



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
THE HALIFAX HERALD LIMITED, SALTWIRE NETWORK INC., HEADLINE PROMOTIONAL
PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND
BRACE HOLDINGS LIMITED**

BETWEEN:

**Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.,**

Applicants

-and-

**Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited**

Respondents

**SECOND REPORT OF KSV RESTRUCTURING INC.
AS CCAA MONITOR**

April 23, 2024

Contents		Page
1.0	Introduction	1
1.1	Purposes of this Second Report.....	3
1.2	Restrictions	4
1.3	Currency	4
2.0	Background	4
3.0	Update on the Company's Activities since the Filing Date	5
4.0	Monitor's Activities since the Initial Order	6
5.0	SISP	7
6.0	Cash Flow Forecast.....	9
6.1	Amended Interim Financing Facility	10
7.0	Titan	12
7.1	MCA Engagement Letter.....	12
7.2	Titan Sales Advisor Recommendation	12
7.3	Titan Sales Process	13
7.4	Qualified Bids.....	14
7.5	Multiple Qualified Bids	15
7.6	Sale Process Recommendation	15
8.0	Stay Extension	15
9.0	Conclusion and Recommendation	16

Appendices

Appendix	Tab
ARIO.....	A
SISP Approval Order.....	B
First Report	C
Corporate Organizational Chart	D
Press Release	E
Cash Flow Forecast and Companies' Report on Cash Flow	F
Monitor's Report on Revised Cash Flow Forecast	G
Amended and Restated Interim Financing Term Sheet.....	H
Second Amended Interim Financing Term Sheet and blackline.....	I
Interim Financing Facility Comparisons	J
MCA Engagement Letter.....	K

1.0 Introduction

1. Pursuant to an order (the “**Initial Order**”) issued by the Supreme Court of Nova Scotia (the “**Court**”) on March 13, 2024 (the “**Filing Date**”), The Halifax Herald Limited (“**Herald**”), Saltwire Network Inc. (“**Saltwire**”, and together with Herald, the “**Media Companies**”), Headline Promotional Products Limited (“**Headline**”), Titan Security & Investigation Inc. (“**Titan**”), Brace Capital Limited (“**Brace Capital**”) and Brace Holdings Limited (“**Brace Holdings**”, and together with Headline, Titan and Brace Capital, the “**Non-Media Companies**”, and together with the Media Companies, the “**Companies**”) 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 these proceedings (the “**Monitor**”).
2. Applications under the CCAA were made by the Companies and Fiera Private Debt Fund III LP, by its sole general partner Fiera Private Debt Fund GP Inc. (“**Fund III**”) and Fiera Private Debt Fund V LP, by its sole general partner Fiera Private Debt Fund GP Inc. (“**Fund V**”, and together with Fund III, “**Fiera**”). Fiera is the Media Companies’ senior secured creditor and was owed, as of the Filing Date, in excess of \$32 million, with interest and costs continuing to accrue. The Non-Media Companies are guarantors of the debt owing to Fiera. The Court granted the Initial Order sought by Fiera, subject to certain amendments.
3. Pursuant to the terms of the Initial Order, *inter alia*, the Court:
 - a) granted a stay of proceedings in favour of the Companies and their directors and officers to and including March 22, 2024 (the “**Stay Period**”);
 - b) appointed David Boyd, a representative of Resolve Advisory Services Ltd. (“**Resolve**”), as Chief Restructuring Officer (the “**CRO**”);
 - c) approved an interim financing credit facility (the “**Interim Financing Facility**”) in the maximum principal amount of \$500,000 made available by Fiera (in such capacity, the “**Interim Lender**”) pursuant to an interim financing term sheet dated March 13, 2024, as amended;
 - d) granted charges on all of the Companies’ current and future assets, property and undertaking (collectively, the “**Property**”) in the following priorities:
 - i. a charge in the amount of \$300,000 in favour of the Monitor, its legal counsel and Fiera’s legal counsel to secure payment of their fees and disbursements (the “**Administration Charge**”);
 - ii. a charge in the amount of \$1.075 million in favour of the Companies’ directors and officers to secure certain of the Companies’ indemnity obligations to such persons (the “**D&O Charge**”); and

- iii. a charge in favour of the Interim Lender to secure the Companies' obligations to the Interim Lender in respect of advances made under the Interim Financing Facility (the "**Interim Lender's Charge**").
4. The principal purpose of these CCAA proceedings is to create a stabilized environment to enable the Companies, particularly the Media Companies, to secure financing to continue to operate while the Media Companies pursue a restructuring or sale of their businesses and assets through a Court-supervised sale and investment solicitation process (the "**SISP**").
5. Following a motion heard on March 22, 2024 (the "**Comeback Hearing**"), the Court made the following Orders:
 - a) an Order amending and restating the terms and provisions of the Initial Order (as amended and restated, the "**ARIO**"), including to provide for an:
 - i. extension of the Stay Period to May 3, 2024;
 - ii. increase in the Administration Charge from \$300,000 to \$450,000, which charge covers the Monitor, its counsel, Fiera's counsel, the Companies' counsel and the CRO;
 - iii. increase in the amount of the authorized borrowings under the Interim Financing Facility from \$500,000 to \$1.5 million and a corresponding increase in the Interim Lender's Charge;
 - iv. increase in the aggregate amount that the Companies can pay to suppliers and service providers for pre-filing obligations from \$300,000 to \$500,000, subject to the prior consent of the Monitor and the CRO;
 - v. expansion of the CRO's powers and authority; and
 - vi. expansion of the Monitor's powers and authority;
 - b) an Order (the "**SISP Approval Order**") approving a SISP and the retention by the Media Companies of FTI Capital Advisors-Canada ULC ("**FTI**") as agent (the "**SISP Agent**") pursuant to an engagement letter dated March 14, 2024, including the payment of certain work fees and a success fee, as set out in the SISP Agent Agreement (the "**SISP Agent Compensation**"), secured by a charge of \$500,000 on the Property (the "**SISP Agent Charge**"), which charge ranks *pari passu* with the Administration Charge and in priority to the D&O Charge and the Interim Lender's Charge (collectively, the "**CCAA Charges**"); and
 - c) declaring that Headline meets the criteria prescribed by section 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222 and that Headline's former employees are eligible to receive payments under and in accordance with the *Wage Earner Protection Program Act*, S.C. 2005, c. 47 s. 1, as amended.

