee appointed by a judge.

25. The Monitor, counsel to the Monitor, if any, and the Applicant's counsel 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 \$175,000, as security for their

professional 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 in respect of these proceedings. The Administration Charge shall have the priority set out in paragraph 27 hereof.

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

27. The Administration Charge shall constitute a charge on the Property of the Applicants and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

28. That except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any further Encumbrances over any Property that ranks in priority to, or *pari passu* with the Administration Charge, unless the Applicants also obtain the prior written consent of the Monitor, RBC and the beneficiaries of the Administration Charge, or further Order of this Court.

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

- a. the creation of the Administration Charge shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;

- b. none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and
- c. the payments made by the Applicant pursuant to this Order and the granting of the Administration 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.

30. That any charge created by this Order over leases of real property in Canada shall only be a charge in the Applicants' interest in such real property leases.

**Refinance or Sale Process:**

31. That the Applicants with the assistance of the Monitor are hereby authorized and empowered to take such steps as are deemed necessary or desirable to, subject the approval of this Court, carry out and perform a refinancing transaction whereby the Applicants' obligations to RBC (as they exist at the time of any repayment, including all accrued interest, professional costs and other costs) are repaid in full, or such other transaction satisfactory to RBC (the "Refinancing Process"), and in so doing the Monitor shall incur no liability or obligation as a result of assisting the Applicants with the Refinancing Process or in carrying out the other provisions of this Order, save and except for gross negligence or willful misconduct on its part. Any payments made by the Applicants pursuant to this paragraph and any Order of this Court do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law and shall be received by RBC free and clear of the claims of other creditor of the Applicants.

**Service and Notice:**

32. The Monitor shall: i) without delay, publish in a notice containing the information prescribed under the CCAA, ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants 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.



33. The Applicants and the Monitor may give notice of this Order, any other materials and orders in these proceedings, and any notices, and provide correspondence, by forwarding originals or true copies by prepaid ordinary mail, courier, personal delivery, or electronic transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and any such 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.

34. The Applicants and the Monitor, and any party who has filed a demand of notice may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsel's e-mail addresses as recorded on the service list from time to time, and the Monitor may post a copy of any or all such materials on its website at <https://www.ksvadvisory.com/experience/case/blue>.

**General:**

33. The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

35. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction outside Nova Scotia, is requested to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

36. Each of the Applicants and the Monitor may apply to any court, tribunal, or 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 Monitor may act as a representative in respect of

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

37. Any interested party, including the Applicants and the Monitor, may apply to this Court to vary or amend this Order on such notice required under the *Civil Procedure Rules* or as this Court may order.

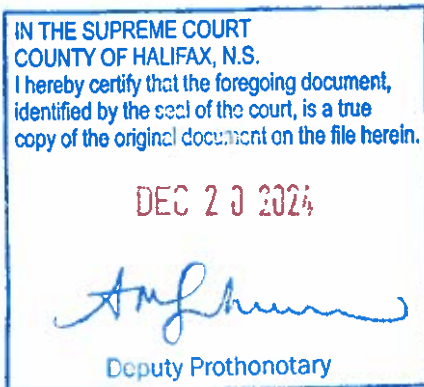
38. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Atlantic Standard Time on the date of this Order.

Issued December 20 2024.



Prothonotary

ALEXIS SCHURMAN  
Deputy Prothonotary



## Schedule "A"

### Service List

| Name   | Contact   |
|--|---|
| <b>Blue Lobster Capital Limited</b><br><b>3284906 Nova Scotia Limited</b><br><b>3343533 Nova Scotia Limited</b><br><b>4318682 Nova Scotia Limited</b><br><br><b>Applicants</b> | <b>Darren O'Keefe, Lawyer for the Applicants</b><br>O'Keefe Sullivan<br>80 Elizabeth Avenue, Suite 202<br>St, John's, NL A1A 1W7<br>Email: dokeefe@okeefesullivan.com<br><br><b>Marc Dunning, Lawyer for the Applicants</b><br><b>(Local Counsel)</b><br>Burchell Wickwire Bryson LLP<br>1900-1801 Hollis Street<br>Halifax, NS B3J 3N4<br>Email: mdunning@bwblp.ca |
| <b>KSV Restructuring Inc.</b><br>220 Bay Street, Suite 1300<br>Toronto, ON M5J 2W3<br><br><b>Monitor</b>   | <b>Bobby Kofman</b><br>Email: bkofman@ksvadvisory.com<br><br><b>Mitch Vininsky</b><br>Email: mvininsky@ksvadvisory.com<br><br><b>Sharon Kour, Lawyer for the Monitor</b><br>Reconstruct LLP<br>120 Adelaide Street West, Suite 2500<br>Toronto, ON M5H 1T1<br>Email: skour@reconllp.com   |
| <b>Royal Bank of Canada</b><br>700-1871 Hollis Street<br>Halifax, NS B3J 0C3   | <b>Dave Northrup</b><br>Email: dave.northrup@rbc.com<br><br><b>Maurice P. Chiasson, KC</b><br>Email: mchiasson@stewartmckelvey.com<br><br><b>Sara Scott</b><br>Email: sscott@stewartmckelvey.com<br><br><b>Colton Smith</b><br>Email: csmith@stewartmckelvey.com<br><br>Stewart McKelvey<br>Queen's Marque<br>600-1741 Lower Water Street<br>Halifax, NS B3J 0J2    |

| Name  | Contact   |
|---|---|
| <b>Ernst &amp; Young Inc.</b><br>Benjamin Place<br>11 Englehart Street, Suite 200<br>Dieppe, NB E1A 7Y7   | <b>Steven J. McLaughlin</b><br>Email: Steven.J.McLaughlin@parthenon.ey.com<br><br><b>Drew MacCormack</b><br>Email: Drew.Maccormack@parthenon.ey.com                           |
| <b>Bank of Nova Scotia</b><br>1709 Hollis Street, 6 <sup>th</sup> Floor<br>Halifax, NS B3J 1W1  | <b>Stephen Kingston, Recognized Agent</b><br>McInnes Cooper<br>1969 Upper Water Street, Suite 1300<br>Halifax, NS B3J 3R7<br>Email: stephen.kingston@mcinnescooper.com        |
| <b>Tesla Motors ULC</b><br>1325 Lawrence Avenue, East<br>Toronto, ON M3A 1C6  | <b>Christopher MacIntyre, Recognized Agent</b><br>McInnes Cooper<br>1969 Upper Water Street, Suite 1300<br>Halifax, NS B3J 3R7<br>Email: chris.macintyre@mcinnescooper.com    |
| <b>Penske Truck Leasing Canada Inc. /<br/>Locations de Camions Penske<br/>Canada Inc.</b><br>7405 East Danbro Crescent<br>Mississauga, ON L5N 6P8 | <b>Robert Eidinger</b><br>Eidinger & Associates<br>1350 rue Sherbrooke ouest, suite 320<br>Montreal, PQ H3G 1J1<br>Email: robert.eidinger@eidinger.ca                         |
| <b>Toyota Credit Canada</b><br>80 Micro Court, Ste. 200<br>Markham, ON L3R 9Z5  | <b>Gavin MacDonald, Recognized Agent</b><br>Cox & Palmer<br>Nova Centre, South Tower<br>1500-1625 Grafton Street<br>Halifax, NS B3J 3E5<br>Email: gmacdonald@coxandpalmer.com |
| <b>L. Burge Services Limited</b><br>179 Foord Street<br>Stellarton, NS B0K 1S0  | <b>Ray O'Brien, Recognized Agent</b><br>O'Brien Law<br>179 Foord Street<br>Stellarton, NS B0K 1S0<br>Email: ray@oblenislaw.com  |
| <b>Shell Canada Products Limited</b><br>2000 Barrington Street, Suite 1101-C<br>Halifax, NS B3J 3K1   | <b>Barry Horne</b><br>Miller Thompson, LLP<br>40 King Street West, Suite 5800<br>Toronto, ON M5H 3C2<br>Email: bhorne@millerthomson.com                                       |
| <b>Crews Automotive Incorporated</b><br>1917 Drummond Road<br>Westville, NS B0K 2A0   | <b>Kenneth Crews, Recognized Agent</b><br>Email: kennycrews@yahoo.ca  |

| Name  | Contact  |
|---|--|
| <b>Saint-Famille Wines Limited</b><br>106 Greenpark Close, Unit 612<br>Halifax, NS B3S 0A4  | <b>Michael MacKenzie</b><br>Atlantica Law Group<br>99 Water Street<br>Windsor, NS B0N 2T0<br>Email: mmackenzie@atlanticalaw.ca     |
| <b>Suzanne Corkum</b><br>106 Greenpark Close, Unit 612<br>Halifax, NS B3S 0A4   | <b>Michael MacKenzie</b><br>Atlantica Law Group<br>99 Water Street<br>Windsor, NS B0N 2T0<br>Email: mmackenzie@atlanticalaw.ca     |
| <b>Kevin Alexander Rice</b><br><b>Daniel Ronald Allen</b><br><b>Tracey Lynn Allen</b>   | <b>Paul Radford, KC</b><br>Patterson Law<br>2100-1801 Hollis Street<br>Halifax, NS B3J 3N4<br>Email: pradford@pattersonlaw.ca      |
| <b>Canada Revenue Agency</b><br>Insolvency Intake Centre<br>Shawinigan – Sud National<br>Verification and Collections Centre<br>4695 Shawinigan-Sud Boulevard<br>Shawinigan, QC G9P 5H9 | <b>Deanna Frappier, KC</b><br>Email: deanna.frappier@justice.gc.ca<br><br><b>Caitlin Ward</b><br>Email: caitlin.ward@justice.gc.ca |
| <b>Office of the Superintendent of Bankruptcy</b><br>Maritime Centre<br>1505 Barrington Street, 16 <sup>th</sup> Floor<br>Halifax, NS   | Email: ic.osbccaa-laccbsf.ic@canada.ca   |

#### Email List

dokeefe@okeefesullivan.com; mdunning@bwblp.ca; bkofman@ksvadvisory.com;  
 mvininsky@ksvadvisory.com; skour@reconllp.com; dave.northrup@rbc.com;  
 mchiasson@stewartmckelvey.com; sscott@stewartmckelvey.com;  
 csmith@stewartmckelvey.com; Steven.J.McLaughlin@parthenon.ey.com;  
 Drew.Maccormack@parthenon.ey.com; stephen.kingston@mcinnescooper.com;  
 chris.macintyre@mcinnescooper.com; robert.eidinger@eidinger.ca;  
 gmacdonald@coxandpalmer.com; ray@oblenislaw.com; bhorne@millerthomson.com;  
 kennycraws@yahoo.ca; mmackenzie@atlanticalaw.ca; pradford@pattersonlaw.ca;  
 deanna.frappier@justice.gc.ca; caitlin.ward@justice.gc.ca; ic.osbccaa-laccbsf.ic@canada.ca;

## **Appendix “B”**

2024



Hfx No. 538745

**SUPREME COURT OF NOVA SCOTIA**

**IN THE MATTER OF** the *Companies Creditors Arrangement Act* R.S.C., 1985, c. C- 36, as amended (the "**CCAA**")

**AND IN THE MATTER OF** an application by Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and 4318682 Nova Scotia Limited (collectively, the "**Applicants**") for relief under s. 11 of the CCAA and other relief.

**ORDER**

Before the Honourable Justice Darlene Jamieson in chambers:

**UPON MOTION** of KSV Restructuring Inc. in its capacity as Court-appointed monitor of the Applicants (the "**Monitor**") for an Order:

- (i) giving direction regarding the timing of closing of the transactions approved by the Court on July 17, 2025; and
- (ii) varying the procedures for the sale and marketing of the real property held by Blue Lobster Capital Limited ("**BLCL**").

**UPON READING** the report of the Monitor dated June 17, 2025 and the supplemental report of the Monitor dated June 23, 2025 and on reading the consent of counsel for the Monitor, counsel for the Applicants, and counsel for the Royal Bank of Canada;

**AND UPON READING** the Affidavit of Service of Alina Stoica sworn September 2, 2025 confirming that the parties on the service list maintained in this proceeding were served with notice of this Motion;

**NOW UPON MOTION:**

**IT IS HEREBY ORDERED THAT:**

1. The time for service of the Notice of Motion is hereby abridged and validated so that this Motion is properly returnable today and further service thereof is hereby dispensed with.

**CLOSING OF THE TRANSACTIONS**

2. With the consent of the Applicants, the Monitor is directed *nunc pro tunc* to close the asset purchase agreement dated May 31, 2025 between 3284906 Nova Scotia Limited ("**Spirit Co.**") and 4318682 Nova Scotia Limited ("**Annapolis Cider**"), as represented by the



Monitor, as vendor (the “**Vendor**”), and Shannon Theresa Lynch, on behalf of a nominee corporation to be incorporated, as purchaser (the “**Purchaser**”) for the business and assets of Spirit Co. and Annapolis Cider as approved by this Court in the Sale Approval and Vesting Order dated July 17, 2025 in respect of that transaction.

3. With the consent of the Applicants, the Monitor is directed *nunc pro tunc* to close the asset purchase agreement dated May 9, 2025 (the “**Coast APA**”) between 3343433 Nova Scotia Limited (“**Lost Bell**”) and 3284906 Nova Scotia Limited (“**328NSL**” and together with Lost Bell, the “**Companies**”), as represented by the Monitor as vendor (the “**Vendor**”), and Coast to Coast Marketing Ltd. and James Roue Beverage Company Ltd. (together, the “**Purchaser**”) for the business and assets of the Companies as described in the Coast APA, as approved by this Court in the Sale Approval and Vesting Order dated July 17, 2025 in respect of that transaction.

### **SALE OF BLCL REAL PROPERTY**

4. The Court’s Ancillary Order dated July 17, 2025 is varied by:

- i) deleting paragraph 11 and replacing it with the following:

11. The marketing and sale of the BLCL Real Property shall be subject to the following process:

- a) The marketing and sale of the BLCL Real Property by the Monitor is suspended until September 16, 2025;
    - b) BLCL may tender funds to the Monitor sufficient to repay all of its creditors on or before September 16, 2025;
    - c) BLCL may arrange for one or more unconditional agreements to sell one or more of the real properties that it owns on terms that (i) yield sufficient funds to repay all of its creditors, and (ii) are satisfactory to RBC and are approved by the Monitor, including as to closing date and deposit;
    - d) Any sale process carried out by BLCL in respect of the BLCL Real Property shall be done in consultation with and under the supervision of the Monitor;
    - e) The Monitor shall have unrestricted access to any advisors and agents engaged to sell or refinance by BLCL to sell the BLCL Real Property;
    - f) The Monitor shall be entitled to review and approve all marketing materials for the sale of the BLCL Real Property;
    - g) Any transaction by BLCL for the sale or refinancing of the BLCL Real Property is subject to the approval of the Court;



- h) If BLCL does not comply with either paragraph (b) or (c), above, the Monitor shall resume the marketing and sale of the BLCL Real Property on September 16, 2025;
  - i) The Applicants are directed to facilitate and assist the Monitor to prepare the BLCL Real Property for listing as of September 16, 2025 and shall by that date deliver to the Monitor vacant possession of the BLCL Real Property;
  - j) The Monitor in carrying out the sale process after September 16, 2025 shall be entitled but not obligated to retain any agents or advisors retained by BLCL prior to that date;
  - k) After September 16, 2025, the Monitor shall consult with BLCL and its representatives concerning the sale of the BLCL Real Property as considered appropriate and necessary by the Monitor; and
  - l) After September 16, 2025, BLCL may continue to exercise its right of redemption by tendering funds sufficient to repay all of its creditors before the date on which the Monitor accepts an offer which is unconditional offer (except for Court approval) to sell any of the BLCL Real Property (the "**Tendered Property**"), after which time the right of redemption in respect of the Tendered Property shall be extinguished.
  - m) BLCL and its representatives shall not be entitled to any information with respect to any other bids submitted in the BLCL Real Property sale process.
- ii) Deleting paragraph 12 and replacing it with the following:
12. To the extent that the Monitor shall list any of the BLCL Real Property for sale as set out in paragraph 11(i), any person residing at the BLCL Real Property to be listed for sale shall vacate such property no later than September 16, 2025.

