



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**

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

November 3, 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, 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 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, 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 17th 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**”).
8. The July 17th Ancillary Order also extended the stay of proceedings to and including October 31, 2025.
 9. The Monitor closed the Transactions on August 8, 2025.
 10. On September 16, 2025, the Court issued an order (the “**September 16th 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 16th Order is attached as **Appendix “B”**.¹

¹ Although the September 16th Order was issued on the same date as certain deadlines in the Order, the Monitor was working from the premise that its term had been agreed prior to that date. The Monitor experienced delays receiving feedback from Mr. Rice regarding the September 16, 2025 Order.

11. On October 22, 2025, the Court issued the following Orders:
 - a) a claims procedure Order (the “**Claims Procedure Order**”); 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.
12. The Court materials filed in these proceedings, including the affidavits sworn by Mr. Rice, KSV’s report filed as proposed monitor and the Monitor’s reports filed in these proceedings, 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 “**Sixth Report**”) are to:
 - a) provide background information about these CCAA proceedings;
 - b) provide an update on the sale process for the BLCL Real Properties;
 - c) summarize a transaction (the “**Brunswick Property 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**”);
 - d) provide the rationale for sealing the purchase price of the Brunswick Property Transaction;
 - e) recommend that the Court issue the following Orders:
 - i. an Approval and Vesting Order (the “**Brunswick Property AVO**”):
 1. approving the Brunswick Property APS and authorizing the Monitor, on behalf of BLCL, to complete the Brunswick Property Transaction; and
 2. vesting the Property (as defined in the Brunswick Property AVO) in the Brunswick Property Purchaser, free and clear of all claims and encumbrances, other than the Permitted Encumbrances (as defined in the Brunswick Property AVO), upon execution and delivery of a certificate by the Monitor confirming completion of the Brunswick Property Transaction; and
 - ii. an Ancillary Order (the “**Ancillary Order**”):
 1. sealing the confidential appendix to this Sixth Report (the “**Confidential Appendix**”);

2. authorizing the Monitor to make distributions to RBC up to the amount of its indebtedness from the proceeds of the Brunswick Property Transaction; and
3. approving the Sixth Report and the Monitor's activities described in the Sixth Report.

1.2 Restrictions

1. In preparing this Sixth 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 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 Sixth 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 Sixth 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.
3. BLCL is primarily a real estate investment company which owns the following BLCL Real Properties:

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

3. RBC Debt

1. As of the date of this Sixth Report, BLCL remains indebted to RBC in the approximate amount of \$1.02 million, before interest and costs, which continue to accrue. The Operating Companies' indebtedness to RBC was repaid following the closing of the Transactions.

3.1 BLCL Loans

1. RBC made loans to BLCL (the "**BLCL Loans**") pursuant to a credit agreement dated January 18, 2021, as amended and restated on August 10, 2021. The BLCL Loans include four term loan facilities and a Visa facility.
2. As security for the BLCL Loans, BLCL granted RBC, among other things: (i) collateral mortgages registered against title to certain of the BLCL Real Properties; (ii) a general assignment of rents; and (iii) a general security interest in all of BLCL's present and after-acquired personal property (the "**BLCL Security**"). Spirit Co. guaranteed the BLCL indebtedness up to \$251,000 (the "**BLCL Guarantee**") and Mr. Rice guaranteed the BLCL Loans to a maximum of \$400,000.
3. Collateral mortgages (and their original amounts) are summarized in the table below.

Address	Date Registered	\$000s
61/63 Provost St., New Glasgow, Nova Scotia	June 4, 2019	200
14 Allan Ave., Stellarton, Nova Scotia	February 4, 2020	140
18 Claremont Ave., Stellarton, Nova Scotia	February 4, 2020	133
2138 Brunswick St., Halifax, Nova Scotia	January 28, 2021	880

4. Pursuant to a forbearance agreement between BLCL and RBC dated February 26, 2024, the amount of the collateral mortgages was increased to \$3,000,000 across the properties listed in the table above, as well as 140 George St.