6. A copy of the ARIO is provided in **Appendix “A”** and a copy of the SISP Approval Order is provided in **Appendix “B”**.
7. KSV is filing this report (the **“Second Report”**) as Monitor.
8. The Affidavit of Russell French, a managing director of, and head of special situations at, Fiera, affirmed March 8, 2024 in support of Fiera’s CCAA application (the **“First French Affidavit”**) and Mr. French’s affidavit affirmed March 19, 2024 (the **“Second French Affidavit”**) in support of the relief sought at the Comeback Hearing, provide, *inter alia*, background information concerning the Companies and their businesses, as well as the reasons that Fiera commenced these proceedings.
9. Court materials filed in these proceedings, including the Affidavits of Mr. French, KSV’s report to Court dated March 8, 2024 as proposed Monitor (the **“Pre-filing Report”**) and the Monitor’s First Report to Court dated March 19, 2024 (the **“First Report”**) are available on KSV’s case website at <https://www.ksvadvisory.com/experience/case/Herald-Saltwire>.

1.1 Purposes of this Second Report

1. The purposes of this Second Report are to:
 - a) provide the Court with an update on the Companies’ and the Monitor’s activities since the Comeback Hearing;
 - b) provide a status update on the SISP;
 - c) report on the Company’s cash flow projection for the period April 14, 2024 to June 29, 2024 (the **“Cash Flow Forecast”**);
 - d) summarize the terms pursuant to which the Interim Financing Facility would be amended to increase the limit from \$1.5 million to \$3 million (the **“DIP Increase”**) and provide for a corresponding increase in the Interim Lender’s Charge (the **“Amended Interim Financing Facility”**);
 - e) summarize a proposed sales process for Titan (the **“Titan Sales Process”**), including the retention of MC Advisory Group Inc. (**“MCA”**) as sales advisor (**“Titan Sales Advisor”**) pursuant to an engagement letter dated April 2, 2024 (the **“MCA Engagement Letter”**); and
 - f) discuss and provide the Monitor’s recommendations for Orders:
 - approving amendments to the Interim Financing Facility, including an increase to the maximum principal amount that Saltwire and Herald may borrow under that facility;
 - approving the Titan Sales Process;
 - approving the engagement of MCA as the Titan Sales Advisor;

- extending the Stay Period to June 28, 2024 (the “**Stay Extension Date**”); and
- approving the First Report, the Second Report and the Monitor’s activities described in those reports.

1.2 Restrictions

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

1.3 Currency

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

2.0 Background

1. The Companies are private companies incorporated under the laws of Nova Scotia.
2. The Media Companies publish *The Chronicle Herald*, the *Cape Breton Post*, *The Telegram* (St. Johns) and *The Guardian* (Charlottetown), as well as several digital publications. The Monitor understands that these are the largest media and newspaper businesses in Atlantic Canada.
3. The Media Companies recently launched a “last mile” parcel delivery business known as “Door Direct”, which utilizes their existing carrier network. The Media Companies believe that this business has the potential to materially improve their viability. The Door Direct business is in its development stages.
4. Titan is a full-service security and health care services company with approximately 100 full and part-time employees.

5. Headline is a promotional products company that procures branded novelty and other products for corporate buyers. As of the Filing Date, it employed six individuals. As discussed in the First Report, the Companies decided to wind down Headline's business as it is not profitable. A copy of the First Report, without appendices, is provided as **Appendix "C"**.
6. Brace Capital is the sole shareholder of Headline and Titan. Brace Holdings is the sole shareholder of the Media Companies and Brace Capital. A copy of the Companies' corporate organizational chart is provided as **Appendix "D"**.
7. The Herald's head office and principal address is located at 2717 Joseph Howe Drive, Halifax where it operates from leased premises. The registered office of Saltwire, Headline and Titan is 600-1741 Lower Water Street, Halifax.
8. Saltwire owns the following locations (the "**Real Properties**") from which it presently operates (or formerly operated), each of which is listed for sale, except Bluewater (as defined below):
 - 311 Bluewater Road, Bedford ("**Bluewater**");
 - 2 Second Street, Yarmouth;
 - 255 George Street, Sydney; and
 - 36 Austin Street, St. John's.
9. The Monitor understands that Fiera has a senior ranking mortgage on the Real Properties.
10. As of the date of the ARIO, the Media Companies had approximately 390 employees and 800 independent contractors. Approximately 25% of the Media Companies' employees are union members. Since that time, 14 employees have been terminated, including eight at the Media Companies and six at Headline.

3.0 Update on the Company's Activities since the Filing Date

1. Since the Comeback Hearing, the Companies have, among other things:
 - a) continued to operate their businesses in the ordinary course with the assistance of the CRO, under the supervision of the Monitor;
 - b) met with representatives from or affiliates with the Premier's offices of Prince Edward Island, Nova Scotia, and Newfoundland and Labrador (collectively, the "**Provinces**") to discuss these restructuring proceedings;
 - c) corresponded with the Minister of Canadian Heritage regarding, among other things, the distribution of funds contributed by Google pursuant to the *Online News Act*;
 - d) considered several cost saving and revenue generating initiatives with the assistance of the CRO and the Monitor;
 - e) disclaimed a contract with Thomson Reuters Canada Limited for international media services in favour of a lower-cost service;

- f) disclaimed a pre-filing agreement with PricewaterhouseCoopers Corporate Finance Inc.;
- g) continued to communicate with employees, unions, customers, advertisers and suppliers regarding the purpose of these proceedings and their intentions regarding the restructuring and continuation of the business;
- h) reduced the Media Companies' headcount by four employees which the Media Companies estimate will result in cost savings of approximately \$200,000 on an annualized basis;
- i) considered ongoing approaches to incentivize certain Media Companies' employees designed to increase its revenues (which considerations are ongoing and subject to discussion with the Monitor and Fiera);
- j) corresponded with FTI concerning the SISP and provided information to FTI so that it could respond to inquiries from interested parties in the SISP, as discussed further below;
- k) subject to Court approval, retained MCA to conduct the Titan Sales Process and met with MCA to discuss Titan's business, in consultation with the CRO and the Monitor;
- l) provided notice to Headline's employees regarding the termination of their employment and the orderly wind-down of Headline's business;
- m) completed certain of Headline's orders to maximize the realizations on its assets;
- n) provided financial and operational reporting to the Monitor and Fiera, including information required by Fiera pursuant to the Interim Financing Facility; and
- o) reviewed and updated the Cash Flow Forecast, with the assistance of the Monitor and the CRO.