#### **TERMINATION OF INTERIM FINANCING FACILITY**

5. The Interim Financing Facility provided to the Applicants by Royal Bank of Canada (the "Bank") pursuant to the letter agreement provided by the Bank to the Applicants and dated January 14, 2025 and approved by this Court under the Charging Order issued on January 21, 2025 is hereby terminated and the Bank shall have no further obligations to make any advances to the Applicants thereunder.

**DATED** at Halifax, Nova Scotia, this 16 day of September, 2025.



**MYRA JANES**  
Deputy Prothonotary

IN THE SUPREME COURT  
COUNTY OF HALIFAX, N.S.  
I hereby certify that the foregoing document,  
identified by the seal of the court, is a true  
copy of the original document on the file herein.

SEP 16 2025

  
Deputy Prothonotary

**MYRA JANES**  
Deputy Prothonotary

## **Appendix “C”**

2024



Hfx No. 538745

## SUPREME COURT OF NOVA SCOTIA

**IN THE MATTER OF** the *Companies Creditors Arrangement Act* R.S.C., 1985, c. C- 36, as amended (the "**CCAA**")

**AND IN THE MATTER OF** an application by Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and 4318682 Nova Scotia Limited (collectively, the "**Applicants**" and each, an "**Applicant**") for relief under s. 11 of the CCAA and other relief.

### CLAIMS PROCEDURE ORDER

Before the Honourable Justice Darlene Jamieson, in chambers:

**UPON MOTION** of KSV Restructuring Inc. in its capacity as Court-appointed monitor of the Applicants (the "**Monitor**") for an Order (the "**Claims Procedure Order**") approving a proposed claims procedure and authorizing the Monitor to carry out the claims procedure on the basis set out in this Order.

**UPON READING** the Notice of Motion dated October 15, 2025, the Fifth Report of the Monitor dated October 15, 2025 (the "**Fifth Report**"), and the other material filed in this proceeding, and on hearing the submissions of counsel for the Monitor, counsel for the Applicants, counsel for the Royal Bank of Canada, and such other counsel who were present and wished to be heard;

**AND UPON READING** the Affidavit of Service of Alina Stoica sworn October 15, 2025 confirming that the parties on the service list maintained in this proceeding were served with notice of this Motion;

**NOW UPON MOTION:**

**IT IS HEREBY ORDERED THAT:**

### SERVICES AND DEFINITIONS

1. The time and method for service and notice of this Motion is hereby abridged so that this Motion is properly returnable today and further service thereof is hereby dispensed with.
2. For the purposes of this Order, in addition to terms defined elsewhere herein, the following terms shall have the following meanings:
  - (a) "**ARIO**" means the Amended and Restated Initial Order dated December 20, 2024 granted by the Court;
  - (b) "**Assessments**" means Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or Municipality or any other taxation authority in any Canadian or foreign jurisdiction, including, without limitation, amounts which may arise or have arisen under any notice of assessment, notice of reassessment,

notice of objection, notice of appeal, audit, investigation, demand or similar request from any taxation authority;

- (c) **"Business Day"** means a day, other than a Saturday or a Sunday or a statutory holiday, on which banks are generally open for business in Halifax, Nova Scotia;
- (d) **"CCAA Proceedings"** means the CCAA proceedings commenced by the Applicants in the Court under HFX No. 538745;
- (e) **"Claim"** means:
  - (i) any right or claim of any Person against the Applicants, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind of the Applicants in existence on the Filing Date, including any interest thereon or costs payable in respect thereof, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, by surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessment and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts that existed prior to the Filing Date and any other claims that would have been claims provable in bankruptcy had any of the Applicants become bankrupt on the Filing Date, including for greater certainty any Equity Claim and any claim against the Applicants for indemnification by any Director or Officer in respect of a D&O Claim, in each case, where such monies remain unpaid as of the date hereof (each, a **"Prefiling Claim"**, and collectively, the **"Prefiling Claims"**);
  - (ii) any right or claim of any Person against the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Applicants to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by the Applicants on or after the Filing Date of any contract, lease or other agreement or arrangement whether written or oral (each, a **"Restructuring Period Claim"**, and collectively, the **"Restructuring Period Claims"**); and
  - (iii) any right or claim of any Person against one or more of the Directors and/or Officers, howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessments and any right or ability of any Person to advance a claim for contribution, indemnity or otherwise against any of the Directors and/or Officers with respect to any matter, action, cause or chose in action, whether existing at present or arising or

commenced in the future, for which any Director or Officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a Director or Officer (each a **"D&O Claim"**, and collectively, the **"D&O Claims"**);

provided, however, that in any case "Claim" shall not include an Excluded Claim, but for greater certainty, shall include any Claim arising through subrogation against any of the Applicants or any Director or Officer;

- (f) **"Claims Bar Date"** means 4:00 p.m. Atlantic Time (**"AT"**) on November 26, 2025, or such later date as may be ordered by the Court;
- (g) **"Claims Officer"** means the individual(s) designated by the Court pursuant to paragraph 31 of this Claims Procedure Order;
- (h) **"Claims Procedure"** means the procedures outlined in this Claims Procedure Order in connection with the assertion of Claims against the Applicants or the Directors or Officers or any of them, as amended or supplemented by further order of the Court;
- (i) **"Court"** means the Supreme Court of Nova Scotia;
- (j) **"Creditor"** means any Person having or asserting a Claim;
- (k) **"D&O Claim Instruction Letter"** means the letter containing instructions for completing the D&O Proof of Claim form, substantially in the form attached as Schedule "F" hereto;
- (l) **"D&O Indemnity Claim"** means any existing or future right of any Director or Officer against any of the Applicants which arose or arises as a result of any Person filing a D&O Claim for which such Director or Officer is entitled to be indemnified by an Applicant;
- (m) **"D&O Proof of Claim"** means the proof of claim referred to herein to be filed by Creditors in connection with any D&O Claim, substantially in the form attached as Schedule "G" hereto, which shall include all available supporting documentation in respect of such D&O Claim;
- (n) **"Directors"** means all current and former directors (or their estates) of the Applicants, in such capacity, or anyone who may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or de facto director of the Applicants, and "Director" means any one of them;
- (o) **"Disputed Claim"** means a Claim or such portion thereof which is not barred by any provision of this Claims Procedure Order, which has not been allowed as a Claim, which is disputed in accordance with this Claims Procedure Order, and which remains subject to adjudication in accordance with this Claims Procedure Order;

- (p) **"Employee"** means anyone who is or was or may be deemed to have been, whether by statute, operation of law or otherwise, a current or former employee of any of the Applicants, whether on a full-time, part-time or temporary basis, other than a Director or Officer, including any individuals on disability leave, parental leave or other absence;
- (q) **"Employee Claim Package"** means the document package which shall be disseminated by the Monitor to any Terminated Employee in accordance with the terms of this Claims Procedure Order and shall consist of the Termination Claim Statement, a Notice of Dispute form, and such other materials as the Monitor, in consultation with the Applicants, may consider appropriate;
- (r) **"Equity Claim"** has the meaning set forth in Section 2(1) of the CCAA;
- (s) **"Excluded Claim"** means:
  - (i) any Claim secured by the Administrative Charge (as that term is defined in the ARIO); and
  - (ii) any Claim of an Intercompany Claimant;
- (t) **"Filing Date"** means December 13, 2024;
- (u) **"Initial Order"** means the Initial Order under the CCAA dated December 13, 2024, as amended and restated by the ARIO, and as may be further amended, restated or varied from time to time;
- (v) **"Intercompany Claim"** means any Claim that may be asserted against any or all of the Applicants by any affiliated company, partnership, or other corporate entity of any of the Applicants;
- (w) **"Intercompany Claimant"** means any Person asserting an Intercompany Claim, which Intercompany Claim shall be filed by the Monitor;
- (x) **"Instruction Letter"** means the instruction letter to Creditors, in substantially the form attached as Schedule "A" hereto, regarding completion by Creditors of the Proof of Claim;
- (y) **"Known Creditors"** means any Person known to any of the Applicants as having a potential Claim against any of the Applicants based on the books and records of the Applicants;
- (z) **"Monitor's Website"** means <https://www.ksvadvisory.com/experience/case/blue;>
- (aa) **"Notice of Dispute"** means the notice, substantially in the form attached as Schedule "I" hereto, which may be delivered to the Monitor by a Terminated Employee disputing a Termination Claim Statement, with reasons for its dispute;
- (bb) **"Notice of Dispute of Revision or Disallowance"** means the notice, substantially in the form attached as Schedule "E" hereto, which may be delivered to the Monitor

by a Creditor disputing a Notice of Revision or Disallowance received by such Creditor;

- (cc) **"Notice of Revision or Disallowance"** means the notice, substantially in the form attached as Schedule "D" hereto, which may be delivered by the Monitor to a Creditor revising or disallowing, in part or in whole, a Claim submitted by such a Creditor in a Proof of Claim;
- (dd) **"Notice to Creditors"** means the notice to Creditors for publication by the Monitor as described in paragraph 13 herein, substantially in the form attached as Schedule "B" hereto;
- (ee) **"Officers"** means all current and former officers (or their estates) of the Applicants, in such capacity, or anyone who may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or de facto officer of the Applicants, and **"Officer"** means any one of them;
- (ff) **"Person"** means any individual, partnership, limited partnership, joint venture, trust, corporation, unincorporated organization, government or agency or instrumentality thereof, or any other corporate, executive, legislative, judicial, regulatory or administrative entity howsoever designated or constituted, including, without limitation, any present or former shareholder, supplier, customer, employee, agent, client, contractor, lender, lessor, landlord, sub-landlord, tenant, sub-tenant, licensor, licensee, partner or advisor;
- (gg) **"Prefiling Period"** means the period prior to the Filing Date;
- (hh) **"Proof of Claim"** means the proof of claim referred to herein to be filed by any Creditor in respect of any Prefiling Claim and Restructuring Period Claim, substantially in the form attached as Schedule "C" hereto, which shall include all available supporting documentation in respect of such Claim;
- (ii) **"Proof of Claim Document Package"** means the document package which shall be disseminated by the Monitor in accordance with the terms of this Claims Procedure Order to any potential Creditor that requests the document package from the Monitor, and shall consist of a copy of this Claims Procedure Order (without schedules), the Instruction Letter, a Proof of Claim form, a D&O Proof of Claim form, a D&O Claim Instruction Letter, and such other materials as the Monitor may consider appropriate or desirable;
- (jj) **"Restructuring Period"** means the period after the Filing Date, but before the Restructuring Period Claims Bar Date;
- (kk) **"Restructuring Period Claims Bar Date"** means, in respect of a Restructuring Period Claim, 4:00 p.m. AT on the day that is the later of (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Monitor sends a Proof of Claim Document Package with respect to a Restructuring Period Claim or a D&O Claim relating to the Restructuring Period to a Creditor;



- (ll) **"Terminated Employee"** means any Employee of any of the Applicants on or after the Filing Date who received notice of termination of employment on or after the Filing Date or whose employment with any of the Applicants was otherwise terminated on or after the Filing Date;
- (mm) **"Terminated Employee Claims Bar Date"** means 4:00 p.m. AT on the day that is the later of (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Applicants or the Monitor send an Employee Claims Package;
- (nn) **"Termination Claim"** means the Claim of any Terminated Employee in respect of the termination of such Terminated Employee's employment, whether under contract, common law, statute or otherwise, including for termination and severance pay, which for the purposes of this Claims Procedure Order will be calculated by the Monitor and set out in a Termination Claim Statement; and
- (oo) **"Termination Claim Statement"** means the claim statement prepared by the Monitor, to be disseminated by the Monitor to all Terminated Employees, which notice shall state the amount of such Terminated Employee's Termination Claim, and which notice shall be substantially in the form attached as Schedule "H" hereto.

#### GENERAL PROVISIONS

- 3. All references to time herein shall mean Halifax Time and any reference to an event occurring on a Business Day shall mean prior to 4:00 p.m. AT on such Business Day unless otherwise indicated herein, and any reference to an event occurring on a day that is not a Business Day shall mean the next following day that is a Business Day.
- 4. All references to the word "including" shall mean "including without limitation", all references to the singular herein include the plural, the plural include the singular, and any gender includes all genders.
- 5. The Claims Procedure and the forms of Notice to Creditors, Instruction Letter, Proof of Claim, Notice of Revision or Disallowance, Notice of Dispute of Revision or Disallowance, D&O Claim Instruction Letter and D&O Proof of Claim, are hereby approved. Notwithstanding the foregoing, the Monitor may, from time to time, make non-substantive changes to the forms as the Monitor, in its sole discretion, may consider necessary or desirable.
- 6. The Monitor is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and the time in which they are submitted, and may, where the Monitor is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure Order, including in respect of the completion, execution and time of delivery of such forms and to request any further documentation from a Creditor that the Monitor may require.
- 7. All Claims shall be denominated in Canadian dollars. Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada daily average

exchange rate on the Filing Date, which for the United States dollar is USD\$1:CAD\$1.4231.

8. There shall be no presumption of validity or deeming of the amount due in respect of amounts claimed in any Assessment.
9. Copies of all forms delivered hereunder, as applicable, shall be maintained by the Monitor.

#### **ROLE OF THE MONITOR**

10. The Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, and any other orders of the Court in the CCAA Proceedings, shall administer the Claims Procedure provided for herein and is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Claims Procedure Order.
11. The Monitor shall (i) have all protections afforded to it by the CCAA, this Claims Procedure Order, the Initial Order, any Orders of the Court in these proceedings and other applicable law in connection with its activities in respect of this Claims Procedure Order, including the stay of proceedings in its favour provided pursuant to the ARIO; (ii) incur no liability or obligation as a result of carrying out the provisions of this Claims Procedure Order, other than in respect of gross negligence or wilful misconduct; (iii) shall be entitled to rely on the books and records of the Applicants and any information provided by the Applicants, all without independent investigation; (iv) shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information; and (v) may seek from the Applicants such assistance as may be reasonably required to carry out its duties and obligations pursuant to this Claims Procedure Order.
12. The Applicants, the Officers, the Directors and their respective employees, agents and representatives, and any other Person given notice of this Claims Procedure Order, shall fully cooperate with the Monitor in the exercise of its powers and the discharge of its duties and obligations under this Claims Procedure Order.