3.2 Security Opinion

1. The Monitor retained Lawson Creamer, a New Brunswick based law firm to provide an opinion on RBC's security interests (the "**Security Opinion**"). On June 19, 2025, Lawson Creamer issued the Security Opinion, which confirms the validity and enforceability of RBC's security interest subject to customary assumptions, qualifications and limitations.
2. The Monitor therefore recommends that it repay RBC, in full, from the proceeds of the Brunswick Property Transaction.
3. The Monitor is not aware of any party that may have a claim that ranks in priority to RBC on the Brunswick Property, other than those that would be paid on closing as part of the Brunswick Property Transaction, or for which the Monitor will be holding cash sufficient to pay those obligations (such as amounts subject to the Administration Charge approved in the ARIO).

4. BLCL Real Properties

1. Following closing of the Transactions, the Monitor and Mr. Rice negotiated an agreement, which became the September 16th Order. The agreement permitted Mr. Rice to market the BLCL Real Properties until September 16, 2025, on terms acceptable to the Monitor and RBC, following which the Monitor was to control the sale process for the BLCL Real Properties.
2. As of September 16, 2025, Mr. Rice had listed only the Brunswick Property for sale. Shortly thereafter, the Monitor listed all of the other BLCL Real Properties for sale.
3. On October 15, 2025, the Monitor entered into a binding agreement for the sale of the Brunswick Property. The Brunswick Property Transaction was conditional; however, the Brunswick Property Purchaser waived all conditions by the deadlines contemplated by the purchase agreement. The Brunswick Property Transaction is now only subject to Court approval.
4. The Monitor engaged Coldwell Banker/Parker Realty ("**Coldwell**") to act as the listing agent for the Old Post Property. On October 4, 2025, Coldwell listed the Old Post Property at a price of \$379,000 on Multiple Listing Services ("**MLS**").
5. On October 15, 2025, the Monitor received an offer on the Old Post Property. On October 17, 2025, the Monitor and the buyer settled on a purchase price. On October 30, 2025, the Buyer's deadline for waiving its conditions, the Buyer advised that it would be terminating the transaction. The Old Post Property remains available for sale.
6. The remaining BLCL Real Properties also continue to be marketed for sale.

4.1 Brunswick Property Transaction

1. The Brunswick Property is a single-family residential property located in Halifax, Nova Scotia, and was formerly Mr. Rice's primary residence. The Monitor understands that Mr. Rice has vacated this property, although some personal belongings may continue to be in the home.
2. Mr. Rice retained Bryant Realty Atlantic ("**Bryant Realty**") to act as the listing agent for the Brunswick Property. On September 2, 2025, Bryant Realty listed the Brunswick Property at a price of \$1,599,000 on MLS. The Monitor continued the listing arrangement with Bryant Realty when the Monitor assumed control of the sale process for the BLCL Real Properties.
3. On the advice of Bryant Realty, the Monitor reduced the listing price from \$1,599,000 to \$1,499,000 on September 26, 2025.
4. On October 11, 2025, the Monitor finalized a transaction for the Brunswick Property.

4.2 Brunswick Property APS

1. A summary of the Brunswick Property APS is as follows:
 - a) **Brunswick Property Purchaser:** Ashley MacLeod and Danae Harvalias.
 - b) **Property:** BLCL's right, title and interest in the Brunswick Property.
 - c) **Purchase price:** The Monitor recommends that the purchase price should be sealed for the reasons discussed in Section 5.
 - d) **Deposit:** \$25,000, which is being held in trust by Bryant Realty.
 - e) **Outside Closing date:** December 1, 2025.
 - f) **Representations and Warranties:** Consistent with the terms of a standard insolvency transaction (i.e. on an "as is, where is" basis, with limited representations and warranties).
 - g) **Conditions:** the Purchasers waived their conditions on October 27, 2025. The only remaining condition is Court approvals.
2. A copy of the Brunswick Property APS, redacted only for the purchase price, is attached as **Appendix "C"**. The purchase price is provided as **Confidential Appendix "1"**.