4.0 Monitor's Activities since the Initial Order

1. Since the Comeback Hearing, the Monitor has, among other things:
 - a) met with and corresponded regularly with the Companies' management team and the CRO regarding these proceedings;
 - b) monitored the Companies' receipts and disbursements, including reviewing and commenting on the Companies' weekly cash flow reporting required under the Interim Financing Facility;
 - c) engaged extensively with its counsel, Chaitons LLP, Fiera and Norton Rose Fulbright Canada LLP (Fiera's legal counsel) regarding various matters relating to these proceedings, including employee issues, pension issues, operating matters and the SISP;
 - d) met with, and corresponded regularly with, the SISP Sales Agent regarding the SISP, as discussed further below;

- e) attended meetings with FTI and certain interested parties participating in the SISP;
- f) met and corresponded with MCA to discuss the Titan Sales Process, as discussed further below;
- g) continued to assist the Companies in their dealings with key suppliers;
- h) met with Osler, Hoskin & Harcourt LLP, counsel representing Eckler AdminCorp Ltd., appointed as the interim administrator of the Herald Retirement Plan, to discuss the status of these proceedings, catch-up payments being made by the Media Companies and other pension matters;
- i) corresponded with the Companies' counsel regarding the resignation of Mark Lever as the president of Titan and the Media Companies;
- j) met with the CRO and representatives of certain of the Companies' unions to discuss these proceedings and respond to their inquiries;
- k) reviewed offers for the sale of certain of the real property owned by the Companies;
- l) attended meetings with certain of the Provinces, the CRO and the Companies' representatives; and
- m) prepared this Second Report.

5.0 SISP¹

1. The SISP was summarized in the First Report and was attached as Schedule "B" to the SISP Approval Order.
2. The following table provides a summary of key process milestones and dates under the SISP.

Milestone	Deadline
SISP Commencement Date	March 26, 2024
Phase 1 Bid Deadline	5pm AST, April 25, 2024 ("Phase 1 Bid Deadline")
Phase 2 Bid Deadline	5pm AST, May 24, 2024 ("Phase 2 Bid Deadline")
Court Approval Date	No later than June 28, 2024
Closing Date Deadline	July 31, 2024

3. As set out above, the SISP has two stages:
 - a) Phase 1 of the SISP is intended to solicit indicative non-binding letters of intent ("**LOIs**") from interested parties; and

¹ Capitalized terms not defined in this section have the meanings defined in the SISP Approval Order.

- b) During Phase 2, any parties who submit qualifying LOIs in Phase 1 will be permitted to participate in Phase 2 and will be required to submit binding offers on or before the Phase 2 Bid Deadline.
4. Since the date of the SISP Approval Order, the SISP Agent has worked with the CRO and the Monitor regarding all aspects of the SISP, including to provide them with weekly progress updates.
5. The following summarizes the SISP Agent's activities following the SISP Approval Order:
 - a) prepared: (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) a non-disclosure agreement (an "**NDA**");
 - b) sent the Teaser Letter and NDA to an extensive list of over 250 prospective purchasers and/or investors;
 - c) published a notice of the SISP (the "**Notice**") on March 25, 2024 in *Insolvency Insider* and on March 27, 2024 in *The Chronicle Herald*, *Cape Breton Post*, *The Telegram*, and *The Guardian*;
 - d) facilitated due diligence through, *inter alia*, an online data room;
 - e) arranged meetings between certain Potential Bidders and management of the Media Companies; and
 - f) attended meetings among the Monitor, certain interested parties and Fiera.
6. As set out in the SISP, the CRO also caused the Companies to issue a press release on March 26, 2024 with *Canada Newswire* which included the information contained in the Notice (the "**Press Release**"). A copy of the Press Release is included as **Appendix "E"**.
7. As of the date of this Second Report, the Media Companies and the SISP Agent, with the assistance of the CRO, are continuing to facilitate due diligence with several Potential Bidders.
8. Following the Phase 1 Bid Deadline, the SISP provides that the SISP Agent and the CRO, in consultation with the Monitor, and after consultation with Fiera, shall determine the process to be followed in pursuing Qualified LOIs in Phase 2 based on such factors and circumstances as they consider appropriate in the circumstances including, but not limited to: (i) the number of Qualified LOIs received; (ii) the scope of the Property or Business to which any Qualified LOIs may relate; and (iii) whether to proceed by way of sealed bid or auction (with or without a stalking horse bidder) with respect to some or all of the Property.
9. As discussed at the Comeback Hearing, the Monitor intends to file a supplement to this Second Report after the Phase 1 Bid Deadline summarizing the results of the SISP as of that date.

6.0 Cash Flow Forecast

1. A comparison of the Companies' cash flow for the period March 11 to April 13, 2024 to the cash flow forecast in the First Report (the "Prior Forecast") is provided below.

(unaudited; CAD; \$000s)	Actuals	Forecast	Variance
Media Companies			
Receipts			
Collection of accounts receivable	3,835	4,173	(338)
HST collected	575	626	(51)
	4,410	4,799	(389)
Disbursements			
Payroll and benefits	1,719	1,997	278
Distribution costs	1,372	1,403	31
Occupancy, repairs and utilities	205	189	(16)
Printing supplies and inventory	277	351	74
Operational, office and administration	315	665	350
Restructuring fees	459	599	140
Other	370	420	50
Contingency	246	500	254
	4,963	6,124	1,161
Net Cash Flow	(553)	(1,325)	772
Titan			
Receipts	483	368	115
Disbursements	359	342	(17)
Net Cash Flow	124	25	98
Headline			
Receipts	40	-	40
Disbursements	30	-	(30)
Net Cash Flow	10	-	10
Total Net Cash Flow	(419)	(1,300)	881
Opening Cash Balance	353	340	13
Net Cash Flow	(419)	(1,300)	881
DIP Financing	750	1,500	(750)
Ending Cash Balance	684	540	144

2. As reflected above, the Companies have borrowed \$750,000 under the Interim Financing Facility compared to \$1.5 million which had been projected in the Prior Forecast. The significant variances in the actual cash flow compared to the Prior Forecast are as follows:

- Collection of accounts receivable: The negative variance (\$338,000) is due to a slight decline in revenue compared to the Media Companies' forecast and timing differences which the Media Companies expect will reverse in the coming weeks;
- Payroll and benefits: The positive variance (\$278,000) is largely due to timing as the Prior Forecast contemplated weekly benefit payments while actual payments are made monthly;

- Operational, office and administration: The positive variance (\$350,000) is largely timing; however, a portion of the variance may be permanent, the amount of which will only be determined in the coming weeks; and
 - Restructuring fees: The variance is expected to be timing.
3. The Companies, with the assistance of the CRO and the Monitor, prepared a cash flow forecast for the period April 14, 2024 to June 29, 2024 (the “**Cash Flow Forecast**”). The Cash Flow Forecast and the Companies’ statutory report thereon pursuant to Section 10(2)(b) of the CCAA are attached as **Appendix “F”**.
 4. The Cash Flow Forecast reflects that the Companies are expected to require borrowings of up to approximately \$2.25 million under the Amended Interim Financing Facility during the forecast period, for total borrowings of \$3 million since the Filing Date. The Cash Flow forecast reflects a slight decline in collections due to reductions in advertising revenue and a corresponding decline in operating costs, including such as the cost of supplies and distribution.
 5. Based on the Monitor’s review of the Cash Flow Forecast, the cash flow assumptions appear reasonable. The Monitor’s statutory report on the Revised Cash Flow Forecast is attached hereto as **Appendix “G”**.
 6. The Monitor understands that the Interim Lender is prepared to fund the Companies and these proceedings in accordance with the Cash Flow Forecast, subject to the Court granting the Stay Extension and approving the Second Amended & Restated Interim Financing Term Sheet (as defined below).