#### **NOTICE TO CREDITORS**

13. The Monitor shall:
  - (a) as soon as practicable, but no later than ten (10) Business Days following the granting of the Claims Procedure Order, cause a Proof of Claim Document Package to be sent to every Known Creditor, as evidenced by the books and records of the Applicants, at their respective last known municipal or e-mail address as recorded in the Applicants' books and records;
  - (b) as soon as practicable, but no later than ten (10) Business Days following the granting of the Claims Procedure Order, cause a Proof of Claim Document Package to be sent to every Terminated Employee, as evidenced by the books and records of the Applicants, at their respective last known municipal or e-mail address as recorded in the Applicants' books and records;

- (c) cause the Notice to Creditors to be published once in The Globe and Mail (National Edition) and once in the Halifax Herald as soon as practicable after the date of this Claims Procedure Order;
  - (d) post a copy of the Notice to Creditors, this Claims Procedure Order, and a Proof of Claim Document Package on the Monitor's Website within two Business Days after the date of this Claims Procedure Order;
  - (e) deliver as soon as reasonably possible following receipt of a request therefor, a copy of the Proof of Claim Document Package to any Person claiming to be a Creditor and requesting such material in writing;
  - (f) upon becoming aware of the termination of any Employee following the date on which the Employee Claim Packages are distributed in accordance with paragraph 13(a) of this Claims Procedure Order (such Employee upon their employment being terminated becoming a Terminated Employee), either concurrently with such Employee's termination or as soon as possible thereafter, deliver an Employee Claim Package to such Employee. For greater certainty, any Employee Claim Package delivered pursuant to this paragraph 13(f) shall include a Termination Claim Statement; and
  - (g) any notices of disclaimer or resiliation delivered to Creditors by any of the Applicants or the Monitor after the date of this Claims Procedure Order shall be accompanied by a Proof of Claim Document Package and the Monitor shall, upon becoming aware of any other circumstance giving rise to a Restructuring Period Claim, send a Proof of Claim Document Package to such Creditor or may direct such Creditor to the applicable documents posted on the Monitor's Website in respect of such a Restructuring Period Claim.
14. The sending of the Proof of Claim Document Package to the applicable Persons as described above, and the publication of the Notice to Creditors, each in accordance with this Claims Procedure Order, and the completion of the other requirements of this Claims Procedure Order, shall constitute good and sufficient service and delivery of notice of this Claims Procedure Order, the Claims Bar Date and the Restructuring Period Claims Bar Date on all Persons who may be entitled to receive notice and who may wish to assert a Claim, and no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of this Claims Procedure Order.

#### **CLAIMS PROCESS FOR TERMINATED EMPLOYEES**

15. If a Terminated Employee wishes to dispute the amount and/or nature of the Termination Claim set forth in the Termination Claim Statement delivered to such Terminated Employee or to assert an additional Claim in relation to the Applicants other than the Termination Claim set forth in the Termination Claim Statement, the Terminated Employee shall deliver a Notice of Dispute to the Monitor so that it is actually received by the Monitor by no later than the Terminated Employee Claims Bar Date. Such Terminated Employee shall specify in the Notice of Dispute the details of the dispute with respect to the Termination Claim set forth in the Termination Claim Statement or the additional Claim, as applicable.

16. If a Terminated Employee does not deliver to the Monitor a completed Notice of Dispute such that it is received by the Monitor by the Terminated Employee Claims Bar Date disputing the Termination Claim as set out in the Termination Claim Statement, then such Terminated Employee shall be deemed to have accepted the valuation and/or nature of the Termination Claim as set forth in the Termination Claim Statement.
17. If, after the date on which a Termination Claim Statement is initially delivered to a Terminated Employee, the Monitor determines that it is appropriate to change the amount or nature of the Termination Claim set forth in such Termination Claim Statement, the Monitor shall cause an amended Termination Claim Statement (an "**Amended Termination Claim Statement**") to be delivered to such Terminated Employee, which Amended Termination Claim Statement and the revised Termination Claim specified therein shall thereafter supersede any previous Termination Claim Statement delivered to such Terminated Employee. If the Terminated Employee wishes to dispute the amount and/or nature of the Termination Claim set forth in the Amended Termination Claim Statement, such Terminated Employee shall be required to deliver a Notice of Dispute so that it is actually received by the Monitor on or before the later of (i) the Terminated Employee Claims Bar Date; and (ii) thirty (30) calendar days after the date on which the Amended Termination Claim Statement is deemed to be delivered to the Terminated Employee.
18. Any Terminated Employee that does not deliver a Notice of Dispute in respect of a Termination Claim Statement or an Amended Termination Claim Statement, if applicable, pursuant to paragraphs 15 and 17, as applicable, shall be deemed to accept the determination of such Termination Claim and shall be forever barred from disputing the amount or nature of the Termination Claim set forth in the Termination Claim Statement or Amended Termination Claim Statement, as applicable, and any Claim of a different classification or nature or in excess of the amount specified in the Termination Claim Statement or Amended Termination Claim Statement, as applicable, shall be forever barred and extinguished.

## **PROOFS OF CLAIM**

### **A. Prefiling Claims and D&O Claims**

19. Any Creditor that intends to assert a Prefiling Claim or a D&O Claim relating to the Prefiling Period shall file a Proof of Claim or a D&O Proof of Claim, as applicable, including supporting documentation, with the Monitor so that it is actually received by the Monitor on or before the Claims Bar Date.

### **B. Restructuring Period Claims**

20. Upon becoming aware of a circumstance giving rise to a Restructuring Period Claim, the Monitor shall send a Proof of Claim Document Package to the Creditor in respect of such Restructuring Period Claim in the manner provided for herein.
21. Any Creditor that intends to assert a Restructuring Period Claim or a D&O Claim relating to the Restructuring Period shall file a Proof of Claim or D&O Proof of Claim, as applicable, with the Monitor on or before the Restructuring Period Claims Bar Date.

**C. D&O Indemnity Claims**

22. To the extent that any D&O Claim is filed in accordance with this Claims Procedure, a corresponding D&O Indemnity Claim shall be deemed to have been timely filed in respect of each D&O Claim. For the avoidance of doubt, Directors and Officers shall not be required to take any action or to file any Proof of Claim in respect of such D&O Indemnity Claim.

**CLAIMS BARRED**

23. Any Creditor (other than a Terminated Employee in respect of the Termination Claim as set out in a Termination Claim Statement) that does not deliver a Proof of Claim or D&O Proof of Claim in respect of a Claim in the manner required by this Claims Procedure Order such that it is actually received by the Monitor on or before the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable:
- (a) shall not be entitled to receive any distribution in respect of such Claim pursuant to a Plan or order of the Court;
  - (b) shall not be entitled to any further notice in the CCAA Proceedings (unless it has otherwise sought to be included on the service list);
  - (c) shall be and is hereby forever barred from making or enforcing such Claim against the Applicants, or the Directors or Officers or any of them, and such Claim shall be and is hereby extinguished without any further act or notification; and
  - (d) For greater certainty, this paragraph shall not apply to Excluded Claims and the rights of any Person (including the Applicants, the Directors and Officers) with respect to Excluded Claims are expressly reserved.

**ADJUDICATION AND RESOLUTION**

24. The Monitor shall review all Proofs of Claim and D&O Proofs of Claim received on or before the Claims Bar Date or Restructuring Period Claims Bar Date, as applicable, and shall accept, revise or reject each Claim set out therein. With respect to a D&O Claim set out in a D&O Proof of Claim, the Monitor shall, accept, revise or reject such D&O Claim, provided that the Monitor shall not accept or revise any portion of a D&O Claim absent consent of the applicable Directors and Officers or further Order of the Court.
25. If the Monitor disagrees with the classification, amount and/or nature of the Claim as set out in any Proof of Claim or D&O Proof of Claim filed in accordance with this Claims Procedure Order, the Monitor shall attempt to resolve such dispute and settle the purported Claim with the Creditor.
26. If the Monitor intends to revise or reject a Claim set out in any Proof of Claim or D&O Proof of Claim that has been filed in accordance with this Claims Procedure Order, the Monitor shall notify the Creditor who has delivered such Proof of Claim or D&O Proof of Claim, as applicable, that such Claim has been revised or rejected and the reasons therefor, by sending a Notice of Revision or Disallowance.

27. Any Creditor who intends to dispute a Notice of Revision or Disallowance sent pursuant to paragraph 26 above shall deliver a completed Notice of Dispute of Revision or Disallowance, which specifies whether it disputes the determination of its Claim, as applicable, and provides the reasons for its dispute, to the Monitor such that it is received by the Monitor by no later than 4:00 p.m. AT on the day that is twenty-one (21) calendar days after the date on which the Creditor is deemed to receive the Notice of Revision or Disallowance.
28. Where a Creditor that receives a Notice of Revision or Disallowance pursuant to paragraph 26 above does not file a Notice of Dispute of Revision or Disallowance by the time set out in paragraph 27 above, then such Creditors' Claim shall be deemed to be as determined in the Notice of Revision or Disallowance and any and all of the Creditors' rights to dispute the Claim as determined in the Notice of Revision or Disallowance or to otherwise assert or pursue such Claim other than as determined in the Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification.
29. Upon receipt of a Notice of Dispute of Revision or Disallowance in respect of a Claim, the Monitor shall attempt to resolve such dispute and settle the purported Claim with the Creditor, and in the event that a dispute raised in a Notice of Dispute of Revision or Disallowance is not settled within a time period or in a manner satisfactory to the Monitor, or in the case of a D&O claim, the Monitor and the Director, the Monitor shall, at its election, refer the dispute raised in the Notice of Dispute of Revision or Disallowance to a Claims Officer.
30. The Monitor may refer any Claim to a Claims Officer for adjudication at its election, or in the case of a D&O Claim, the Monitor and the Director, by sending written notice to the applicable parties at any time.

#### **CLAIMS OFFICERS**

31. Jeffrey Larry of Paliare Roland Rosenberg Rothstein LLP, and such other Persons as may be appointed by the Court from time to time on a motion by the Monitor, be and are hereby appointed as the Claims Officers for the Claims Procedure.
32. The decision as to whether a Disputed Claim should be adjudicated by the Court or a Claims Officer shall be in the sole discretion of the Monitor.
33. A Claims Officer shall determine the classification, amount and/or nature of Disputed Claims in accordance with this Claims Procedure Order, and, to the extent necessary, may determine whether any Claim or part thereof constitutes an Excluded Claim and shall provide written reasons. A Claims Officer shall determine all procedural matters which may arise in respect of his or her determination of these matters, including the manner in which any evidence may be adduced. A Claims Officer shall have the discretion to mediate any dispute that is referred to such Claims Officer at its election. A Claims Officer shall also have the discretion to determine by whom, and to what extent, the costs of any hearing or mediation before a Claims Officer shall be paid.
34. The Monitor, the Creditor, the Applicants and/or the applicable Directors and Officers in respect of any D&O Claim may, within ten (10) calendar days of such party receiving notice of a Claims Officer's determination of the classification, amount and/or nature of a

Creditor's Claim, appeal such determination or any other matter determined by the Claims Officer in accordance with paragraph 33 or otherwise to the Court by filing a notice of appeal, and the appeal shall, subject to the availability of the Court, be initially returnable for scheduling purposes within ten (10) calendar days of filing such notice of appeal.

35. If no party appeals the determination of the classification, amount and/or nature of a Claim by a Claims Officer within the time set out in paragraph 34 above, the decision of the Claims Officer in determining the classification, amount and/or nature of the Creditor's Claim shall be final and binding upon the Applicants, the applicable Directors and Officers in respect of any D&O Claim, the Monitor and the Creditor, and there shall be no further right of appeal, review or recourse to the Court from the Claims Officer's final determination of a Claim.

#### **SET-OFF**

36. Nothing in this Claims Procedure Order shall affect any right of set-off which the Applicants may have against any Creditor.

#### **TRANSFER OF CLAIMS**

37. If the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the Applicants shall be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until written notice of such transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received by the Monitor and the Monitor has provided written confirmation acknowledging the transfer or assignment of such Claim, and thereafter such transferee or assignee shall for the purposes hereof constitute the "Creditor" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Claims Procedure Order prior to receiving written confirmation by the Monitor acknowledging such assignment or transfer. After the Monitor has delivered a written confirmation acknowledging the notice of the transfer or assignment of a Claim, the Monitor shall thereafter be required only to deal with the transferee or assignee and not the original holder of the Claim. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which the Applicants may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to the Applicants. Reference to transfer in this Claims Procedure Order includes a transfer or assignment whether absolute or intended as security.
38. If a Creditor or any subsequent holder of a Claim, who in any such case has previously been acknowledged by the Monitor as the holder of the Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person, such transfers or assignments shall not create separate Claims and such Claims shall continue to constitute and be dealt with as a single Claim notwithstanding such transfers or assignments. The Monitor shall not, in each case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim, provided such Creditor may, by notice in writing delivered



to the Monitor, direct that subsequent dealings in respect of such Claim, but only as a whole, shall be dealt with by a specified Person and in such event, such Person shall be bound by any notices given or steps taken in respect of such Claim with such Creditor or in accordance with the provisions of this Claims Procedure Order.

## **SERVICE AND NOTICE**

39. The Monitor may, unless otherwise specified by this Claims Procedure Order, serve and deliver or cause to be served and delivered the Proof of Claim Document Package, and any letters, notices or other documents to Creditors or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or email to such Persons or their counsel at the physical or electronic address, as applicable, last shown on the books and records of the Applicants or, where applicable, as set out in such Creditor's Proof of Claim or D&O Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Canada, and the fifth Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by facsimile transmission or email by 4:00 p.m. AT on a Business Day, on such Business Day and if delivered after 4:00 p.m. AT or other than on a Business Day, on the following Business Day.
40. Any notice or communication required to be provided or delivered by a Creditor to the Monitor under this Claims Procedure Order shall be in writing in substantially the form, if any, provided for in this Claims Procedure Order and will be sufficiently given only if delivered by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if it cannot be given by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the following address:

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533  
Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

Any such notice or communication delivered by a Creditor shall be deemed to be received upon actual receipt thereof before 4:00 p.m. AT on a Business Day or if delivered outside of normal business hours, the next Business Day.

41. In the event that this Claims Procedure Order is subsequently amended by further Order of the Court, the Monitor shall serve notice of such amendment on the service list in these proceedings and the Monitor shall post such further Order on the Monitor's Website and such posting shall constitute adequate notice to all Persons of such amended Claims Procedure Order.