4.3 Recommendation

1. The Monitor recommends that the Court approve the Brunswick Property Transaction for the following reasons:
 - a) the Brunswick Property was marketed for sale by Bryant Realty, a local realtor with experience selling residential properties in Halifax and the surrounding areas;
 - b) Mr. Rice selected the listing agent, and the listing agent was acceptable to the Monitor;
 - c) Bryant Realty used traditional methods to advertise the opportunity, including exterior signage, open houses and listing it on MLS;
 - d) the offer was the best received;
 - e) Bryant Realty advised the Monitor that the house requires various repairs which affected the purchase price;
 - f) the listing agent believes that the purchase price reflects the current market in the Halifax market, which is experiencing weakness;

- g) the Monitor does not believe that further time spent marketing the Brunswick Property will result in a superior transaction. Continued marketing would result in increased carrying costs for insurance, property taxes, utilities and professional fees, without any certainty that a higher value can be achieved in a reasonable amount of time;
- h) RBC has advised the Monitor that it consents to the Brunswick Property Transaction; and
- i) the transaction is unconditional except for Court approval.

5. Sealing

1. The Monitor recommends that the Confidential Appendix filed with this Sixth Report be sealed until closing. If the Brunswick Property does not close for any reason, another realization process may be required. In such circumstance, disclosing the purchase price could negatively impact the opportunity to maximize its selling price in a future transaction. Accordingly, the Monitor believes it is appropriate to seal the proposed purchase price of the Brunswick Property Transaction to prevent prejudice in the event the transaction does not close.
2. The salutary effects of sealing the Confidential Appendix from the public record greatly outweigh the deleterious effects of doing so under the circumstances. The Monitor is of the view that sealing the Confidential Appendix is consistent with the decision in *Sherman Estate v. Donovan*, 2021 SCC 25. Accordingly, the Monitor believes the proposed sealing order is appropriate in the circumstances.

6. Monitor's Activities since the Fifth Report

1. Since the Monitor's fifth report to Court dated October 15, 2025, the Monitor has, among other things:
 - a) dealt with post-closing matters relating to the Transactions;
 - b) commenced the Claims Procedure in accordance with the Claims Procedure Order;
 - c) engaged with Mr. Rice, Reconstruct LLP (counsel to the Monitor), Stewart McKelvey LLP (counsel to RBC), and Ernst & Young LLP (RBC's financial advisor), regarding various matters relating to these proceedings, including the Claims Procedure, the sale of the BLCL Real Properties and the Brunswick Property Transaction;
 - d) negotiated the Brunswick Property Transaction and corresponded with Bryant Realty regarding same;
 - e) engaged Royal LePage Atlantic ("**Royal LePage**") to act as the listing agent for the remaining BLCL Real Properties located in Stellarton and New Glasgow, Nova Scotia (the "**Stellarton/New Glasgow Properties**");

- f) corresponded with Royal LePage regarding interest in the Stellarton/New Glasgow Properties;
- g) continued its review of (i) professional fees incurred by the Applicants during these proceedings, (ii) the issues raised by the Applicants' counsel in its letter dated October 21, 2025 to the Court, and (iii) issues related to the allocation of the professional fees and other costs of these proceedings between BLCL and the Operating Companies; and
- h) prepared this Sixth Report and reviewed all motion material filed in connection with this motion.

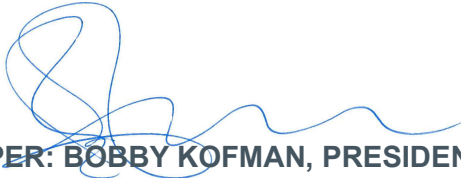
7. Conclusion and Recommendation

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

* * *

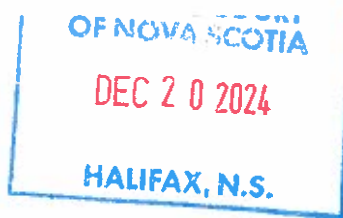
All of which is respectfully submitted,

**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”



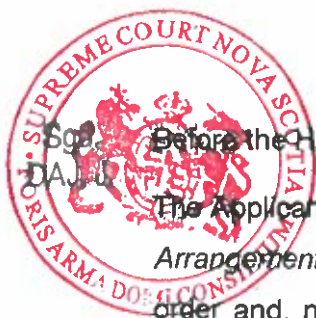
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SUPREME COURT OF NOVA SCOTIA

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 Marc Dunning, Burchell Wickwire Bryson LLP
Royal Bank of Canada (" RBC ")	Maurice Chiasson, K.C. and Sara Scott, 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.