6.1 Amended Interim Financing Facility

1. The terms of the Interim Financing Facility were detailed in the Pre-filing Report and the First French Affidavit. The Interim Financing Facility was amended and restated pursuant to an interim financing term sheet dated as of March 22, 2024 (the “**Amended and Restated Interim Financing Term Sheet**”) and provides for a borrowing limit of up to \$1.5 million. A copy of the Amended and Restated Interim Financing Term Sheet is attached as **Appendix “H”**.
2. The Court approved the Amended and Restated Interim Financing Term Sheet pursuant to the ARIO.
3. As noted, based on the Cash Flow Forecast, the Companies require an additional \$2.25 million up to the Stay Extension Date, bringing total projected borrowing under the Interim Financing Term Sheet to \$3 million.
4. The Monitor and the CRO discussed the Companies’ borrowing requirements with Fiera. Fiera has advised that it is prepared to further increase the limit under the Amended and Restated Interim Financing Term Sheet subject to the following amendments (the “**Second Amended and Restated Interim Financing Term Sheet**”):
 - a) Interim Lender: to include Fiera FP Business Financing Fund, L.P., an affiliate of Fiera.

- b) Interest rate: i) 8% per annum on the first \$1.5 million of Advances (i.e., no change); and ii) for Advances above \$1.5 million, the equivalent of the prime rate of National Bank of Canada, in effect from time to time, plus 6.80% adjusted on a daily basis with changes in the prime rate, for a total of 14% as of the date of this Second Report.
 - c) Commitment fee: 1%, plus applicable taxes, of the incremental \$1.5 million amount, fully earned by the Interim Lender upon execution of the Second Amended and Restated Interim Financing Term Sheet, which amount shall be deducted from the first Advance made after Court approval.
 - d) Security: all draws on the Second Amended and Restated Interim Financing Facility shall be secured by the Interim Lender's Charge, which the Interim Lender requires be increased to \$3 million.
 - e) Additional Conditions:
 - The Court shall have executed an order amending the ARIO in form and substance acceptable to the Interim Lender and its legal counsel, which shall, among other things: (i) increase the maximum borrowing amount to \$3 million; and (ii) confirm the Interim Lender's Charge secures the increased borrowing amount, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender; and
 - The Court shall have granted an order approving the Titan Sales Process.
5. A copy of the Second Amended and Restated Interim Financing Term Sheet and a blackline comparing it to the Amended and Restated Interim Financing Term Sheet are provided as **Appendix "I"**.
6. The Monitor is of the view that the Second Amended and Restated Interim Financing Facility is reasonable and appropriate for the following reasons:
- a) the Cash Flow Forecast projects that the Companies will require additional financing of up to \$2.25 million to the Stay Extension Date;
 - b) the terms of the Second Amended and Restated Interim Financing Facility, including the incremental fees for the additional \$1.5 million, are reasonable and competitive with those summarized in the Pre-Filing Report. In this regard, a schedule of the terms of other interim financing facilities approved by Canadian courts in recent CCAA proceedings is included as **Appendix "J"** (this schedule was also included in the Pre-Filing Report to support the Monitor's recommendation of the terms of the Amended and Restated Interim Financing Facility);
 - c) the CRO, on behalf of the Companies, has agreed to the terms of the Second Amended and Restated Interim Financing Facility and has indicated that he believes the terms are commercially reasonable;
 - d) without the DIP Increase, the Companies are not projected to have the funding they require to operate their business and/or to fund these proceedings.

7.0 Titan

1. Titan is a full-service security and health care services company with approximately 100 full and part-time employees. The Companies purchased Titan in 2017 when security services were required to assist during a strike by certain of the Media Companies' employees.
2. Titan is a profitable but small business that could be attractive to strategic parties; however, it is not synergistic with the business of the Media Companies. Accordingly, the Companies and the CRO consider it appropriate for Titan's business and assets to be marketed for sale at this time.
3. Titan and the CRO approached two prospective corporate finance firms to discuss a potential sale process involving Titan. Based on those discussions, and the qualifications of the two firms, the Companies and the CRO decided to retain MCA. The Monitor supports this recommendation. A copy of the MCA Engagement Letter is provided as **Appendix "K"**.

7.1 MCA Engagement Letter

1. The financial terms of the MCA Engagement Letter are as follows:
 - a) **Work Fee:** MCA is to be paid a monthly work fee of \$12,500 plus HST for three months. MCA is also entitled to be reimbursed for its actual out-of-pocket expenses.
 - b) **Success Fee:** MCA will be entitled to a fee (to be paid out of sale proceeds) representing the greater of: i) a flat fee of \$62,500 (plus HST), for a total fee (inclusive of the Work Fee) of \$100,000 (plus HST); or ii) 5% of the closing sale price, less the work fee referenced above.

7.2 Titan Sales Advisor Recommendation

1. The Monitor recommends that the Court approve the MCA Engagement Letter for the following reasons:
 - a) in the Monitor's view, the fees payable to MCA are commercially reasonable for a transaction of this size;
 - b) other than the Work Fee, the fees are tied to completion of a transaction;
 - c) the professionals managing this mandate at MCA are based in Atlantic Canada and are knowledgeable about local parties who may have an interest in this opportunity;
 - d) MCA has prepared the marketing materials, which are described below, to commence the proposed Titan Sales Process without delay; and
 - e) Fiera consents to MCA's engagement as the Titan Sales Advisor, including the fees payable under the MCA Engagement Letter. Based on the Monitor's assessment of the realizable value of the Companies' businesses and assets, Fiera appears to be the only financial stakeholder that would receive proceeds from a transaction.