## GENERAL

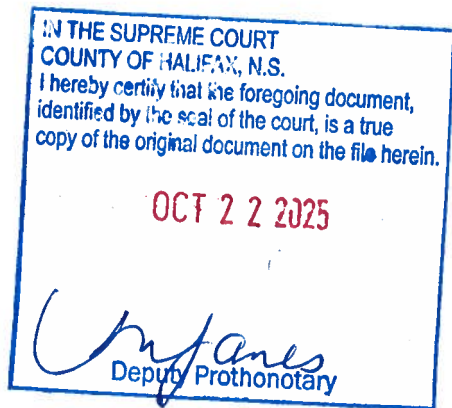
42. Notwithstanding any other provisions of this Claims Procedure Order, the solicitation by the Monitor of Proofs of Claim and D&O Proofs of Claim, the delivery of Proof of Claim Document Packages to the applicable Persons as described above, and the filing by any Person of any Proof of Claim and D&O Proof of Claim shall not, for that reason only, grant any Person any standing in the CCAA Proceedings.
43. Nothing in this Claims Procedure Order shall prejudice the rights and remedies of any Directors or Officers or other Persons under the Directors' Charge or any applicable insurance policy or prevent or bar any Person from seeking recourse against or payment from the Applicants' insurance and any Director's or Officer's liability insurance policy or policies that exist to protect or indemnify the Directors or Officers or other Persons, whether such recourse or payment is sought directly by the Person asserting a Claim from the insurer or derivatively through the Director or Officer or the Applicants; provided, however, that nothing in this Claims Procedure Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Claims Procedure Order limit, remove, modify or alter any defence to such Claim available to the insurer pursuant to the provisions of any insurance policy or at law; and further provided that any Claim or portion thereof for which the Person receives payment directly from, or confirmation that the Person is covered by, the Applicants' insurance or any Director's or Officer's liability insurance or other liability insurance policy or policies that exist to protect or indemnify the Directors or Officers or other Persons shall not be recoverable as against the Applicants or Director or Officer, as applicable.
44. Nothing in this Claims Procedure Order shall constitute or be deemed to constitute an allocation or assignment of Claims into particular classes for the purpose of the Claims Procedure and, for greater certainty, the treatment of Claims, or any other claims and the classification of Creditors, shall be subject to the terms of Claim Procedure Order or further Order of this Court.
45. The Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Claims Procedure Order or for advice and directions concerning the discharge of their respective powers and duties under this Claims Procedure Order or the interpretation or application of this Claims Procedure Order.
46. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or outside any other foreign jurisdiction, to give effect to this Claims Procedure Order and to assist the Monitor and its respective agents in carrying out the terms of this Claims Procedure Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Claims Procedure Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Monitor and its respective agents in carrying out the terms of this Claims Procedure Order.

47. This Claims Procedure Order and all of its provisions are effective as of 12:01 a.m. AT on the date of this Claims Procedure Order.

**DATED** at Halifax, Nova Scotia, this 22 day of October, 2025

*Myra Janes*

**MYRA JANES**  
Deputy Prothonotary



**MYRA JANES**  
Deputy Prothonotary

## SCHEDULE "A"

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### INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE OF:

**3284906 Nova Scotia Limited (o/a Nova Scotia Spirit Co.), 3343533 Nova Scotia Limited (o/a Lost Bell Winery) and 4318682 Nova Scotia Limited (o/a Annapolis Cider Co.) (together, the "Operating Companies"), and Blue Lobster Capital Limited ("BLCL", and with the Operating Companies, the "Applicants") and/or the Directors or Officers of the Operating Companies**

---

#### A. CLAIMS PROCEDURE

By Order of the Supreme Court of Nova Scotia made on October 22, 2025, (the "**Claims Procedure Order**"), the Court-appointed Monitor of the Applicants, KSV Restructuring Inc. (the "**Monitor**"), has been authorized to conduct a claims procedure (the "**Claims Procedure**") with respect to claims against the Applicants and the Applicants' present or former Directors and Officers ("**Directors/Officers**") in accordance with the terms of the Claims Procedure Order.

Unless otherwise defined, all capitalized terms used herein shall have the meanings given to those terms in the Claims Procedure Order.

The Claims Procedure Order governs all Claims related to the Applicants.

This letter provides instructions for completing the Proof of Claim. Reference should be made to the Claims Procedure Order for a complete description of the Claims Procedure. **The Claims Procedure Order, the Proof of Claim Document Package, additional Proofs of Claim and related materials may be accessed from the Monitor's Website at: <https://www.ksvadvisory.com/experience/case/blue>.**

The Claims Procedure is intended for any Person with any Claims against the Applicants and their Directors/Officers, whether liquidated, unliquidated, contingent or otherwise. Please review the enclosed material for the complete definitions of "Claim", "Prefiling Claim", "Restructuring Period Claim" and "D&O Claim" to which the Claims Procedure applies.

All notices and enquiries with respect to the Claims Procedure must be delivered by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if notices or enquiries cannot be given by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the following address:

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

## **B. SUBMITTING A PROOF OF CLAIM**

Unless you are an Employee, if you believe that you have a Claim against the Applicants or the Directors or Officers, you must file a Proof of Claim or a D&O Proof of Claim with the Monitor.

If you are an Employee, please see section "C".

**All Proofs of Claim for Prefiling Claims** (i.e. Claims against the Applicants arising prior to the Filing Date) and all D&O Proofs of Claim relating to the period prior to the Filing Date must be received by the Monitor **before 4:00 p.m. AT on November 26, 2025** (the "**Claims Bar Date**").

**All Proofs of Claim for Restructuring Period Claims** (i.e. Claims against the Applicants and the D&O arising on or after the Filing Date and before Restructuring Period Claims Bar Date) relating to the period on or after the Filing Date must be received by the Monitor **before 4:00 p.m. AT on the date that is the later of (i) the Claims Bar Date; and (ii) thirty-five (35) calendar days after the date on which the Monitor sends to you a Proof of Claim Document Package with respect to a Restructuring Period Claim in accordance with the Claims Procedure Order (the "Restructuring Period Claims Bar Date")**.

**PROOFS OF CLAIM AND D&O PROOFS OF CLAIM CAN BE FILED WITH THE MONITOR BY E-MAILING THEM TO THE ATTENTION OF TONY TRIFUNOVIC AT: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com).**

**PROOFS OF CLAIM AND D&O PROOFS OF CLAIM MUST BE RECEIVED BY THE CLAIMS BAR DATE OR RESTRUCTURING PERIOD CLAIMS BAR DATE, AS APPLICABLE, OR THE APPLICABLE CLAIM WILL BE FOREVER BARRED AND EXTINGUISHED.**

**All Claims denominated in foreign currency shall be converted to Canadian dollars at the Bank of Canada daily average exchange rate on December 13, 2024 (the "Filing Date").**

Additional Proof of Claim forms can be obtained by contacting the Monitor at the telephone number and email address indicated above and providing particulars as to your name, address and facsimile number or email address. Additional Proofs of Claim and related materials may also be accessed from the Monitor's website at <https://www.ksvadvisory.com/experience/case/blue>.

## **C. FOR TERMINATED EMPLOYEES**

Any Employee who was employed by the Applicants as at the Filing Date but whose employment has since been terminated (a "**Terminated Employee**"), will receive a Termination Claim Statement specifying the amount and nature of their Termination Claim as determined by the Applicants, in consultation with the Monitor.

Any Terminated Employee who receives a Termination Claim Statement and does not dispute the amount or nature of the Termination Claim stated therein, is not required to take any further action.

**Any Terminated Employee who wishes to dispute the amount and/or nature of the Termination Claim as set forth in their Termination Claim Statement or wishes to assert an additional Claim in relation to the Applicants other than the Termination Claim set forth in their Termination Claim Statement, is required to deliver a Notice of Dispute to the Monitor so that it is received by the Monitor before 4:00 p.m. AT on the date that is the later of (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Monitor sends to you an Employee Claims Package (the "Terminated Employee Claims Bar Date").**

If a completed Notice of Dispute is not received by the Monitor by the Terminated Employee Claims Bar Date, the Terminated Employee will be forever barred from disputing the amount or nature of the Termination Claim set forth in their Termination Claim Statement and any Claim of a different nature or in excess of the amount specified in the Notice of Claim shall be forever barred and extinguished.

DATED at Toronto, Ontario this \_\_\_\_ day of \_\_\_\_\_, 2025.

KSV RESTRUCTURING INC., IN ITS CAPACITY AS MONITOR OF  
BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED,  
3343533 NOVA SCOTIA LIMITED AND 4318682 NOVA SCOTIA LIMITED  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

**SCHEDULE "B"**

**NOTICE TO CREDITORS OF 3284906 NOVA SCOTIA LIMITED, 3343533 NOVA SCOTIA LIMITED, 4318682 NOVA SCOTIA LIMITED AND BLUE LOBSTER CAPITAL LIMITED  
(THE "APPLICANTS")**

**RE: NOTICE OF CLAIMS PROCEDURE**

**PLEASE TAKE NOTICE** that on October 22, 2025, the Supreme Court of Nova Scotia (Commercial List) (the "**Court**") issued an Order (the "**Claims Procedure Order**") in the *Companies' Creditors Arrangement Act* proceedings of the Applicants. Capitalized terms used in this notice and not otherwise defined have the meaning ascribed to them in the Claims Procedure Order. Reference should be made to the Claims Procedure Order for the complete definitions of "Claim", "Prefiling Claim", "Restructuring Period Claim" and "D&O Claim" to which the Claims Procedure applies.

The Claims Procedure Order requires that all Persons who assert a Claim against the Applicants, whether unliquidated, contingent or otherwise, and all Persons who assert a claim against the Directors and/or Officers of the Applicants, **must file a Proof of Claim (with respect to Claims against the Applicants) or a D&O Proof of Claim (with respect to D&O Claims) with KSV Restructuring Inc., the Court-appointed Monitor of the Applicants (the "Monitor")**, by sending the Proof of Claim or D&O Proof of Claim by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if delivery by email is not possible, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the following address:

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

Pursuant to the Claims Procedure Order, the Monitor will send Employee Claim Packages to all Terminated Employees, which Employee Claim Packages will contain a Termination Claim Statement that specified each Terminated Employee's Termination Claim as determined by the Monitor.

The Monitor will send a Proof of Claim Document Package (that will include the form of Proof of Claim and D&O Proof of Claim) to any Person claiming to be a Creditor and requesting such material in writing. **Creditors may also obtain the Claims Procedure Order and the Proof of Claim Document Package from the Monitor's Website at <https://www.ksvadvisory.com/experience/case/blue> or by contacting the Monitor at [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com).**

**THE CLAIMS BAR DATE**, with respect to all Prefiling Claims and all D&O Proofs of Claim relating to the period prior to the Filing Date, is 4:00 p.m. AT on November 26, 2025, or such later date as may be ordered by the Court. It is your responsibility to ensure that the Monitor receives your Proof of Claim or D&O Proof of Claim by the Claims Bar Date.

**FOR TERMINATED EMPLOYEES THAT HAVE RECEIVED A TERMINATION CLAIM STATEMENT**, your Termination Claim will be deemed to be accepted at the amount stated therein for distribution purposes, and you do not need to take any further steps unless you disagree with the amount specified therein. If you wish to dispute the amount and/or nature of your Termination Claim as specified in your Termination Claim Statement or to assert an additional Claim in relations to the Applicants, you must file a Notice of Dispute with the Monitor so that it is received by the Monitor before 4:00 p.m. AT on the date that is the later of (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Applicants or the Monitor sends to you an Employee Claims Package (the "**Terminated Employee Claims Bar Date**"). It is your responsibility to ensure that the Monitor receives your Notice of Dispute by the Terminated Employee Claims Bar Date.

**THE RESTRUCTURING PERIOD CLAIMS BAR DATE**, for Restructuring Period Claims and all D&O Proofs of Claim relating to the period after the Filing Date, is 4:00 p.m. AT on the date that is the later of (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Monitor sends to a Proof of Claim Document Package with respect to a Restructuring Period Claim or a D&O Claim relating to the period after the Filing Date in accordance with the Claims Procedure Order.

**NOTICES OF DISPUTE, PROOFS OF CLAIM AND D&O PROOFS OF CLAIM MUST BE RECEIVED BY THE MONITOR BY THE TERMINATED EMPLOYEE CLAIMS BAR DATE, THE CLAIMS BAR DATE OR THE RESTRUCTURING PERIOD CLAIMS BAR DATE, AS APPLICABLE, OR THE CLAIMS WILL BE FOREVER BARRED AND EXTINGUISHED.**

DATED at Toronto, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

KSV RESTRUCTURING INC., IN ITS CAPACITY AS MONITOR OF  
BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED,  
3343533 NOVA SCOTIA LIMITED AND 4318682 NOVA SCOTIA LIMITED  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

**SCHEDULE "C"**

**PROOF OF CLAIM FOR CLAIMS AGAINST 3284906 NOVA SCOTIA LIMITED, 3343533  
NOVA SCOTIA LIMITED, 4318682 NOVA SCOTIA LIMITED, AND BLUE LOBSTER  
CAPITAL LIMITED  
(THE "APPLICANTS")**

**Please read carefully the enclosed Instruction Letter for completing this Proof of Claim.**

**1A. Original Creditor (the "Creditor")**

|                            |       |                    |       |
|----------------------------|-------|--------------------|-------|
| Legal Name of<br>Creditor: | _____ | Name of<br>Contact | _____ |
| Address                    | _____ | Title              | _____ |
| _____                      | _____ | Phone #            | _____ |
| _____                      | _____ | Fax #              | _____ |
| City                       | _____ | Prov<br>/State     | _____ |
|                            | _____ | Email              | _____ |
| Postal/Zip<br>Code         | _____ |                    |       |

**1B. Assignee, if claim has been assigned**

|                            |       |                    |       |
|----------------------------|-------|--------------------|-------|
| Legal Name of<br>Assignee: | _____ | Name of<br>Contact | _____ |
| Address                    | _____ | Title              | _____ |
| _____                      | _____ | Phone #            | _____ |
| _____                      | _____ | Fax #              | _____ |
| City                       | _____ | Prov<br>/State     | _____ |
|                            | _____ | Email              | _____ |



Postal/Zip  
Code \_\_\_\_\_

### Amount of Claim

The Debtor(s) was and still is indebted to the Creditor as follows:

|    | <b>Classification of Claim<br/>(Prefiling Claim,<br/>Restructuring Period Claim)</b> | <b>Applicable Debtor<br/>(3284906 Nova Scotia Limited,<br/>3343533 Nova Scotia Limited,<br/>4318682 Nova Scotia Limited, Blue Lobster Capital Limited)</b> | <b>Amount of Claim<br/>(CAD)*</b> | <b>Unsecured Claim</b>   | <b>Secured Claim</b>     |
|----|--|--|-----------------------------------|--------------------------|--------------------------|
| 1. |  |  | \$                                | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. |  |  | \$                                | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. |  |  | \$                                | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. |  |  | \$                                | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. |  |  | \$                                | <input type="checkbox"/> | <input type="checkbox"/> |
|    | <b>TOTAL AMOUNT OF CLAIM(S)</b>  |  | \$                                |                          |                          |

\*Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada daily average exchange rate as of the Filing Date.

### Documentation

Provide all particulars of the Claim and all available supporting documentation, including amount, and description of transaction(s) or agreement(s), or legal breach(es) giving rise to the Claim, including any claims assignment/transfer agreement or similar document, if applicable, and amount of invoices, particulars of all credits, discounts, etc., claimed, description of the security, if any, granted by any of the Debtors to the Creditor and estimated value of such security.

### Certification

I hereby certify that:

1. I am the Creditor or an authorized representative of the Creditor.
2. I have knowledge of all the circumstances connected with this Claim.
3. The Creditor asserts this Claim against the Debtor(s) as set out above.
4. All available documentation in support of this Claim is attached.

Signature: \_\_\_\_\_

Witness: \_\_\_\_\_

|   |             |
|---|-------------|
| Name: _____                                   | (signature) |
| Title: _____                                  | (print)     |
| Dated at _____ this _____ day of _____, 2025. |             |

### Filing of Claim

For **Prefiling Claims**, this Proof of Claim must be received by the Monitor **before 4:00 p.m. AT on November 26, 2025** (the “Claims Bar Date”).