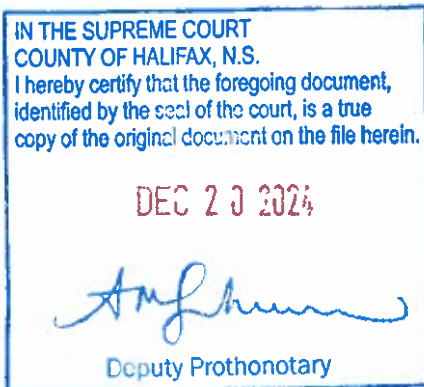
38. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Atlantic Standard Time on the date of this Order.

Issued December 20 2024.



Prothonotary

ALEXIS SCHURMAN
Deputy Prothonotary



Schedule "A"

Service List

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

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

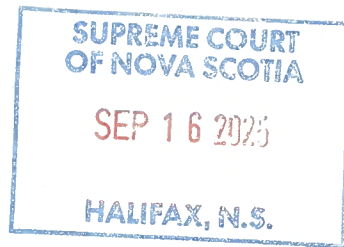
Name	Contact
Saint-Famille Wines Limited 106 Greenpark Close, Unit 612 Halifax, NS B3S 0A4	Michael MacKenzie Atlantica Law Group 99 Water Street Windsor, NS B0N 2T0 Email: mmackenzie@atlanticalaw.ca
Suzanne Corkum 106 Greenpark Close, Unit 612 Halifax, NS B3S 0A4	Michael MacKenzie Atlantica Law Group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



Approved by the Nova Scotia Real Estate Commission (NSREC) for use by licensees under the *Nova Scotia Real Estate Trading Act*.
The NSREC is the regulatory body for real estate in Nova Scotia.

COUNTER OFFER

NSREC APPROVED

12/14/2017

FORM 410

PAGE 1 OF 1

Buyer: Ashley MacLeod Danae Harvalias

Seller: Blue Lobster Capital Limited by KSV Restructuring Inc. as CCAA Monitor

RE: Agreement of Purchase and Sale between the Buyer and the Seller dated the 11th day of October, 2025, relating to the Property known as
2138 Brunswick St. Halifax Halifax Peninsula NS B3K2Y8 PID(s)/ Serial #: 00149807

The Seller's offer to the Buyer includes the terms of the attached offer from the Buyer with the following amendments, exceptions, and/or conditions:

Seller to read, by KSV Restructuring Inc. as CCAA Monitor

Buyer Submits 'Twenty-five Thousand Dollars' CAD, (\$25,000) deposit on or before the 23 day of October, 2025 payable to Bryant Realty Atlantic In-Trust.

Purchase Price to read [REDACTED]

Addendum Schedule "A" to be added and forming part of this Agreement of Purchase and Sale.

Closing date to read November 30, 2025 December 1, 2025

The conveyance of the Property, which is subject to this Agreement, shall be by Trustee's Deed.

The seller will have the condensate pump on the gas boiler replaced by a qualified tradesperson on or before the closing date. A copy of the receipt for the work and any applicable warranties will be provided to the buyers lawyer on or before closing.

The purchase price is to read [REDACTED]

The date for section 4.1 (Buyers Conditions) and 8.1 (Lawyer Review) is to read October 27, 2025.

1. Seller's Offer

1.1. This Counter Offer shall be irrevocable by the Seller until 7 pm 3 p.m. October, 2025, after which time, if not accepted by the Buyer and a copy delivered to the Seller or their Agent, this Counter Offer is withdrawn.

Signed, sealed and delivered in the presence of:

In Witness whereof I have hereunto set my hand and seal:

Bobby Kofman
dotloop verified
10/14/25 9:43 AM EDT
HHQE-JUIU-QGZO-PMV5

Witness

Date

Atlantic Time _____ a.m./p.m.

Witness

Seller

KSV Restructuring Inc.

SEAL

Date

Atlantic Time _____ a.m./p.m.