7.3 Titan Sales Process

1. Titan, the CRO and the Titan Sales Advisor, in consultation with the Monitor, developed the Titan Sales Process. The proposed Titan Sales Process is set out in the MCA Engagement Letter and is summarized below.

Milestone	Key Dates
Distribute teaser	May 6, 2024, assuming the Court approves the Titan Sales Process on April 30, 2024
Distribute Confidential Information Memorandum and provide access to Virtual Data Room to interested parties	Upon signing a confidentiality agreement
Bid Deadline	June 14, 2024
Review and negotiate bids	1-14 days after the bid deadline
Selection of Successful Bidder(s)	Immediately following the above
Court approval and closing(s)	As soon as possible

2. In order to launch the Titan Sales Process immediately following Court approval, if granted, the Titan Sales Advisor is preparing:
 - a) a list of potentially interested parties (the “**Potential Titan Bidders**”), including security services companies, other strategic parties and Potential Titan Bidders known to Titan;
 - b) a teaser, which will be distributed to Potential Titan Bidders together with a confidentiality agreement (a “**CA**”);
 - c) a confidential information memorandum, which will be made available to Potential Titan Bidders upon signing a CA; and
 - d) a data room with information about Titan, including historical financial information, key contracts and information regarding Titan’s services. Potential Titan Bidders are required to execute the CA to obtain access to the data room and to perform due diligence.
3. The Titan Sales Advisor will also be:
 - a) requesting that parties submit a binding offer meeting at least the requirements for a Qualified Bid (as described in Section 7.4 below) by the “Bid Deadline”; and
 - b) facilitating due diligence by, among other things, arranging meetings with Titan’s key employees and management.
4. As part of the proposed Titan Sales Process, a template asset purchase agreement (the “**Template Purchase Agreement**”) will be made available in the data room to Potential Titan Bidders. MCA will recommend that Potential Titan Bidders submit offers in the form of the Template Purchase Agreement, with a blackline to the Template Purchase Agreement.

5. A Potential Titan Bidder that wishes to make a bid must deliver a written copy of its bid and other materials required by the proposed Titan Sales Process by no later than 5:00 pm (AST) on the Bid Deadline.
6. Titan, the CRO and the Titan Sales Advisor, in consultation with the Monitor and Fiera, intend to review the offers received and to negotiate a transaction with a view to selecting the successful bidder (the “**Successful Bidder**”), and to seek Court approval of the transaction with the Successful Bidder as soon as possible thereafter (discussed further in Section 7.4 below).
7. Similar to the SISP, the Monitor believes it would be appropriate for it to have the right to extend any deadline in the proposed Titan Sales Process by up to two weeks, provided that the overall timeline does not extend beyond July 31, 2024, being approximately three months from the anticipated date that the proposed Titan Sales Process is to be approved. In this regard, the Monitor anticipates that it would seek a further extension of the Stay Period beyond the Stay Extension Date.

7.4 Qualified Bids

1. To be a “Qualified Bid” a bid must, among other things, meet the following requirements:
 - a) an offer must be substantially in the form of the Template Purchase Agreement, with any changes to the offer blacklined against the Template Purchase Agreement;
 - b) include a provision stating that the offer is irrevocably open for acceptance until 30 days after the Bid Deadline;
 - c) be accompanied by a cash deposit of not less than 15% of the proposed purchase price;
 - d) include an acknowledgement that the proposed transaction is to be completed on an "as is, where is" basis and that the purchaser has relied solely on its own independent review and investigation and that it has not relied on any representation by the Companies, the Titan Sales Advisor or their respective agents, employees or advisors;
 - e) it must not contain any condition or contingency relating to due diligence or financing or any other material conditions precedent to the purchaser's obligation to complete the transaction (except for approval by the Court); and
 - f) it must include written evidence, satisfactory to Titan and the Monitor, that the purchaser has the requisite consents (if any are necessary) and the financial ability to complete the proposed acquisition.
2. The Monitor also seeks to have the discretion to make amendments to the proposed Titan Sales Process that it believes are required to facilitate the best possible outcome in the Titan Sales Process.

7.5 Multiple Qualified Bids

1. If after consulting with the CRO and the Monitor, it is determined that more than one Qualified Bid has been received by the Bid Deadline, the Titan Sales Advisor will request that such bidders submit additional offers until Titan and the CRO, in consultation with the Monitor and Fiera, select the best offer, which may not necessarily be the highest offer, based on their reasonable business judgement.

7.6 Sale Process Recommendation

1. The Monitor recommends that the Court issue an order approving the proposed Titan Sales Process for the following reasons:
 - a) the Titan Sales Process provides for a wide marketing of Titan's business and includes Potential Titan Bidders known to the Companies;
 - b) the duration of the Titan Sales Process is sufficient to allow interested parties to perform diligence and submit offers, particularly given the size of Titan's business;
 - c) the Titan Sales Process provides flexibility for the Monitor to amend or extend timelines, as detailed in paragraph 7 of Section 7.3; and
 - d) Fiera has advised the Monitor that it consents to the terms of the Titan Sales Process.

8.0 Stay Extension

1. The Stay Period currently expires on May 3, 2024.
2. The Monitor recommends that the Stay Period be extended to June 28, 2024 for the following reasons, among others:
 - a) the Companies are continuing to act in good faith and with due diligence to advance their restructuring;
 - b) the Stay Extension will allow for the SISF to continue in accordance with the SISF Approval Order to identify a going-concern transaction for the Media Companies' business which, in the Monitor's view, is in the best interests of the Media Companies and their stakeholders;
 - c) the Stay Extension will allow for the proposed Titan Sales Process to proceed which, in the Monitor's view, is in the best interests of Titan and its stakeholders;
 - d) the Monitor does not believe that any creditor will be materially prejudiced if the extension is granted as the Cash Flow Forecast projects that the Companies should be able to meet their obligations in the ordinary course;
 - e) as of the date of this Second Report, the Monitor is not aware of any party opposed to the requested extension; and

- f) subject to Court approval of the proposed increase to the Interim Financing Facility, the Companies are projected to have sufficient liquidity to fund operations and the costs of these proceedings, as reflected in the Cash Flow Forecast.

9.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Court grant the relief set out in Section 1.1(1)(f) above.

* * *

All of which is respectfully submitted,

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS CCAA MONITOR OF THE HALIFAX HERALD LIMITED,
SALTWIRE NETWORK INC., HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AN BRACE HOLDINGS
LIMITED AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**



PER: BOBBY KOFMAN, PRESIDENT

Appendix “A”

MAR 22 2024

HALIFAX, N.S.