For **Restructuring Period Claims**, this Proof of Claim must be received by the Monitor **before 4:00 p.m. AT on the date that is the later of: (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Monitor sends to you a Proof of Claim Document Package with respect to a Restructuring Period Claim** (the “Restructuring Period Claims Bar Date”).

In both cases, completed forms must be delivered by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if such forms cannot be sent by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the following address:

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

**FOR GREATER CERTAINTY, PROOFS OF CLAIM CAN BE FILED WITH THE MONITOR BY E-MAILING THEM TO THE ATTENTION OF TONY TRIFUNOVIC AT: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com).**

For more information see <https://www.ksvadvisory.com/experience/case/blue> or contact the Monitor at [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com).

## SCHEDULE "D"

### NOTICE OF REVISION OR DISALLOWANCE

**WITH RESPECT TO FOR CLAIMS AGAINST 3284906 NOVA SCOTIA LIMITED, 3343533  
NOVA SCOTIA LIMITED, 4318682 NOVA SCOTIA LIMITED, AND BLUE LOBSTER  
CAPITAL LIMITED  
(THE "APPLICANTS")**

Claims Reference Number: \_\_\_\_\_

To: \_\_\_\_\_

(the "Creditor")

Capitalized terms not defined in this Notice of Revision or Disallowance have the meaning ascribed to them in the Order of the Supreme Court of Nova Scotia (Commercial List) dated October 22, 2025 (the "**Claims Procedure Order**") granted in the Applicants' proceedings under the *Companies' Creditors Arrangement Act*. Capitalized terms used and not otherwise defined have the meaning ascribed to them in the Claims Procedure Order, which is available on the Monitor's Website at: <https://www.ksvadvisory.com/experience/case/blue>.

Pursuant to the Claims Procedure Order, the Monitor hereby gives you notice that it has reviewed your Proof of Claim or D&O Proof of Claim and has revised or disallowed all or part of your purported Claim set out therein. Subject to further dispute by you in accordance with the Claims Procedure Order, your Claim will be as follows:

|                | Amount as submitted | Amount allowed by Monitor<br>for distribution purposes: |
|----------------|---------------------|---|
| A. Unsecured   | \$                  | \$  |
| B. Secured     | \$                  | \$  |
| C. D&O Claim   | \$                  | \$  |
| D. Total Claim | \$                  | \$  |

**Reasons for Revision or Disallowance:**

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## **SERVICE OF NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE**

If you intend to dispute your Claim specified in this Notice of Revision or Disallowance, you must, no later than 4:00 p.m. AT on the day that is twenty-one (21) calendar days after this Notice of Revision or Disallowance is deemed to have been received by you (in accordance with the Claims Procedure Order), deliver a Notice of Dispute of Revision or Disallowance by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if it cannot be given by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the following address:

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

In accordance with the Claims Procedure Order, notices shall be deemed to be received by the Monitor upon actual receipt thereof by the Monitor during normal business hours on a Business Day, or if delivered outside of normal business hours, on the next Business Day.

The form of Notice of Dispute of Revision or Disallowance is enclosed and can also be accessed on the Monitor's Website at <https://www.ksvadvisory.com/experience/case/blue>.

**IF YOU FAIL TO FILE A NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU FOR DISTRIBUTION PURPOSES.**

**DATED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**KSV RESTRUCTURING INC., IN ITS CAPACITY AS MONITOR OF  
BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED,  
3343533 NOVA SCOTIA LIMITED AND 4318682 NOVA SCOTIA LIMITED  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per: \_\_\_\_\_

For more information see <https://www.ksvadvisory.com/experience/case/blue> or contact the Monitor at [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

**SCHEDULE "E"**

**NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE**

**WITH RESPECT TO CLAIMS AGAINST 3284906 NOVA SCOTIA LIMITED, 3343533 NOVA  
SCOTIA LIMITED, 4318682 NOVA SCOTIA LIMITED, AND BLUE LOBSTER CAPITAL  
LIMITED  
(THE "APPLICANTS")**

Claims Reference Number: \_\_\_\_\_

**1. Particulars of Creditor:**

Full Legal Name of Creditor (include trade name, if different)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(the "Creditor")

Full Mailing Address of the Creditor:

\_\_\_\_\_  
\_\_\_\_\_

Other Contact Information of the Creditor:

Telephone Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
Facsimile Number: \_\_\_\_\_  
Attention (Contact Person): \_\_\_\_\_

Particulars of original Creditor from whom you acquired the Claim or D&O Claim (if applicable):

Have you acquired this purported Claim by assignment?

Yes: ☐

No: ☐

If yes and if not already provided, attach documents evidencing assignment.

Full Legal Name of original Creditor(s): \_\_\_\_\_

**Dispute of Revision or Disallowance of Claim:**

**Reasons for Dispute** (please continue on additional pages if required - note also that you are required to attach to this Notice of Dispute of Revision or Disallowance all relevant supporting documents on which you rely in support of your Claim(s))

[illegible]

|  |   |
|--|---|
| <p>Signature<br/>of Creditor: _____</p> <p>Name: _____</p> <p>Title: _____</p> | <p>Witness: _____</p> <p>_____<br/>(signature)</p> <p>_____<br/>(print)</p> |
| <p>Dated at _____ this _____ day of _____, 2025.</p>                           |   |

### SERVICE OF NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE

In accordance with the Order of the Supreme Court of Nova Scotia (Commercial List) dated October 22, 2025 (the “**Claims Procedure Order**”) granted in the Applicants’ proceedings under the *Companies’ Creditors Arrangement Act*, this Notice of Dispute of Revision or Disallowance must be delivered to the Monitor by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if it cannot be given by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the address provided below, by no later than 4:00 p.m. AT on the day that is twenty-one (21) calendar days after the date on which you are deemed to have received the Notice of Revision or Disallowance (in accordance with the Claims Procedure Order):

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: ttrifunovic@ksvadvisory.com

In accordance with the Claims Procedure Order, if you do not deliver a Notice of Dispute of Revision or Disallowance by the prescribed deadline in the Claims Procedure Order, your Claim for distribution purposes will be deemed to be as set out in the Notice of Revision or Disallowance, such determination shall be final and binding in all respects, and all of your rights to dispute the Claim as determined in the Notice of Revision or Disallowance or to otherwise assert or pursue such Claim other than as determined in the Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification.

## SCHEDULE "F"

|  |
|--|
| <b>INSTRUCTION LETTER FOR COMPLETING THE D&amp;O PROOF OF CLAIM FORM FOR CLAIMS AGAINST DIRECTORS AND/OR OFFICERS OF BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED, 3343533 NOVA SCOTIA LIMITED, AND 4318682 NOVA SCOTIA LIMITED</b> |
|--|

This instruction letter has been prepared to assist Creditors in filling out the D&O Proof of Claim form for Claims against the Directors and/or Officers of 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and 4318682 Nova Scotia Limited (together, the "**Operating Companies**") and Blue Lobster Capital Limited ("**BLCL**" and with the Operating Companies, the "**Applicants**"). If you have any additional questions regarding completion of the D&O Proof of Claim, please consult the Monitor's Website at <https://www.ksvadvisory.com/experience/case/blue> or contact the Monitor, whose contact information is set out below.

The D&O Proof of Claim form is ONLY for Creditors asserting a Claim against any of the Directors and/or Officers of the Operating Companies and BLCL, and NOT for claims against the Operating Companies themselves or BLCL itself. For claims against the Operating Companies themselves and BLCL itself, please use the form titled "Proof of Claim for Claims Against 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited, 4318682 Nova Scotia Limited, and Blue Lobster Capital Limited" which is available on the Monitor's Website referenced above.

Additional copies of the D&O Proof of Claim form may also be found at the Monitor's Website.

Please note that this instruction letter is a guide only, and that in the event of any inconsistency between the terms of this instruction letter and the terms of the Claims Procedure Order made on October 22, 2025 (the "**Claims Procedure Order**"), the terms of the Claims Procedure Order will govern. Capitalized terms used and not otherwise defined have the meaning ascribed to them in the Claims Procedure Order, a copy of which is available on the Monitor's Website.

### 1. DEBTOR

- (a) The full name of all of the Operating Companies' and/or BLCL's Directors or Officers against whom the Claim is asserted must be listed.

### 2. A. ORIGINAL CREDITOR

- (a) A separate D&O Proof of Claim must be filed by each legal entity or person asserting a claim against the Operating Companies' and/or BLCL's Directors or Officers.
- (b) The Creditor shall include any and all D&O Claims that it asserts against the Operating Companies' and/or BLCL's Directors or Officers in a single D&O Proof of Claim.
- (c) The full legal name of the Creditor must be provided.



- (d) If the Creditor operates under a different name or names, please indicate this in a separate schedule in the supporting documentation.
- (e) If the Claim has been assigned or transferred to another party, Section 2B, described below, must also be completed.
- (f) Unless the Claim is assigned or transferred, all future correspondence, notices, etc., regarding the Claim will be directed to the address and contact indicated in this section.

**2. B. ASSIGNEE**

- (g) If the Creditor has assigned or otherwise transferred its Claim, then Section 2B must be completed.
- (h) The full legal name of the Assignee must be provided.
- (i) If the Assignee operates under a different name or names, please indicate this in a separate schedule in the supporting documentation.
- (j) If the Monitor is satisfied that an assignment or transfer has occurred, all future correspondence, notices, etc., regarding the Claim will be directed to the Assignee at the address and contact indicated in this section.

**3. AMOUNT OF CLAIM OF CREDITOR**

- (a) Indicate the amount the Director(s) and/or Officer(s) was/were and still is/are indebted to the Creditor in the Amount of Claim column, including interest, if applicable, up to and including December 13, 2024.
- (b) If necessary, currency will be converted in accordance with the Claims Procedure Order.

**4. DOCUMENTATION**

- (a) Attach to the D&O Proof of Claim form all particulars of the Claim and all available supporting documentation, including amount and description of transaction(s) or agreement(s) or legal breach(es) giving rise to the Claim.

## 5. CERTIFICATION

- (a) The person signing the D&O Proof of Claim should:
- (i) be the Creditor or an authorized representative of the Creditor;
  - (ii) have knowledge of all of the circumstances connected with this Claim;
  - (iii) assert the Claim against the Director(s) and/or Officer(s) as set out in the D&O Proof of Claim and certify all available supporting documentation is attached; and
  - (iv) have a witness to its certification.
- (b) By signing and submitting the D&O Proof of Claim, the Creditor is asserting the Claim against the Debtor(s) specified therein.

## 6. FILING OF CLAIM

For **D&O Claims relating to the period prior to the Filing Date**, the D&O Proof of Claim must be received by the Monitor **before 4:00 p.m. AT on November 26, 2025 (the "Claims Bar Date")**.

For **D&O Claims relating to the period after the Filing Date**, the D&O Proof of Claim must be received by the Monitor **before 4:00 p.m. AT on the date that is the later of: (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Monitor sends a Proof of Claim Document Package with respect to a D&O Claim relating to the period after the Filing Date in accordance with the Claims Procedure Order (the "Restructuring Period Claims Bar Date")**.

In both cases, completed forms must be delivered by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if forms cannot be delivered by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the following address:

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

**Failure to file your D&O Proof of Claim so that it is actually received by the Monitor on or before 4:00 p.m. AT on the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, will result in your claim being barred and you will be prevented from making or enforcing a claim against the Directors and Officers of the Operating Companies and/or BLCL.**

For more information see <https://www.ksvadvisory.com/experience/case/blue> or contact the Monitor at [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com).

DATED at Toronto, Ontario this ●<sup>th</sup> day of October, 2025.

KSV RESTRUCTURING INC., IN ITS CAPACITY AS MONITOR OF  
BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED,  
3343533 NOVA SCOTIA LIMITED AND 4318682 NOVA SCOTIA LIMITED  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

## SCHEDULE "G"

**PROOF OF CLAIM FOR CLAIMS AGAINST DIRECTORS OR OFFICERS OF  
3284906 NOVA SCOTIA LIMITED, 3343533 NOVA SCOTIA LIMITED, 4318682 NOVA SCOTIA  
LIMITED AND BLUE LOBSTER CAPITAL LIMITED**

This form is to be used only by Creditors asserting a claim against any Directors and/or Officers of 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited (together, the "**Operating Companies**") and Blue Lobster Capital Limited ("**BLCL**") and NOT for claims against the Operating Companies themselves or BLCL itself. For claims against the Operating Companies themselves and BLCL itself, please use the form titled "Proof of Claim for Claims Against 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited, 4318682 Nova Scotia Limited, and Blue Lobster Capital Limited", which is available on the Monitor's Website at <https://www.ksvadvisory.com/experience/case/blue>.

### 1A. Original Creditor (the "Creditor")

|                            |       |                    |       |
|----------------------------|-------|--------------------|-------|
| Legal Name of<br>Creditor: | _____ | Name of<br>Contact | _____ |
| Address                    | _____ | Title              | _____ |
|                            | _____ | Phone #            | _____ |
|                            | _____ | Fax #              | _____ |
| City                       | _____ | Prov<br>/State     | _____ |
|                            | _____ | Email              | _____ |
| Postal/Zip<br>Code         | _____ |                    |       |

### 1B. Assignee, if claim has been assigned

|                               |       |                    |       |
|-------------------------------|-------|--------------------|-------|
| Legal Name<br>of<br>Assignee: | _____ | Name of<br>Contact | _____ |
| Address                       | _____ | Title              | _____ |
|                               | _____ | Phone #            | _____ |

\_\_\_\_\_  
\_\_\_\_\_  
Fax # \_\_\_\_\_

City \_\_\_\_\_ Prov /State \_\_\_\_\_ Email \_\_\_\_\_

Postal/Zip  
Code \_\_\_\_\_

**2. Amount of Claim**

| Name(s) of Director(s)<br>and/or Officer(s) | Amount of Claim |
|---|-----------------|
|   |                 |
|   |                 |
|   |                 |
|   |                 |
|   |                 |

**Documentation**

Provide all particulars of the Claim and all available supporting documentation, including any claim assignment/transfer agreement or similar document, if applicable, and including amount and description of transaction(s) or agreement(s) or legal breach(es) giving rise to the Claim.

**Certification**

I hereby certify that:

1. I am the Creditor or an authorized representative of the Creditor.
2. I have knowledge of all the circumstances connected with this Claim.
3. The Creditor asserts this Claim against the Director(s) and/or Officer(s) as set out above.
4. All available documentation in support of this Claim is attached.