2. Buyer's Response

2.1. The above Offer of the Seller to my offer is:

☒ Accepted OR ☐ Rejected

Signed, sealed and delivered in the presence of:

In Witness whereof I have hereunto set my hand and seal:

Ash MacLeod
dotloop verified
10/14/25 3:56 PM EDT
08SU-GFQQ-KRXZ-RWK5

Witness

Date

Atlantic Time _____ a.m./p.m.

Witness

Danae Harvalias
dotloop verified
10/14/25 3:50 PM EDT
5MJY-4GUT-KMAC-WXJV

SEAL

Date

SCHEDULE "A"

Additional Terms and Conditions to Agreement of Purchase and Sale.

Notwithstanding any other provision of the Agreement of Purchase and Sale, the Buyer and Seller agree as follows:

1. The sale of the Property shall be subject to the granting of an approval and vesting order (the "AVO") by the Supreme Court of Nova Scotia.
2. The Seller covenants and agrees that within four business days of acceptance of the offer by the Seller, it shall seek to schedule the motion for the AVO and shall use its commercially reasonable efforts to seek the AVO on or before November 15, 2025, subject to court availability.
3. The Buyer covenants and agrees that the closing date provided for in Section 2.1 of the Agreement of Purchase and Sale shall be extended by 30 days in the event that further time is required to seek the AVO.
4. Notwithstanding any provision of the Agreement of Purchase and Sale, the Property is being sold in its current state and condition as of the date of this Agreement and no additional work will be required to be performed by the Seller in respect of the Property.
5. Other than as specifically provided for in the Agreement of Purchase and Sale, (i) the Property is being purchased on an "as is, where is" basis; (ii) no representation or warranty, either express or implied, has been or will be given by the Seller as to the title, condition or any other matter relating to the Property; and (iii) the Purchaser has not relied upon any representation or warranty or upon any offering material or other information furnished to the Purchaser by the Seller or the Seller's agent or any other person or entity including, without limitation, any reports, studies or assessments provided to the Purchaser by or on behalf of the Seller.
6. The Seller is entering into this Agreement of Purchase and Sale solely in its capacity as court-appointed monitor (the "Monitor") of Blue Lobster Capital


10/14/25
3:56 PM EDT
dotloop verified


10/14/25
3:50 PM EDT
dotloop verified

Limited, 3284906 Nova Scotia Limited, 3343533 Nova Scotia Limited and 4318682 Nova Scotia Limited (the "CCAA Applicants") and not in its personal capacity and shall in no circumstances have any personal liability hereunder.

AM
10/14/25
3:56 PM EDT
dotloop verified

DH
10/14/25
3:50 PM EDT
dotloop verified

AGREEMENT OF PURCHASE AND SALE

Approved by the Nova Scotia Real Estate Commission (NSREC) for use by licensees under the Nova Scotia Real Estate Trading Act.
The NSREC is the regulatory body for real estate in Nova Scotia.

Total # of pages in this
Agreement including
all Schedules:

3

Agreement of Purchase and Sale Schedule(s): is/are attached and form(s) part of this Agreement.

- ☐ Equipment ☐ Mini/Mobile Home ☐ Multi-Unit Residential Income Properties
☐ Resale Condominium ☐ Vacant Land ☐ Sale of Buyer's Property (SOBP)
☐ Water and Septic ☐ Other: _____

The Buyer Ashley MacLeod & Danae Harvalias
of Vancouver

☒ having personally viewed the following property ☐ not having personally viewed the following property ☐ other: _____

offers to buy from the Seller BLUE LOBSTER CAPITAL LIMITED

the property known as (civic address/ lot #) 2138 Brunswick St Halifax NS B3K 2Y8

(PID(s)/ Serial #) 00149807 in the County of Halifax Province of Nova Scotia

(the Property), at a purchase price of _____ dollars (\$ _____ CDN)

on the following terms subject to provisions in clause 5.1 regarding HST.

1. Deposit

1.1. The Buyer submits Fifteen Thousand dollars
(\$ 15,000.00 CDN)
on or before the 23 day of October, 2025,
payable to:

Bryant Realty Atlantic

in trust, as a deposit to be held pending completion or termination of this Agreement and to be credited towards the purchase price on completion. Balance of purchase price to be paid on closing or as otherwise stated in this Agreement. If the deposit is not delivered as specified, the Seller shall be at liberty to declare this Agreement null and void.