2024

Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC.,
THE HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents

AMENDED & RESTATED INITIAL ORDER

Before the Honourable Justice Keith 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") in respect of Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited (collectively, the "Companies") 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: see attached as Schedule "A".

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

Party

Counsel

Applicants

Norton Rose Fulbright Canada LLP

222 Bay Street, Suite 3000
Toronto, ON M5K 1E7

Jennifer Stam

Tel: 416.202.6707

Email: Jennifer.stam@nortonrosefulbright.com

-and-

BOYNECLARKE LLP

99 Wyse Road, Suite 600
Dartmouth, Nova Scotia B3A 4S5

Joshua J. Santimaw

Tel: 902.460.3451

jsantimaw@boyneclarke.com

Companies

Stewart McKelvey

600-1741 Lower Water Street
Halifax, Nova Scotia

Maurice Chiasson

Tel: 902.420.3300

Email: mchiasson@stewartmckelvey.com

Sara Scott

Tel: 902.420.3363

Email: sscott@stewartmckelvey.com

Monitor,
KSV Restructuring Inc.

Chaitons LLP

5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

George Benchetrit

416.218.1141

george@chaitons.com

-and-

Burchell Wickwire Bryson LLP

1801 Hollis Street, Suite 1800
Halifax, NS B3J 3N4

Marc Dunning

Tel: 902.482.7017

Email: mdunning@bwblp.ca

On motion of the Applicants 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 Companies are affiliated debtor companies within the meaning of the CCAA and are companies to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

3. The Companies 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 Companies shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Companies, with the consent of the CRO (defined below), 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.

4. The Companies may 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;

- 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; and
- c. with prior written approval of the CRO and the Monitor, the fees and disbursements for any Assistants retained or employed by the Companies in respect of these proceedings, at their reasonable standard rates and charges.

5. Except as otherwise provided to the contrary herein, with the consent of the CRO, the Companies may pay all reasonable expenses incurred by the Companies 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 Companies following the date of this Order.

6. With the consent of the Monitor and the CRO, the Applicant may make payments owing to suppliers, contractors, subcontractors and other creditors in respect of amounts owing prior to the date of this Order where such payments are deemed by the Applicant to be necessary for the ongoing operation of the Applicant of the preservation of the Property, up to an aggregate limit of \$500,000.

7. The Companies shall remit or pay, in accordance with legal requirements or on terms as may be agreed to between the Companies 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 Companies in connection with the sale of goods and services by the Companies, 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 Companies; and iii) payable in respect of the period commencing on or after the date of this Order.

8. Until such time as the Companies disclaim a real property lease in accordance with the CCAA, the Companies 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 Companies 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 Companies 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 Companies to any of their 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 their 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 Companies shall, with the consent of the CRO and subject to the DIP Documents (defined below), 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 their business or operations,

- b. terminate the employment of such of their employees or temporarily lay off such of their employees as it deems appropriate and, as applicable, in accordance with the terms of *any collective agreement*;
- c. pursue all avenues of refinancing of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any refinancing; and
- d. in accordance with the ordinary course of business, dispose of redundant or nonmaterial assets not exceeding \$100,000 in value.

NO PROCEEDINGS AGAINST THE COMPANIES OR THE PROPERTY

11. Until and including the day of May 3, 2024, 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 Companies or the Monitor, or affecting the Business or the Property, except with the written consent of the Companies, the CRO and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Companies 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 Companies, the CRO or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Companies, the CRO and the Monitor, or leave of this Court, provided that nothing in this Order shall i) empower the Companies to carry on any business

which the Companies 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 Companies 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 Companies 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 Companies, including but not limited to renewal rights in respect of existing insurance policies on the same terms, except with the written consent of the Companies, the CRO 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 Companies 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 Companies, 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 Companies, and the Companies shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses, and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Companies in accordance with normal

payment practices of the Companies or such other practices as may be agreed upon by the supplier or service provider and each of the Companies, the CRO 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 Companies.

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 Companies with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Companies 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 Companies, if one is filed, is sanctioned by this Court or is refused by the creditors of the Companies or this Court, these Proceedings are dismissed by final order of this Court, or with leave of this Court.

APPOINTMENT OF CRO

17. David Boyd, as a representative of Resolve Advisory Services Ltd., is hereby appointed Chief Restructuring Officer (the "CRO") over the Companies and shall, subject to the Orders of the Court that have been and may be granted from time to time in these proceedings, have

those powers as are set out in the engagement letter (the "CRO Agreement") attached to affidavit of Russell French sworn March 8, 2024 (the "French Affidavit"), and without limiting the powers set out in the CRO Agreement, is further hereby empowered and authorized to:

- a. approve all of the Companies' receipts and disbursements;
- b. oversee and have access to all elements of the management and operation of the business of the Companies and, without limitation, be shall provided advance details of all proposed sale transactions, including estimated production and transportation cost, price and payment terms;
- c. carry out all obligations of the Companies pursuant to any proposed sale and investment solicitation process or other sale or divestiture of the assets or business of the Companies including, without limitation, executing agreements, instruments, notices, directions, settlements, filings, authorizations and other documents of whatever nature on behalf of each of the Companies in connection therewith;
- d. take steps to cause the Companies, with the approval of the Monitor, to disclaim any agreements to which any of the Companies are party in accordance with the CCAA;
- e. execute all Advance Requests (as defined in the DIP Documents) on behalf of the Companies; and
- f. cause the Companies to administer the Business or the Property as the CRO, in consultation with the Monitor, deems necessary or desirable for the purposes of completing any transaction involving the Business or the Property or for purposes of facilitating distributions to creditors of the Companies.

18. The CRO Agreement is approved and the Companies are authorized to perform all of their obligations pursuant to the CRO Agreement.

19. Neither the CRO nor any employee or agent of the CRO shall be deemed to be a director or trustee of any of the Companies.

20. Neither the CRO nor any officer, director, employee or agent of the CRO, including without limitation, David Boyd, shall incur any liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any liability or obligation incurred as a result of gross negligence or wilful misconduct on its or their part; provided that any liability of the CRO hereunder shall in no event exceed the quantum of the fees paid to the CRO.

21. The fees and expenses payable to the CRO are entitled to the benefit of the Administration Charge (defined below).

APPOINTMENT OF MONITOR

22. 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 Companies, the Property, and the Companies' conduct of the Business with the powers and obligations set out in the CCAA or set forth herein and the Companies and their shareholders, officers, directors, employees and Assistants and the CRO shall advise the Monitor of all material steps taken by the Companies or the CRO 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.