**Signature of Creditor:**

**Witness:**

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(signature)

Name: \_\_\_\_\_

(print)

Name: \_\_\_\_\_

(print)

Title: \_\_\_\_\_

Title: \_\_\_\_\_

DATED at Toronto, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

### **Filing of Claim**

This D&O Proof of Claim must be received by the Monitor **before 4:00 p.m. AT on November 26, 2025** (the "**Claims Bar Date**"), or in the case of a D&O Claim relating to the period after the Filing Date before 4:00 p.m. AT on the date that is the later of: (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Monitor sends a Proof of Claim Document Package with respect to a D&O Claim relating to the period after the Filing Date in accordance with the Claims Procedure Order (the "**Restructuring Period Claims Bar Date**"), as applicable, by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if forms cannot be delivered by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the following address:

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

**FOR GREATER CERTAINTY, D&O PROOFS OF CLAIM CAN BE FILED WITH THE MONITOR BY E-MAILING THEM TO THE ATTENTION OF TONY TRIFUNOVIC AT: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com).**

For more information see <https://www.ksvadvisory.com/experience/case/blue> or contact the Monitor at [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

## SCHEDULE "H"

### TERMINATION CLAIM STATEMENT

**TO:** [●] (the "Terminated Employee")

**FROM:** KSV Restructuring Inc.

**RE:** CCAA Proceedings of KSV Restructuring Inc., Court-Appointed Monitor of Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited (collectively, the "**Applicants**").

As you aware, the Applicants were granted creditor protection under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), pursuant to an order (the "**Initial Order**") of the Supreme Court of Nova Scotia (the "**CCAA Proceedings**"). The Initial Order, among other things, appointed KSV Restructuring Inc. as monitor of the Applicants to, among other things, oversee the CCAA Proceedings (in such capacity and not in its personal or corporate capacity, the "**Monitor**"). A copy of the Initial Order and other information relating to the CCAA Proceedings has been posted to <https://www.ksvadvisory.com/experience/case/blue> (the "**Monitor's Website**").

The purpose of this Termination Claim Statement is to inform you about your claim in the claims procedure (the "**Claims Procedure**") approved pursuant to the Claims Procedure Order issued on October 22, 2025 (the "**Claims Procedure Order**"), a copy of which is available on the Monitor's Website. The Claims Procedure governs the process for the identification and quantification of certain claims against the Applicants and their Directors and Officers, as applicable. All terms used but not defined in this Termination Claim Statement shall have the meanings ascribed thereto in the Claims Procedure Order. In the event of any inconsistency between the terms of this Termination Claim Statement and the terms of the Claims Procedure Order, the terms of the Claims Procedure Order will govern.

#### **Claims Procedure**

Under the Claims Procedure Order, the Monitor is required to send a notice to each Terminated Employee outlining the quantum of their Termination Claim which is to be allowed for distribution purposes in the Claims Procedure.

This Termination Claim Statement contains the full amount of your Termination Claim against the Applicants which is to be allowed as an accepted Claim for distribution purposes in the Claims Procedure.

Your Termination Claim has been determined by the Monitor, as follows:

|                                 |    |
|---------------------------------|----|
| Termination Pay for Lost Wages: | \$ |
|---------------------------------|----|

|  |    |
|--|----|
| Other Applicable Remuneration<br>(i.e. annual bonus, car allowance): | \$ |
| Unpaid Vacation Pay:   | \$ |
| <b>TOTAL TERMINATION CLAIM:</b>                                      | \$ |

Your Termination Claim has been calculated based on the sum of your Severance Pay Period (as defined below), multiplied by your average hourly wage rate/salary, and also includes any other applicable remuneration, such as vacation pay.

The "Severance Pay Period" is the longest notice period out of those provided by: (1) applicable employment standards legislation; (2) any contractual agreement you may have with any of the Applicants; or (3) common law<sup>1</sup>. For the purposes of determining a Terminated Employee's applicable Severance Pay Period, the Monitor has used the following information provided by the Applicants:

|  |  |
|--|--|
| Full Legal Name                                    |  |
| Date of Birth                                      |  |
| Employment Status<br>(e.g. part-time or full-time) |  |
| Job Level  |  |
| Employment Start Date                              |  |
| Employment End Date                                |  |
| Average Hourly Rate/Salary                         |  |
| Jurisdiction of Employment                         |  |
| Duration of Working Notice<br>(if applicable)      |  |
| Termination Status                                 | [Without cause]/[For cause]/[Resigned] |

If you agree with this assessment of your Termination Claim, you need not take any further action.

<sup>1</sup> The common law notice period is determined based on a Terminated Employee's position, years of service and age, among other factors.



**IF YOU WISH TO DISPUTE THE ASSESSMENT OF YOUR TERMINATION CLAIM, YOU MUST TAKE THE STEPS OUTLINED BELOW.**

**Disagreement with Assessment:**

If you disagree with the assessment of the Termination Claim set out in this Termination Claim Statement, you must complete and return to the Monitor a completed Notice of Dispute asserting a claim in a different amount supported by appropriate documentation and/or reasons. A blank Notice of Dispute form is enclosed. The Notice of Dispute with supporting documentation and/or reasons disputing the within assessment of your Termination Claim must be received by the Monitor by 4:00 p.m. AT on the date that is the later of (i) the Claims Bar Date of November 26, 2025, and (ii) thirty-five (35) calendar days after the date on which the Applicants or the Monitor sends to you an Employee Claims Package (the "**Terminated Employee Claims Bar Date**").

If no such Notice of Dispute is received by the Monitor by 4:00 p.m. AT on the Terminated Employee Claims Bar Date, the amount of your Termination Claim will be, subject to further order of the Court, conclusively deemed to be as shown in this Termination Claim Statement for distribution purposes.

The Notice of Dispute should be delivered by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if it cannot be delivered by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the following address:

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)

If you do not file a Notice of Dispute by the Terminated Employee Claims Bar Date, you will have no further right to dispute the Termination Claim set out in this Termination Claim Statement, and you will be barred from filing any such dispute in the future.

**More Information:**

If you have questions regarding the foregoing, you may contact the Monitor at (647) 848-1350 or [ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com).

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**KSV RESTRUCTURING INC., SOLELY IN ITS CAPACITY AS MONITOR OF  
BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED,  
3343533 NOVA SCOTIA LIMITED AND 4318682 NOVA SCOTIA LIMITED  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per: \_\_\_\_\_

## SCHEDULE "I"

|  |
|--|
| <b>NOTICE OF DISPUTE FOR TERMINATED EMPLOYEES WITH RESPECT TO 3284906<br/>NOVA SCOTIA LIMITED, 3343533 NOVA SCOTIA LIMITED, 4318682 NOVA SCOTIA<br/>LIMITED AND BLUE LOBSTER CAPITAL LIMITED</b> |
|--|

Capitalized terms not defined herein have the meanings given to them in the Order of the Supreme Court of Nova Scotia in the CCAA Proceedings of Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited (collectively, the "Applicants"), dated October 22, 2025 (the "Claims Procedure Order") or the Termination Claim Statement.

### I. PARTICULARS OF TERMINATED EMPLOYEE

|                            |  |
|----------------------------|--|
| Full Legal Name:           |  |
| Full Mailing Address       |  |
|                            |  |
| Telephone Number           |  |
| E-mail Address             |  |
| Attention (Contact Person) |  |

Have you acquired this Claim by assignment?

Yes: ☐ No: ☐ (if yes, attach documents evidencing assignment)

If Yes, Full Legal Name of the Terminated Employee(s): \_\_\_\_\_

### II. DISPUTE OF CLAIM SET OUT IN TERMINATION CLAIM STATEMENT

The Terminated Employee hereby disputes the amount and/or nature of the Termination Claim set out in the Termination Claim Statement and asserts the following Termination Claim:

Termination Claim: \$ \_\_\_\_\_

### III. REASONS FOR DISPUTE

Provide full particulars below as to the basis for the dispute of the Termination Claim as set out in the Termination Claim Statement, including the methodology for arriving at your Termination Claim as stated above and why your proposed methodology would more appropriately represent the value of your Termination Claim against the Applicants. Please provide all supporting documentation. If the space provided below is insufficient, please provide all such particulars on a separate schedule.

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|   |                   |
|---|-------------------|
| Signature: _____                              | Witness: _____    |
| Name: _____                                   | (signature) _____ |
| Title: _____                                  | (print) _____     |
| Dated at _____ this _____ day of _____, 2025. |                   |

This Notice of Dispute **MUST** be delivered by email to Tony Trifunovic ([ttrifunovic@ksvadvisory.com](mailto:ttrifunovic@ksvadvisory.com)), or if it cannot be delivered by email, and the Monitor provides its written consent, by prepaid registered mail, courier or personal delivery at the below address, such that it is received by the Monitor by 4:00 p.m. AT on the date that is the later of (i) the Claims Bar Date of November 26, 2025, and (ii) thirty-five (35) calendar days after the date on which the Applicants or the Monitor sends to you an Employee Claims Package (the "**Terminated Employee Claims Bar Date**").

KSV Restructuring Inc., Court-Appointed Monitor of  
Blue Lobster Capital Limited, 3284906 Nova Scotia Limited,  
3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
220 Bay Street, Suite 1300, PO Box 20  
Toronto, Ontario M5J 2W4

Attention: Tony Trifunovic  
Telephone: (647) 848-1350  
E-mail: ttrifunovic@ksvadvisory.com

If a completed Notice of Dispute is not received by the Monitor by the Terminated Employee Claims Bar Date, the Terminated Employee shall be forever barred from disputing the amount or nature of the Termination Claim set out in the applicable Termination Claim Statement and any Claim of a different classification or nature or in excess of the amount specified in the Termination Claim Statement shall be forever barred and extinguished. **IF A NOTICE OF DISPUTE IS NOT RECEIVED BY THE MONITOR WITHIN THE PRESCRIBED TIME PERIOD, THE TERMINATION CLAIM AS SET OUT IN THE TERMINATION CLAIM STATEMENT WILL BE DEEMED TO BE YOUR CLAIM AND WILL BE FINAL AND BINDING ON YOU FOR ALL PURPOSE.**

## **Appendix “D”**



HFX No. 538745

**SUPREME COURT OF NOVA SCOTIA**

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

**- AND -**

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF BLUE LOBSTER  
CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED, 3343533 NOVA SCOTIA LIMITED AND  
4318682 NOVA SCOTIA LIMITED**

**FIFTH REPORT OF KSV RESTRUCTURING INC.  
AS MONITOR**

**October 15, 2025**

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## 1. Introduction

1. Pursuant to an Initial Order issued by the Supreme Court of Nova Scotia (the “**Court**”) on December 13, 2024 (the “**Filing Date**”), Blue Lobster Capital Limited (“**BLCL**”), 3284906 Nova Scotia Limited (“**Spirit Co**”), 3343533 Nova Scotia Limited (“**Lost Bell**”) and 4318682 Nova Scotia Limited (“**Annapolis Cider**”, together with Spirit Co and Lost Bell, the “**Operating Companies**” and with BLCL, the “**Applicants**”) were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and KSV Restructuring Inc. (“**KSV**”) was appointed as monitor in the CCAA proceedings (the “**Monitor**”).
2. The comeback motion (the “**Comeback Motion**”) in the CCAA proceedings was heard on December 20, 2024. At the Comeback Motion, the Court issued an Amended and Restated Initial Order (the “**ARIO**”), which extended the stay of proceedings to and including March 8, 2025 and set a hearing on January 21, 2025 to consider approval of a debtor-in-possession (“**DIP**”) financing facility to fund the Operating Companies’ operations and the costs of these proceedings (the “**DIP Facility**”). A copy of the ARIO is provided in **Appendix “A”**.
3. On January 21, 2025, the Court issued an Order (the “**Charging Order**”), which approved the DIP Facility in the amount of \$300,000 and granted a charge in this amount in favour of Royal Bank of Canada (“**RBC**”), the Operating Companies’ senior lender (the “**DIP Lender’s Charge**”).
4. On March 7, 2025, the Court issued an Order (the “**SISP Approval Order**”) which:
  - a) approved a sale and investment solicitation process (the “**SISP**”) to be carried out by the Monitor as set out in the Monitor’s Third Report to the Court dated February 28, 2025; and
  - b) extended the stay of proceedings to and including June 30, 2025.
5. The stay of proceedings was subsequently further extended to July 7, 2025.
6. The sale approval motion (the “**Sale Approval Motion**”) in the CCAA proceedings was heard on July 7, 2025. Following the Sale Approval Motion, the Court issued an Order dated July 11, 2025 which extended the stay of proceedings to and including July 31, 2025.

7. On July 17, 2025, the Court issued the following Orders:
- a) an Approval and Vesting Order (the “**Lynch AVO**”), which:
    - i. approved a transaction (the “**Lynch Transaction**”) between Spirit Co and Annapolis Cider, as vendors, as represented by the Monitor, and Shannon Theresa Lynch, on behalf of a corporation to be incorporated, as purchaser (“**Lynch**”), for the business and assets of Spirit Co and Annapolis Cider pursuant to an asset purchase agreement dated May 31, 2025 (the “**Lynch APA**”); and
    - ii. vested the Purchased Assets (as defined in the Lynch APA) in Lynch, free and clear of encumbrances, upon execution and delivery of a certificate by the Monitor confirming completion of the Lynch Transaction;
  - b) an Approval and Vesting Order (the “**Coast AVO**”), which:
    - i. approved a transaction (the “**Coast Transaction**” and together with the Lynch Transaction, the “**Transactions**”) between Lost Bell, as vendors, represented by the Monitor, and Coast to Coast Marketing Ltd. and James Roue Beverage Company Ltd., as purchasers(together, “**Coast**”, and together with Lynch, the “**Purchasers**”), for the business and assets of Lost Bell pursuant to an asset purchase agreement dated May 9, 2025 (the “**Coast APA**”); and
    - ii. vested the Purchased Assets (as defined in the Coast APA) in Coast, free and clear of encumbrances, upon execution and delivery of a certificate by the Monitor confirming completion of the Coast Transaction; and
  - c) an ancillary Order (the “**July 17<sup>th</sup> Ancillary Order**”) expanding the Monitor’s powers to:
    - i. execute the Transactions;
    - ii. approve the Operating Companies’ receipts and disbursements; and
    - iii. perform such other activities as may be required to realize on the Operating Companies’ remaining assets, including the real property owned by BLCL (the “**BLCL Real Properties**”).
8. The July 17<sup>th</sup> Ancillary Order also extended the stay of proceedings to and including October 31, 2025.
9. A copy of the Monitor’s fourth report to the Court (the “**Fourth Report**”) is attached as **Appendix “B”**, without appendices, and a copy of the July 17<sup>th</sup> Ancillary Order is attached as **Appendix “C”**.
10. The Monitor closed the Transactions on August 8, 2025.

11. The Affidavit of Kevin Alexander Rice, the President of the Operating Companies, affirmed November 27, 2024, and KSV's pre-filing report dated November 27, 2024 filed in connection with the initial application, provide, *inter alia*, background information concerning the Operating Companies, BLCL and their businesses, as well as the reasons that these proceedings were commenced. These documents, together with all other materials filed in these proceedings, including additional affidavits filed by Mr. Rice and the Monitor's Reports can be found on the Monitor's website at <https://www.ksvadvisory.com/experience/case/blue> (the "**Case Website**").

## 1.1 Purposes of this Report

1. The purposes of this report (the "**Fifth Report**") are to:
  - a) provide background information about these CCAA proceedings;
  - b) summarize the proposed procedure (the "**Claims Procedure**") for soliciting and determining claims against the Operating Companies;
  - c) report on the sale process for the BLCL Real Properties;
  - d) report on the Applicants' weekly cash flow projections for the period October 5, 2025 to January 31, 2026;
  - e) summarize the Monitor's activities since the Fourth Report; and
  - f) recommend that the Court issue the following Orders:
    - i. a Claims Procedure Order (the "**Claims Procedure Order**") to, among other things, approve the Claims Procedure and authorize the Monitor to carry out the Claims Procedure on the basis set out in the proposed Claims Procedure Order; and
    - ii. an Ancillary Order (the "**Ancillary Order**") to, among other things:
      1. extend the stay of proceedings to and including January 31, 2026; and
      2. approve the Fifth Report and the Monitor's activities described in the Fifth Report.