1.2. It is understood and agreed that if the Buyer does not complete this Agreement in accordance with the terms thereof, the Buyer shall forfeit the deposit, in addition to any other claim which the Seller may have against the Buyer for the Buyer's failure to complete. If the deposit is being returned to the Buyer, in accordance with the terms of this Agreement, it shall be done without interest or penalty (unless otherwise specified). It is agreed by the Buyer and the Seller that the release of the deposit from the brokerage trust account is subject to the applicable NSREC By-laws.

1.3. The Buyer and Seller agree that any deposit held in trust by the Brokerage per clause 1.1, that is in excess of the remuneration (including HST) due to that Brokerage on closing of the transaction, shall be transferred to the Seller's lawyer's trust account once conditions unrelated to title have been met. These funds shall remain in the Seller's lawyer's trust account until closing.

2. Closing and Conveyance

2.1. This Agreement shall be completed on or before the 29 day of October, 2025 (the closing date). Upon completion, vacant possession of the Property shall be given to the Buyer unless otherwise provided as follows:

2.2. The Seller shall use best efforts to have the Property clean and vacant, subject to the provisions of 2.1, for the Buyer's pre-closing viewing by 9 a.m. on the date outlined in clause 2.1.

2.3. All lands, buildings, fixtures and all other property being purchased hereby shall remain at the risk of the Seller. The Seller shall be responsible to keep the Property insured until closing. In the event of damage to the Property, the Buyer, having been advised of the insurance policy details, may either agree to accept the proceeds of the insurance and complete the purchase, or may terminate this Agreement and the deposit shall be returned to the Buyer (**not applicable to Resale Condominium Schedule – see clause 4 of the Schedule**).

2.4. Interest, rentals, leases, taxes, rates and fuel on the premises are to be adjusted to the closing date. The cost of municipal improvements, betterment charges and capital charges for utility or municipal services completed as of the date of this Agreement, whether billed or not, are to be paid by the Seller on or before the closing date unless otherwise stated.

2.5. The conveyance of the Property, which is the subject of this Agreement, shall be by To be determined Deed (or general conveyance, if a mini/mobile home), drawn at the expense of the Seller, to be delivered on payment of the purchase price on the closing date. The Property is to be conveyed free from encumbrances, except for any easements, registered restrictions or covenants that do not materially affect the enjoyment and use of the property (**not applicable to Resale Condominium Schedule – see clause 3 of the Schedule**).

OFFER DATE: Oct / 11 / 2025



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BUYER'S INITIALS:

AM
10/11/25
10:46 AM ADT
dotloop verified

DH
10/11/25
10:48 AM ADT
dotloop verified

SELLER'S INITIALS:

BK
10/14/25
9:55 AM EDT
dotloop verified

CREA WEBForms®

PROPERTY: **2138 Brunswick**

St

Halifax

NS B3K 2Y8

BUYER: **Ashley MacLeod**

&

Danae Harvalias

3. Seller's Obligations

3.1. The Seller shall provide the Buyer or the Buyer's Agent with a copy of the following on or before the _____ day of _____, 20____ (check the applicable boxes):

- ☐ Property Disclosure Statement
- ☐ Any restrictive covenants that may affect the Property
- ☐ Equipment Schedule, if not attached, and all related contracts
- ☐ Location certificate and/or survey, if available, without representations or warranties
- ☐ Other: _____
- ☐ Other: _____

AM
10/11/25
10:46 AM ADT
dotloop verified

DH
10/11/25
10:48 AM ADT
dotloop verified

BK
10/14/25
9:55 AM EDT
dotloop verified

4. Buyer's Conditions

4.1. This Agreement is subject to the Buyer, at the Buyer's expense, securing, conducting or reviewing the following on or before the **23** day of **October**, 20**25** (check the applicable boxes):

- ☐ Property Disclosure Statement
- ☐ Any restrictive covenants that may affect the Property
- ☐ Equipment Schedule, if not attached
- ☐ Financing
- ☒ Property Inspection(s)
- ☒ Insurance
- ☒ Other: **Type of deed to be confirmed.**
- ☐ Other: _____

The Buyer shall provide the Seller or the Seller's Agent, on or before **8** p.m. Atlantic Time on the date specified above, with Form 408 confirming that all conditions identified in this clause are satisfied and now waived. If the Buyer fails to provide the required form this Agreement shall be deemed terminated. If the Buyer determines, prior to the condition date, that they are not satisfied the Buyer may terminate this Agreement. The deposit shall be returned to the Buyer subject to the applicable NSREC By-laws.

4.2. The Seller agrees to provide all reasonable assistance and access to the Buyer to allow completion of the above investigations and inspection(s) outlined in clause 4.1 and any schedule(s) attached to this Agreement.

5. Harmonized Sales Tax (HST)

It is the Seller's responsibility to determine whether the proposed transaction is subject to HST pursuant to the Excise Tax Act.

5.1. The Seller has determined that the Property is (check one of the following):

- ☒ Exempt from HST
- ☐ Partially subject to HST; included in purchase price
- ☐ Partially subject to HST; over and above purchase price
- ☐ Subject to HST; included in purchase price
- ☐ Subject to HST; over and above purchase price

5.2. If the conveyance contemplated by this Agreement is exempt or partially exempt from HST the Seller agrees to provide the Buyer, on or before the closing date, a certificate in a form reasonably satisfactory to the Buyer certifying that the conveyance contemplated by this Agreement is exempt from HST.

5.3. If the conveyance contemplated by this Agreement is subject to HST, then the HST shall be remitted in accordance with the applicable legislation.

6. Fixtures and Chattels

6.1. All fixtures attached to the Property as viewed on the **9** day of **October**, 20**25**, are to remain with the Property and shall be included in the purchase price.

6.2. The following chattels, as viewed on the Property by the Buyer on the date in clause 6.1 and owned by the Seller, shall remain with the Property and be included in the purchase price and shall be conveyed to the Buyer in good working order, free and clear of encumbrances, on the date of closing:

- ☒ Fridge ☒ Stove ☒ Washer ☒ Dryer ☐ Freezer
- ☒ Microwave ☒ Dishwasher ☒ Other: **Bathroom mirrors**
- ☒ Other: **Blinds** ☐ Other: _____

7. Additional Conditions

8. Lawyer Review

8.1. This Agreement is subject to the review by both the Buyer's and the Seller's lawyers, acting reasonably with respect to wording and content within the Agreement. This review shall be deemed to have been acceptable to both parties, unless the other party or their Agent is notified to the contrary, in writing, on or before the **23** day of **October**, 20**25**.

If notice to the contrary is received, either party shall be at liberty to terminate this Agreement and the deposit shall be returned to the Buyer.

9. Property Migration

9.1. It is agreed and understood that (choose a or b):

- a) ☒ the Property title has been migrated to the Land Registration System at the date of this Agreement.
- OR
- b) ☐ the Property title has not been migrated to the Land Registration System at the date of this Agreement, and the Seller agrees, at the Seller's expense, to do so at least seven (7) business days prior to closing.

10. Title Investigation

10.1. This Agreement is subject to the Seller's lawyer, at the Seller's expense, providing the Buyer's lawyer with the PID(s) for the Property within ten (10) business days of acceptance of this offer.

If the migration process requires the assignment of additional PID(s), those PID(s) shall be provided to the Buyer at the time of notification that the migration is complete.

10.2. The Buyer, at the Buyer's expense, shall be allowed five (5) business days to investigate title to the Property after receipt of the PID(s), or if the Property has not been migrated as of the date of this Agreement, five (5) business days after receiving notification that the migration is complete.

If within that time frame any valid objection to title is made, in writing, to the Seller and which the Seller is unable or unwilling to remove and which the Buyer shall not waive, this Agreement shall become null and void and the deposit shall be returned to the Buyer.