## 1.2 Restrictions

1. In preparing this Fifth Report, the Monitor has relied upon the Operating Companies' unaudited financial information, financial forecasts, books and records, information available in the public domain and discussions with the Operating Companies' management ("**Management**") and advisors.

2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Fifth 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 Operating Companies’ financial information should perform its own diligence.

### 1.3 Currency

1. All currency references in this Fifth Report are in Canadian dollars.

## 2. Background

1. The Operating Companies are private companies incorporated under the laws of Nova Scotia.
2. Prior to these proceedings, the primary business of the Operating Companies was the manufacturing and sale of alcoholic beverages (including Ready-To-Drink (“**RTD**”) beverages), such as spirits, wine and cider. The Operating Companies sold their beverages to liquor boards in Ontario, Nova Scotia and Prince Edward Island, as well as to restaurants and directly to consumers.
3. BLCL is primarily a real estate investment company which owns the following BLCL Real Properties:

| Address  | Property Type  |
|--|--|
| 14 Allen Ave., Stellarton, Nova Scotia                                       | Residential – Duplex   |
| 140 George St., Stellarton, Nova Scotia                                      | Heritage Commercial Property; presently vacant                       |
| 18 Claremont St., Stellarton, Nova Scotia                                    | Residential – Single Family Home; presently vacant                   |
| 2138 Brunswick St., Halifax, Nova Scotia (the “ <b>Brunswick Property</b> ”) | Residential – Single Family Home                                     |
| 224 Old Post Rd., Crapaud, PEI   | 9,000 square foot Warehouse  |
| 61/63 Provost St., New Glasgow, Nova Scotia                                  | 4-unit Corporate Office Space – the Operating Companies’ head office |

4. The Operating Companies had approximately 36 employees as of the date the Transactions closed. An additional 26 staff were employees of Blue Ocean Management Group Limited (“**Blue Ocean**”), an affiliate of the Operating Companies that provided management, accounting and other support to the Operating Companies. Blue Ocean is not an applicant in these proceedings.

### 3. Claims Procedure<sup>1</sup>

1. The following sections summarize the proposed Claims Procedure to be conducted by the Monitor, which is required to be completed before the Monitor can make distributions to the Applicants' creditors in these proceedings.
2. The amounts available for distribution are net of repayments of the Operating Companies' indebtedness to RBC, which was repaid following the closing of the Transactions. As of the date of this Fifth Report, BLCL remains indebted to RBC in the approximate amount of \$1.02 million, before interest and costs, which continue to accrue. A portion of this indebtedness is guaranteed by certain of the Operating Companies.<sup>2</sup>
3. The full details of the Claims Procedure have not been reproduced or summarized in this Fifth Report and interested parties are strongly encouraged to review the Claims Procedure Order in its entirety. To the extent there are inconsistencies between this Fifth Report and the Claims Procedure Order, the Claims Procedure Order prevails.
4. The Monitor has developed the Claims Procedure to solicit and determine any and all Prefiling Claims, D&O Claims, Restructuring Period Claims, and/or Termination Claims, each as defined in the proposed Claims Procedure Order and described below.

#### 3.1 Notice to Creditors

1. The Claims Procedure requires Notice to Creditors to be published once in *The Globe and Mail* (National Edition) and once in the Halifax Herald as soon as practicable after the date of the Claims Procedure Order.
2. The Monitor will post the Notice to Creditors, the Proof of Claim Document Package, and the Claims Procedure Order on its Case Website within two Business Days of issuance of the Claims Procedure Order. The Proof of Claim Document Package includes the Instruction Letter, a Proof of Claim form, a D&O Proof of Claim form and a D&O Claim Instruction Letter, as well as any other materials the Monitor considers appropriate to facilitate the Claims Procedure. The Monitor will disseminate an Employee Claim Package to Terminated Employees that includes a Termination Claim Statement, a Notice of Dispute form, and such other materials as the Monitor considers appropriate.
3. The Monitor will send a Proof of Claim Document Package to each Known Creditor of the Applicants within 10 Business Days following the granting of the Claims Procedure Order.

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<sup>1</sup> Capitalized terms in this section have the meaning provided to them in the Claims Procedure Order unless otherwise defined herein.

<sup>2</sup> RBC may have sundry ongoing expenses and charges owed to it by the Operating Companies. If so, those fees and costs would be a senior ranking claim against the Operating Companies.

4. The Monitor will work with the Applicants to confirm that the list of Known Creditors includes:
  - a) all known creditors according to the Applicants' books and records;
  - b) any party that commenced a legal proceeding against the Applicants, including their directors and officers, provided that the Monitor has notice of such legal proceeding; and
  - c) any party who has contacted the Monitor during these proceedings about the amount that may be owing to them by the Applicants and/or the process in which they may file a claim.

### 3.2 Filing a Proof of Claim

1. Any Creditor that intends to file a Prefiling Claim or D&O Claim relating to the Prefiling Period is required to deliver to the Monitor a Proof of Claim or a D&O Proof of Claim, as applicable, prior to 4:00 p.m. AT on the date that is 35 calendar days from the granting of the proposed Claims Procedure Order (the "**Claims Bar Date**").
2. Any Creditor that intends to file a Restructuring Period Claim or a D&O Claim relating to the Restructuring Period shall file a Proof of Claim or a D&O Proof of Claim, as applicable, prior to 4:00 p.m. AT on the day that is the later of: (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the Monitor sends a Proof of Claim Document Package with respect to a Restructuring Period Claim (the "**Restructuring Period Claims Bar Date**").
3. Any Creditor that does not file a Proof of Claim prior to the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, shall not be entitled to receive any distributions in respect of such Claim, shall have its claim forever extinguished, and shall be barred from making or enforcing such Claim.

### 3.3 Claims Process for Terminated Employees

1. The Claims Procedure provides for a "negative notice" process for Terminated Employees of the Applicants with severance and termination claims. The Monitor, in consultation with the Applicants, will calculate the Termination Claims by deeming each Terminated Employee's notice period to be the greater of the Terminated Employee's entitlement (a) under applicable employment standards legislation, (b) any contractual arrangement in effect between any of the Applicants and the Terminated Employee, and (c) common law severance, calculated based on a Terminated Employee's position, years of service and age, among other factors.
2. The Monitor will send an Employee Claim Package to each Terminated Employee within 10 Business Days following the granting of the Claims Procedure Order, which will provide a Termination Claim Statement for the applicable Terminated Employee that will set out the individual Termination Claim, as well as the Terminated Employee's personal information used in the calculation of the Termination Claim.

3. The Termination Claim Statement included in the Employee Claim Package will be prepared by the Monitor, with the assistance of the Applicants. The Termination Claim Statement shall state the amount of such Terminated Employee's Termination Claim for distribution purposes. No further action is required by a Terminated Employee if the Terminated Employee agrees with the amount of its Termination Claim as set out in a Termination Claim Statement.
4. Any Terminated Employee who disputes the Termination Claim set forth in the Termination Claim Statement or wishes to assert an additional Claim in relation to the Applicants other than the Termination Claim, must deliver a Notice of Dispute to the Monitor so that it is received by the Monitor by no later than 4:00 p.m. AT on the day that is the later of (i) the Claims Bar Date, and (ii) thirty-five (35) calendar days after the date on which the Monitor sends an Employee Claims Package (the "**Terminated Employee Claims Bar Date**").
5. Any Terminated Employee that does not deliver a Notice of Dispute in respect of a Termination Claim Statement, or an Amended Termination Claim Statement, if applicable, on or before the relevant Terminated Employee Claims Bar Date shall be deemed to have accepted the Monitor's determination of the Termination Claim as set out in the Termination Claim Statement and shall be forever barred from disputing the amount of the Termination Claim.

### 3.4 Determination of Claims

1. The proposed Claims Procedure Order provides that:
  - a) on or before the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, the Monitor shall review all Proofs of Claim and D&O Proofs of Claim received and shall accept, revise or reject each Claim set out therein; and
  - b) in the case of a D&O Claim set out in a D&O Proof of Claim, the Monitor shall accept, revise or reject such D&O Claim, provided the Monitor shall not accept or revise any portion of the D&O Claim absent consent of the applicable Directors and Officers or further Order of the Court.
2. If the Monitor intends to revise or reject a Proof of Claim or D&O Proof of Claim filed in accordance with the Claims Procedure Order, the Monitor shall send a Notice of Revision or Disallowance ("**NORD**") of the Claim to the Creditor.
3. Any Creditor who disputes the NORD shall deliver a Notice of Dispute of Revision or Disallowance to the Monitor by 4:00 p.m. AT on the day which is twenty-one (21) calendar days after the date on which the Creditor is deemed to have received the NORD. Should the Creditor fail to deliver a Notice of Dispute of Revision or Disallowance by that date, the Creditor shall be deemed to accept the nature and amount of its Claim as such Claim is set out in the NORD.<sup>3</sup>

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<sup>3</sup> The process for disputing Employee Claims is summarized in section 3.3.4 above.



4. Upon receipt of a Notice of Dispute of Revision or Disallowance, the Monitor shall: (a) attempt to resolve such dispute and settle the Disputed Claim with the Creditor, or (b) refer the dispute to a Claims Officer in these CCAA proceedings to determine the classification, amount and/or nature of the Disputed Claim.
5. Upon receipt of a Notice of Dispute of Revision or Disallowance in respect of a D&O Claim, the Monitor, with the Director, shall: (a) attempt to resolve such dispute and settle the Disputed Claim with the Creditor, or (b) refer the dispute to a Claims Officer in these CCAA proceedings to determine the classification, amount and/or nature of the Disputed Claim.
6. The Claims Procedure Order contemplates that Jeffrey Larry, a partner at the law firm of Paliare Roland Rosenberg Rothstein LLP, will be the Claims Officer, and such other Persons as may be appointed by the Court from time to time on application of the Monitor. The Monitor has discussed the proposed appointment with Mr. Larry and he has consented to act as Claims Officer in these proceedings, subject to Court approval. Mr. Larry is an experienced litigator who focuses, in part, on insolvency matters. Mr. Larry is routinely engaged to act in receiverships, CCAA proceedings and other restructuring matters.
7. Any determination made by the Claims Officer may be appealed by the Monitor, the Creditor, the Applicants, and/or the applicable Directors and Officers in respect of any D&O Claims, within 10 days of such party being deemed to have received a notice of the Claims Officer's determination of the classification, amount and/or nature of the Disputed Claim, failing which the Claims Officer's determination shall be final and binding on the applicable parties and there shall be no further right of appeal, review or recourse to the Court. Any determination by the Court of a Disputed Claim is subject to each party's rights of appeal.

### **3.5 Excluded Claims**

1. Excluded Claims under the proposed Claims Procedure Order are limited to:
  - a) any Claim secured by the Court-ordered charges (as defined in the ARIO), being the Administration Charge (\$175,000)<sup>4</sup>; and
  - b) any Claim of an Intercompany Claimant.

### **3.6 Recommendation re: Claims Procedure**

1. The Monitor believes the Claims Procedure is reasonable and appropriate for the following reasons:
  - a) the proposed notices, dispute resolution provisions and timelines set out in the Claims Procedure Order are consistent with those commonly approved by Canadian courts in insolvency proceedings and, in the Monitor's view, provides reasonable time and procedures for the identification of Claims;

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<sup>4</sup> Pursuant to an order dated January 21, 2025, the Court approved a DIP Lender's Charge in the amount of \$300,000. No amounts were advanced under the DIP Facility.



- b) in the Monitor's view, the Claims Bar Date, being approximately 35 calendar days following the return of this motion, is sufficient for creditors to file a Proof of Claim and D&O Proof of Claim (as applicable) with the Monitor. The Monitor and the Purchasers have been in contact with several Creditors and advised of the pending Claims Procedure;
- c) the basis on which the Claims Procedure proposes to address Creditors will allow the Monitor to calculate Creditors' Claims on a consistent manner based on the Applicants' books and records, which should minimize the number of Disputed Claims, thereby streamlining the Claims Procedure and reducing professional costs;
- d) in the Monitor's view, the basis on which the Claims Procedure proposes to address Employee Claims, being the highest amount owing under applicable employment standards legislation, contractual arrangements or estimated common law entitlement, is fair and reasonable, treats these Employee Claims consistently and should assist to minimize the number of Disputed Claims by Employees; and
- e) retaining a Claims Officer provides an efficient mechanism to determine Disputed Claims.

#### 4. BLCL Real Properties Owned

1. BLCL owns the BLCL Real Properties described in paragraph 2.3 of this Fifth Report.
2. Following closing of the Transactions, the Monitor and Mr. Rice negotiated an agreement (the "**Settlement Agreement**") pursuant to which Mr. Rice would have until September 16, 2025 to sell the BLCL Real Properties on terms acceptable to the Monitor and RBC, as senior lender to BLCL, following which the Monitor shall conduct the sale process for the Real Properties. Mr. Rice was also required to vacate the Brunswick property by September 16, 2025.
3. On September 16, 2025, the Court issued an Order (the "**Settlement Order**"), which, among other things, (i) varied the procedures for the sale and marketing of the BLCL Real Properties as set out in the July 17<sup>th</sup> Ancillary Order, and (ii) approved the terms of the Settlement Agreement. A copy of the Settlement Order and the Settlement Agreement are provided in **Appendix "D"**.
4. As of September 16, 2025, Mr. Rice had only listed the Brunswick Property for sale. On the advice of the realtor retained by Mr. Rice, on September 26, 2025, the Monitor reduced the listing price of the Brunswick Property from \$1,599,000 to \$1,499,000. On October 15, 2025, the Monitor entered into a binding agreement for the sale of the Brunswick Property. The transaction is subject to a home inspection to be performed by October 23, 2025. The sale of that property is subject to approval of the Court, which the Monitor intends to seek forthwith after the inspection condition is waived.
5. In addition to the Brunswick Property, listing agents have been retained for all of the other BLCL Properties and all of those properties have been listed for sale, or will be by the return of this motion.