OFFER DATE: **Oct** / **11** / **2025**

AM
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10:46 AM ADT
dotloop verified

DH
10/11/25
10:48 AM ADT
dotloop verified

BK
10/14/25
9:55 AM EDT
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AGREEMENT OF PURCHASE AND SALE

PROPERTY: **2138 Brunswick**

St

Halifax

NS B3K 2Y8

BUYER: **Ashley MacLeod**

&

Danae Harvalias

11. Miscellaneous Provisions

- 11.1.** Any tender of documents to be delivered or money payable may be made upon the Seller or the Buyer or any party acting on their behalf. Money paid, subsequent to the deposit, shall be by lawyer's trust cheque, certified cheque, electronic transfer or their equivalent, drawn on a chartered Canadian Bank, Trust Company or Credit Union.
- 11.2.** All representations given by the Seller contained in this Agreement shall survive the closing unless otherwise stated in this Agreement.
- 11.3.** Time shall, in all respects, be of the essence in this Agreement. In the event of a written agreement of extension, time shall continue to be of the essence. Failure to act within the time required constitutes a breach of the contract.
- 11.4.** The Seller and the Buyer agree to be bound by offers and counter-offers and related documentation that may be transmitted electronically and that reproductions of the signatures therein, including electronic signatures, shall be treated as originals.
- 11.5.** No amendment to the terms of this Agreement shall be effective unless it is in writing and signed by all parties.
- 11.6.** If there is conflict or discrepancy between any provision added to this Agreement and any provision in the standard printed portion hereof, the added provision shall supersede the standard printed provision.
- 11.7.** This Agreement shall be read with all changes of number and gender required by the context.
- 11.8.** This Agreement shall be governed by the laws of the Province of Nova Scotia and the Seller, Buyer and the Brokerage(s) shall submit to the jurisdiction of the Courts of the Province of Nova Scotia for the resolution of any disputes that may arise out of this Agreement.
- 11.9.** This Agreement shall be for the benefit of and be binding upon the parties, their respective heirs, executors, administrators, successors and assigns.
- 11.10.** Business days are Monday–Friday, excluding statutory, provincial and civic holidays in the Province of Nova Scotia.

12. Agency Relationship

Complete 12.1 and 12.2 OR 12.3:

- 12.1.** The Seller acknowledges that they ☒ do / ☐ do not have an agency relationship with either:

Bryant Realty Atlantic

Brokerage

and / or **Jan Malone**

Brokerage Representative or Designated Agent

Brokerage Representative or Designated Agent

- 12.2.** The Buyer acknowledges that they ☒ do / ☐ do not have an agency relationship with either:

Engel & Volkers

Brokerage

and / or **Emma Metlej**

Brokerage Representative or Designated Agent

Brokerage Representative or Designated Agent

OR

- 12.3.** The Buyer and the Seller acknowledge that they are in a transaction brokerage relationship and have signed a Transaction Brokerage Agreement with:

Brokerage

and / or **Brokerage Representative or Designated Agent**

Brokerage Representative or Designated Agent

13. Time for Seller's Response

This offer shall be open for acceptance until **3** **p.m.** Atlantic Time on the **14** day of **October**, 20**25**.

Signed, sealed and delivered in the presence of: In Witness whereof I have hereunto set my hand and seal:

Witness

Ash MacLeod
dotloop verified
10/11/25 10:46 AM ADT
MDQW-VQDH-NCFK-8XEF
SEAL

buyer **Ashley MacLeod**

Date

Witness

Danae Harvalias
dotloop verified
10/11/25 10:48 AM ADT
3CV9-0DQ4-TSX0-2FLR
SEAL

Danae Harvalias

Date

14. Seller's Response

CHOOSE ONE OF THE FOLLOWING:

- ☐ I hereby **accept** the above offer and agree to sell on the terms set forth.
- ☐ I hereby confirm this offer was presented and **rejected**.
- ☒ I hereby confirm having read and understand this offer and have **prepared a Counter Offer**.

Signed, sealed and delivered in the presence of: In Witness whereof I have hereunto set my hand and seal:

Witness

Bobby Kofman
dotloop verified
10/14/25 9:55 AM EDT
GDMM-AHZL-8JS8-IWFO
SEAL

BLUE LOBSTER CAPITAL LIMITED

Date

Witness

Bobby Kofman
dotloop verified
10/14/25 9:55 AM EDT
7FHP-NKKY-BBQN-QHFD
SEAL

Seller

_____, a.m./p.m.
Atlantic Time

Date

_____, a.m./p.m.
Atlantic Time