## 5. Cash Flow Forecast

1. As set out in the Fourth Report, the Applicants, with the assistance of the Monitor, prepared a cash flow forecast (the “**Cash Flow Forecast**”) from June 8, 2025 to November 1, 2025 (the “**Forecast Period**”).
2. A comparison of the Cash Flow Forecast to the actual results for the Forecast Period is provided below:

| (unaudited; \$)                           | Forecast  | Actual      | Variance    |
|---|-----------|-------------|-------------|
| Receipts                                  |           |             |             |
| Trade Sales                               | 1,251,451 | 2,384,155   | 1,132,704   |
| Direct Sales                              | 416,500   | 623,481     | 206,981     |
| Shopify                                   | 60,600    | 350,138     | 289,538     |
| Other Sales                               | 163,207   | 225,949     | 62,742      |
| Drawn from sale proceeds                  | 441,000   | -           | (441,000)   |
|   | 2,332,758 | 3,583,723   | 1,250,965   |
| Disbursements                             |           |             |             |
| Payroll                                   | 457,237   | 862,014     | (404,777)   |
| Equitable Life Benefits                   | 18,000    | 26,131      | (8,131)     |
| Professional Fees                         | 654,336   | 659,937     | (5,601)     |
| Rent                                      | 6,357     | 19,070      | (12,713)    |
| HST                                       | 284,833   | 218,636     | 66,197      |
| Excise Tax                                | 118,500   | 87,758      | 30,742      |
| Operating Costs                           | 944,576   | 1,796,012   | (851,436)   |
|   | 2,483,839 | 3,669,558   | (1,185,719) |
| Net Cash Flow                             | (151,081) | (85,835)    | 65,246      |
| Opening Cash Balance                      | 152,433   | 152,433     | -           |
| Net Cash Flow                             | (151,081) | (85,835)    | 65,246      |
| Line of credit advances                   | -         | 210,000     | 210,000     |
| Line of credit repayments                 | -         | (263,000)   | (263,000)   |
| Ending Cash Balance                       | 1,352     | 13,598      | 12,246      |
| Transaction proceeds                      | -         | 7,875,298   | 7,875,298   |
| Interest on Transaction proceeds          | -         | 18,876      | 18,876      |
| Lynch WCA                                 | -         | (394,869)   | (394,869)   |
| Distribution to RBC                       | -         | (5,164,073) | (5,164,073) |
| Post-close professional fees <sup>5</sup> | -         | (451,895)   | (451,895)   |
| Total cash                                | 1,352     | 1,896,935   | 1,895,583   |

3. The table above reflects that the Applicants presently have a cash balance of approximately \$1.9 million, before additional realizations, costs and other adjustments to account for, *inter alia*, costs of the BLCL proceedings funded by the Operating Companies<sup>6</sup>.

<sup>5</sup> See paragraph 5.4 below.

<sup>6</sup> This will be addressed in a subsequent motion.

4. The Cash Flow Forecast assumed the Transactions would close by the week ending July 19, 2025; however, approval of the Transactions was opposed by the Applicants, resulting in delays and substantial additional professional costs by the Monitor, its counsel and the Applicants' counsel.
5. Following closing of the Lynch Transaction, the Monitor was advised by Lynch that a material portion of Spirit Co's inventory, primarily aluminum cans stored at a third-party warehouse, was significantly aged and unsaleable. Historically, the Operating Companies included this inventory at book value notwithstanding that it should have been written off long ago. This resulted in a negative adjustment to the purchase price under the Lynch APA in the amount of \$435,000, less a \$40,000 holdback to be adjusted based on the proceeds from sale of the obsolete inventory<sup>7</sup>.
6. The Monitor, with the assistance of Management, has prepared an updated cash flow forecast with an extended period to January 31, 2026 (the "**Extended Cash Flow Forecast**"). Copies of the Extended Cash Flow Forecast, the statutory report required to be signed by Management pursuant to Section 10(2)(b) of the CCAA (the "**Management Stat Report**") and the report required to be signed by the Monitor pursuant to Section 23(1)(b) of the CCAA are included in **Appendix "E"**. In accordance with the Monitor's enhanced powers pursuant to the July 17<sup>th</sup> Ancillary Order, the Monitor has signed the Management Stat Report on behalf of Management.
7. The Extended Cash Flow Forecast reflects that the costs of these proceedings will be paid from cash on hand and further recoveries in these proceedings.
8. The Extended Cash Flow Forecast reflects that the Applicants are projected to have sufficient cash to fund these proceedings during the stay extension period.

## 6. Stay Extension

1. The stay of proceedings currently expires on October 31, 2025. The Monitor recommends that the stay of proceedings be extended to January 31, 2026 for the following reasons:
  - a) it will enable the Monitor to carry out the proposed Claims Procedure;
  - b) it will provide the Monitor with additional time to realize on the Applicants' remaining assets, including the BLCL Real Properties;
  - c) the Monitor believes that the extension is in the best interest of the Applicants' stakeholders and that no stakeholder will be prejudiced by extending the stay of proceedings;

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<sup>7</sup> At the Sale Approval Motion, the Monitor advised the Court that it expected the working capital adjustment contemplated under the Lynch APA to be positive, i.e., an increase in the purchase price. This would have been the case had it not been for the unsaleable inventory, which was identified by Lynch subsequent to closing of the Lynch Transaction. The Monitor confirmed these adjustments with representatives of the Applicants.

- d) the Extended Cash Flow Forecast reflects that there is sufficient cash on hand to fund these proceedings; and
- e) as of the date of this Fifth Report, neither the Applicants nor the Monitor is aware of any party opposed to an extension of the stay of proceedings.

## 7. Monitor's Activities since the Fourth Report

1. Since the Fourth Report, the Monitor has, among other things:
  - a) corresponded regularly with Management regarding these proceedings, the Operating Companies' operations and the SISP;
  - b) engaged with its counsel, Reconstruct LLP, Stewart McKelvey LLP ("**McKelvey**"), RBC's legal counsel, and Ernst & Young LLP ("**EY**"), RBC's financial advisor, regarding various matters relating to these proceedings, including operating matters, the BLCL Real Properties and closing of the Transaction;
  - c) monitored and approved the Operating Companies' receipts and disbursements, including reviewing and commenting on the Operating Companies' bi-weekly cash flow reporting;
  - d) attended at the Operating Businesses to conduct closing inventory counts;
  - e) closed the Transactions;
  - f) dealt with post-closing transition issues and corresponded with the Purchasers regarding same;
  - g) corresponded with Mr. Rice and the Operating Companies' counsel regarding the sale of the BLCL Real Properties;
  - h) solicited proposals from multiple real estate brokers regarding the real property municipally known as MNZ-3 Lot Black River Road, PID #55450050 (the "**LB Property**") and listing it for sale on September 10, 2025;
  - i) corresponded with Royal LePage regarding offers and potential offers for the LB Property; and
  - j) prepared this Fifth Report and reviewed all motion materials filed in connection with this motion.

## 8. Next Steps

1. The following is a summary of the next steps in these proceedings:
  - a) seeking approval of and conducting the Claims Procedure;
  - b) continuing to market the LB Property and the BLCL Real Properties for sale;

- c) considering distribution and cost allocation issues, including reimbursement of the Operating Companies by BLCL for costs related to the CCAA proceedings;
- d) continuing to work with the Purchasers considering post-closing matters, including certain issues which have arisen since closing; and
- e) dealing with post-closing administrative matters on behalf of the Operating Companies, including HST and Excise tax filings.

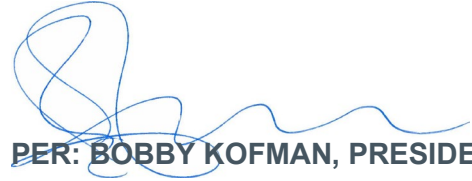
## 9. Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the relief sought by the Monitor in this motion.

\* \* \*

All of which is respectfully submitted,

**KSV RESTRUCTURING INC., IN ITS CAPACITY AS MONITOR OF  
BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED, 3343533 NOVA  
SCOTIA LIMITED AND 4318682 NOVA SCOTIA LIMITED  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**



**PER: BOBBY KOFMAN, PRESIDENT**

## **Appendix “E”**

Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited, and 4318682 Nova Scotia Limited  
Forecasted Statement of Cash Flow  
For the Period ending April 30, 2026  
(Unaudited, \$C)

| Notes | Week ending   | Week 1           | Week 2           | Week 3           | Week 4           | Week 5           | Week 6           | Week 7           | Week 8           | Week 9           | Week 10          | Week 11          | Week 12          | Week 13          | Week 14          | Week 15          | Week 16          | Total            |
|-------|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|       |   | 2026-01-17       | 2026-01-24       | 2026-01-31       | 2026-02-07       | 2026-02-14       | 2026-02-21       | 2026-02-28       | 2026-03-07       | 2026-03-14       | 2026-03-21       | 2026-03-28       | 2026-04-04       | 2026-04-11       | 2026-04-18       | 2026-04-25       | 2026-04-30       |                  |
|       | <b>Cash Inflows</b>   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| 1     | Rental Income   | -                | -                | -                | 2,200            | -                | -                | -                | 2,200            | -                | -                | -                | 2,200            | -                | -                | -                | -                | 6,600            |
| 2     | Other   | -                | -                | -                | -                | -                | 2,916            | -                | -                | -                | 6,673            | -                | -                | -                | 10,124           | -                | -                | 19,713           |
|       | <b>Total Cash Inflows</b>                                     | -                | -                | -                | <b>2,200</b>     | -                | <b>2,916</b>     | -                | <b>2,200</b>     | -                | <b>6,673</b>     | -                | <b>2,200</b>     | -                | <b>10,124</b>    | -                | -                | <b>26,313</b>    |
|       | <b>Cash Outflows</b>  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|       | Professional Fees:  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| 3     | Professional Fees - Monitor                                   | 16,001           | -                | -                | -                | 30,000           | -                | -                | -                | 50,000           | -                | -                | -                | 40,000           | -                | -                | -                | 136,001          |
| 3     | Professional Fees - Monitor Legal Counsel                     | 4,022            | -                | -                | -                | 20,000           | -                | -                | -                | 30,000           | -                | -                | -                | 20,000           | -                | -                | -                | 74,022           |
| 4     | General Operating Expenses                                    | -                | 2,926            | 2,400            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 2,000            | 31,326           |
|       | <b>Total Cash Outflows</b>                                    | <b>20,023</b>    | <b>2,926</b>     | <b>2,400</b>     | <b>2,000</b>     | <b>52,000</b>    | <b>2,000</b>     | <b>2,000</b>     | <b>2,000</b>     | <b>82,000</b>    | <b>2,000</b>     | <b>2,000</b>     | <b>2,000</b>     | <b>2,000</b>     | <b>2,000</b>     | <b>2,000</b>     | <b>2,000</b>     | <b>241,349</b>   |
|       | <b>Net Cash Flow</b>  | <b>(20,023)</b>  | <b>(2,926)</b>   | <b>(2,400)</b>   | <b>200</b>       | <b>(52,000)</b>  | <b>916</b>       | <b>(2,000)</b>   | <b>200</b>       | <b>(82,000)</b>  | <b>4,673</b>     | <b>(2,000)</b>   | <b>200</b>       | <b>(62,000)</b>  | <b>8,124</b>     | <b>(2,000)</b>   | <b>(2,000)</b>   | <b>(215,036)</b> |
|       | <b>Opening Cash Balance</b>                                   | 1,411,266        | 1,391,243        | 1,369,316        | 1,385,916        | 1,386,116        | 1,334,116        | 1,335,033        | 1,333,033        | 1,333,233        | 1,251,233        | 1,255,905        | 1,253,905        | 1,254,105        | 1,190,105        | 1,200,229        | 1,196,229        | 1,411,266        |
|       | <b>Increase / (decrease in cash flow)</b>                     | <b>(20,023)</b>  | <b>(2,926)</b>   | <b>(2,400)</b>   | <b>200</b>       | <b>(52,000)</b>  | <b>916</b>       | <b>(2,000)</b>   | <b>200</b>       | <b>(82,000)</b>  | <b>4,673</b>     | <b>(2,000)</b>   | <b>200</b>       | <b>(62,000)</b>  | <b>8,124</b>     | <b>(2,000)</b>   | <b>(2,000)</b>   | <b>(215,036)</b> |
|       | <b>Ending Cash Availability, before additional recoveries</b> | <b>1,391,243</b> | <b>1,388,316</b> | <b>1,385,916</b> | <b>1,386,116</b> | <b>1,334,116</b> | <b>1,335,033</b> | <b>1,333,033</b> | <b>1,333,233</b> | <b>1,251,233</b> | <b>1,255,905</b> | <b>1,253,905</b> | <b>1,254,105</b> | <b>1,192,105</b> | <b>1,208,229</b> | <b>1,198,229</b> | <b>1,196,229</b> | <b>1,196,229</b> |

Blue Lobster Capital Limited ("BLCL"), 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited ("Lost Bell"), and 4318682 Nova Scotia Limited (collectively, the "Companies")

**Notes to Forecasted Statement of Cash Flow**

For the Period ending April 30, 2026

(Unaudited; \$C)

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**Purpose and General Assumptions**

- 1 This purpose of the forecast is to present a cash flow forecast for the Companies on a consolidated basis in accordance with section 23(1)(b) of the Companies Creditors' Arrangement Act for the period January 11, 2026 to April 30, 2026.
- 2 The cash flow forecast has been prepared based on hypothetical and most probable assumptions.

**Hypothetical Assumptions:**

- 1 Reflects rent collected on the BLCL properties.
- 2 Reflects the collection of HST refunds.

**Most Probable Assumptions:**

- 3 Represents projected professional fees of the Monitor and the Monitor's independent legal counsel for activities including, among other things, advancing the claims procedure, realizing on the remaining BLCL and Lost Bell properties, and dealing with cost allocation issues.
- 4 Payments include projected utilities, maintenance costs, insurance premiums, and other costs related to the BLCL properties, but not property taxes, which will be paid from the sale proceeds for each property.



**SUPREME COURT OF NOVA SCOTIA  
IN BANKRUPTCY AND INSOLVENCY**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF BLUE LOBSTER CAPITAL LIMITED,  
3284906 NOVA SCOTIA LIMITED, 3343533 NOVA SCOTIA  
LIMITED AND 4318682 NOVA SCOTIA LIMITED**

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

The management of Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and 4318682 Nova Scotia Limited (collectively, the "**Companies**") has developed the assumptions and prepared the attached consolidated statement of projected cash flow as of the 22nd day of January, 2026, for the period January 11, 2026 to April 30, 2026 (the "**Cash Flow Forecast**"). All such assumptions are disclosed in the notes to the Cash Flow Forecast.

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

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

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

Dated at Toronto, ON this 22nd day of January, 2026.

**BLUE LOBSTER CAPITAL LIMITED, 3284906 NOVA SCOTIA LIMITED, 3343533 NOVA  
SCOTIA LIMITED AND 4318682 NOVA SCOTIA LIMITED**



Per: KSV Restructuring Inc.

**SUPREME COURT OF NOVA SCOTIA  
IN BANKRUPTCY AND INSOLVENCY**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF BLUE LOBSTER CAPITAL LIMITED,  
3284906 NOVA SCOTIA LIMITED, 3343533 NOVA SCOTIA  
LIMITED AND 4318682 NOVA SCOTIA LIMITED**

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

The attached consolidated statement of projected cash-flow of Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and 4318682 Nova Scotia Limited (collectively, the "**Companies**") as of the 22nd day of January, 2026, consisting of a weekly projected cash flow statement for the period January 11, 2026 to April 30, 2026 (the "**Cash Flow Forecast**") has been prepared by the management of the Companies for the purpose described in the Cash Flow Forecast, using 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 of the Companies. We have reviewed the support provided by management for the probable and hypothetical assumptions and the preparation and presentation of the Cash Flow Forecast.

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 Forecast;
- 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 Companies or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
- c) the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow Forecast 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 Forecast has been prepared solely for the purpose described in the Cash Flow Forecast and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, ON this 22nd day of January, 2026.

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.,**

solely in its capacity as monitor of

Blue Lobster Capital Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and  
4318682 Nova Scotia Limited