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

- a. monitor the Companies' 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 Companies, and such other matters as may be relevant to the proceedings herein;
- c. 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 Companies, to the extent that is necessary to adequately assess the Companies' Business and financial affairs or to perform its duties arising under this Order;
- d. 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;
- e. meet and consult with the CRO in respect of any matter pertaining to these proceedings or this Order;
- f. bring motions in these proceedings including, without limitation, for the approval or one or more sale or investment transactions; and
- g. be at liberty to perform such other duties as are required by this Order or by this Court from time to time.

24. 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.

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

26. All employees of the Companies shall remain the employees of the Companies and shall not be employees of the CRO or the Monitor. Neither the Monitor nor the CRO shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA.

27. The Monitor shall provide any creditor of the Companies or the DIP Lender (defined below) with information provided by the Companies or the CRO in response to reasonable requests for information made in writing by such creditor or the DIP Lender 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 Companies or the CRO is confidential, the Monitor shall not provide such information to creditors or the DIP Lender unless otherwise directed by this Court or on such terms as the Monitor, the CRO and the Companies may agree.

28. The Monitor, counsel to the Monitor, counsel to the Applicants and the CRO shall be paid their reasonable fees and disbursements, in each case not to exceed their standard rates and charges, by the Companies as part of the costs of these proceedings. The Companies are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, counsel for the Applicants and the CRO on a monthly basis.

29. 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.

ADMINISTRATIVE CHARGE

30. The Monitor, the Monitor's counsel, the Applicants' counsel, the CRO and the Companies' restructuring counsel (subject to the Interim Financing Term Sheet, defined below) shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Companies' Property, which charge shall not exceed an aggregate amount of \$450,000 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 paragraphs 42 and 43 herein.

DIRECTORS' CHARGE

31. The Companies shall indemnify their current directors and officers (including the CRO) (the "**Current Directors and Officers**") against obligations and liabilities that they may incur as directors or officers of the Companies after the commencement of the within proceedings, except that to the extent that with respect to any officer or director, the obligation or liability was incurred as a result of such directors or officers' gross negligence or wilful misconduct.

32. The Current Directors and Officers of the Companies shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Companies' Property, which charge shall not exceed an aggregate amount of \$1.075 million, as security for the indemnity provided in paragraph 31. The Directors' Charge shall have the priority set out in paragraphs 42 and 43 herein.

33. Notwithstanding any language in any applicable insurance policy to the contrary, (i) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (ii) the Current Directors and Officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' or officers' insurance policy, or to the extent such coverage is insufficient to pay amounts indemnified in accordance with paragraph 31 of this Order.

DEBTOR-IN-POSSESSION FINANCING

34. The Companies are hereby authorized and empowered to obtain and borrow under a credit facility from the Applicants (the "**DIP Lender**") in order to finance the Companies' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$1.5 million (the "**DIP Facility**") unless permitted by further order of this Court.

35. The DIP Facility shall be substantially on the terms and subject to the conditions set forth in the amended and restated interim financing term sheet dated as of March 22, 2024 (the "**Interim Financing Term Sheet**") and attached to the first report of the Monitor dated March 19, 2024, as same may be amended from time to time with the Monitor's written consent provided any amendment may not affect a secured creditor's rights without further order of this Court.

36. Without limiting the powers granted to the CRO pursuant to the CRO Agreement and in this Order, ^(J.K.S.) the CRO shall be entitled to and is hereby authorized and empowered to sign the Interim Financing Term Sheet on behalf of the Companies.

37. The Companies or the CRO on behalf of the Companies, are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and

security documents, guarantees and other definitive documents (collectively, the "**DIP Documents**"), as are contemplated by the Interim Financing Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Companies are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations including, on account of any pre-filing obligations, to the DIP Lender under and pursuant to the Interim Financing Term Sheet as and when the same become due and are to be performed, from funds on hand or from funds generated by ordinary course post-filing sales, notwithstanding any other provision of this Order. For certainty, no advance under the DIP Facility shall be used to pay any pre-filing obligations of the Companies.

38. The DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Companies' Property as security for any and all obligations of the Companies under or pursuant to the DIP Facility and the Interim Financing Term Sheet, which charge shall not exceed the aggregate amount owed to the DIP Lender under or pursuant to the DIP Facility and Interim Financing Term Sheet. The DIP Lender's Charge shall have the priority set out in paragraphs 42 and 43 herein.

39. Notwithstanding any other provision of this Order:

- a. the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or the Interim Financing Term Sheet or any of the DIP Documents;
- b. upon the occurrence of an event of default under the Interim Financing Term Sheet or DIP Documents or the DIP Lender's Charge, the DIP Lender, upon five (5) days notice to the Companies, the CRO and the Monitor, may with leave of the Court exercise any and all of its rights and remedies against the Companies

or the Property under or pursuant to the Interim Financing Term Sheet, DIP Documents and the DIP Lender's Charge; and

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

40. The DIP Lender shall be treated as unaffected in any plan under the CCAA, or any proposal filed by the Companies under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Interim Financing Term Sheet or the DIP Documents and with respect to any claims and rights the DIP Lender may have under or pursuant to any agreements related to the DIP Facility.

VALIDITY AND PRIORITY OF THE CHARGES

41. The filing, registration or perfection of the Administration Charge, the Financial Advisor's Charge, the Financial Advisor's Charge (as ^{to be} defined in ^{any} ~~the~~ order approving a sale and investment solicitation process) ~~dated March 22, 2024~~, the DIP Lenders' Charge and the Directors' Charge (collectively, the "Charges") shall not be required and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

42. The priorities of the Charges, as among them, with respect to the Property shall be as follows:

- a. First (pari passu)
 - (i) Administration Charge (to the maximum amount of \$450,000);
 - (ii) The Financial Advisor's Charge (to the maximum amount of \$500,000);

b. Second – the DIP Lender’s Charge; and

c. Third – Directors’ Charge to the maximum amount of \$1.075 million).

43. The Charges shall constitute a charge on the Property and shall rank in priority to claims of the following secured creditors: (a) the Applicants; (b) Canada Revenue Agency; and (c) in priority to any other interests, trusts, liens, charges, and encumbrances and claims, statutory or otherwise, in favour of any Person other than those parties with equipment financing liens or leases who finance or lease equipment to the Companies in their ordinary course of business and who have not received notice of this Application.

44. The Companies and beneficiaries of the Charges shall be entitled, upon giving notice to parties likely affected, to seek an order changing the amount of the Charges or providing the Charges shall rank in priority to secured creditors not named in paragraph 43.

45. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Companies shall not grant any encumbrance over any Property that ranks in priority to, or *pari passu* with the Charges unless the Companies also obtain the prior written consent of the beneficiaries of the Charges, or further order of this Court.

46. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the beneficiaries of the Charges 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 for a bankruptcy order issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; or (d) 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 Companies, and notwithstanding any provision to the contrary in any Agreement:

- a. the creation of the Charges shall not create or be deemed to constitute a breach by the Companies of any Agreement to which they are party;
- b. none of the beneficiaries of the Charges shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Companies seeking the creation of the Charges; and
- c. the payments made by the Companies pursuant to this Order do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SERVICE AND NOTICE

47. 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 Companies 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.

48. The Companies, the CRO 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 Companies' creditors or other interested parties at their respective

addresses as last shown on the records of the Companies 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.

49. The Companies, the CRO 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/Herald-Saltwire>

GENERAL

50. The Companies, the CRO and the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

51. 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 Companies, the Business or the Property.

52. 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 Companies, the CRO, 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 Companies, the CRO 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

Companies, the CRO and the Monitor and their respective agents in carrying out the terms of this Order.

53. Each of the Companies, the CRO 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.

54. Any interested party, including the Companies, the CRO 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.

55. This Order and all of its provisions are effective as of 12:01 a.m. Atlantic Standard Time on the 13th day of March, 2024

Issued *March 22*, 2024.

Vicki Carr

Prothonotary

VICKI CARR
Deputy Prothonotary



VICKI CARR
Deputy Prothonotary

Schedule A

2024

Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC., THE
HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents

SERVICE LIST

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, ON M5K 1E7

Jennifer Stam

Tel: 416.202.6707

jennifer.stam@nortonrosefulbright.com

Katie Parent

katie.parent@nortonrosefulbright.com

-and-

BOYNECLARKE LLP

99 Wyse Road, Suite 600
Dartmouth, Nova Scotia B3A 4S5

Joshua J. Santimaw

Tel: 902.460.3451

jsantimaw@boyneclarke.com

Lawyers for the Applicants, Fiera Private Debt
Fund III LP and Fiera Private Debt Fund V LP

KSV RESTRUCTURING INC.

220 Bay Street, Suite 1300
Toronto Ontario M5J 2W3

Bobby Kofman

Tel: 416.932.6228

Email: bkofman@ksvadvisory.com

Mitch Vininsky

Tel: 416.932.6013

Email: mvininsky@ksvadvisory.com

Monitor

<p>CHAITONS LLP 5000 Yonge Street 10th Floor Toronto, ON M2N 7E9</p> <p>George Benchetrit 416.218.1141 george@chaitons.com</p> <p>Lawyers for the Monitor</p>	<p>BURCHELL WICKWIRE BRYSON LLP 1801 Hollis Street, Suite 1800 Halifax, NS B3J 3N4</p> <p>Marc Dunning Tel: 902.482.7017 Email: mdunning@bwblp.ca</p> <p>Lawyers for the Monitor (Local Counsel)</p>
<p>STEWART MCKELVEY 600-1741 Lower Water St. Halifax, NS</p> <p>Maurice Chiasson Tel: 902.420.3300 Email: mchiasson@stewartmckelvey.com</p> <p>Sara Scott Tel: 902.420.3363 Email: sscott@stewartmckelvey.com</p> <p>Lawyers for the Debtors</p>	<p>RESOLVE ADVISORY SERVICES LTD</p> <p>David Boyd davidboyd.resolve@gmail.com</p> <p>Chief Restructuring Officer</p>
<p>CANADA REVENUE AGENCY Insolvency Division P.O. Box 638, Stn Central 145 Hobsons Lake Drive Halifax, NS B3J 2T5</p> <p>Devon.Steele@cra-arc.gc.ca</p> <p>SHAWINIGAN-SUD NATIONAL VERIFICATION AND COLLECTION CENTRE Canada Revenue Agency 4695 Shawinigan-Sud Blvd. Shawinigan QC G9P 5H9</p>	<p>ATTORNEY GENERAL OF CANADA, DEPARTMENT OF JUSTICE Tax Law Services Atlantic Regional Office Suite 1400, Duke Tower 5251 Duke Street Halifax, NS N3J 1P3</p> <p>AGC_PGC_ARO-BRA@JUSTICE.GC.CA</p> <p>Deanna M. Frappier, K.C. Deanna.frappier@justice.gc.ca</p>

<p>CAVALLUZZO LLP BARRISTERS AND SOLICITORS 474 Bathurst Street, Suite 300 Toronto, ON M5T 2S6</p> <p>Balraj Dosanjh Email: bdosanjh@cavalluzzo.com</p> <p>Sean FitzPatrick Email: sfitzpatrick@cavalluzzo.com</p> <p>Sama Sayegh Email: ssayegh@cavalluzzo.com</p> <p>Lawyers for the CWA Cape Breton Post, Halifax Typographical Union – Editorial and Halifax Typographical Union – Press</p>	<p>UNITED FOOD AND COMMERCIAL WORKERS OF CANADA, LOCAL 1252 (UFCW CANADA, LOCAL 1252) 120 Lemarchant Rd St. John's, NFLD A1C 2H2 Tel: 709.753.8830</p> <p>Sandra Corbett Email: scorbett@ufcw.nf.net</p>
<p>UNIFOR UNION OF CANADA, LOCAL 441G 115 Gordon Baker Road Toronto, ON M2H 0A8</p> <p>Anthony F. Dale Tel: 1.800.268.5763 ext. 8475 Email: Anthony.Dale@unifor.org</p>	<p>SUPERINTENDENT OF PENSIONS Finance and Treasury Board Pension Regulation Division 1723 Hollis St., 4th Floor Halifax, NS B3J 1V9</p> <p>Tel: 902.424.8915 Email: pensionreg@novascotia.ca</p>
<p>MANULIFE 2727 Joseph Howe Drive, PO Box 1030 Halifax, NS B3J 2X5</p> <p>Karrie LeDrew Client Relationship Manager, Group Retirement Solutions</p> <p>Tel: 902.718.9674 Email: karrie_ledrew@manulife.ca</p> <p>Administrator of the defined benefit and defined contribution plan of Saltwire Networks Inc. and The Halifax Herald Limited</p>	<p>COX & PALMER LLP Nova Centre – South Tower 1500-1625 Grafton Street Halifax, NS B3J 0E8</p> <p>Kevin Latimer, KC Tel: 902.491.4212 Email: klatimer@coxandpalmer.com</p> <p>John T.G. Boyle Tel: 902.491.4137 Email: jboyle@coxandpalmer.com</p> <p>Lawyers for Transcontinental Nova Scotia Media Group Inc.</p>
<p>ECKLER LTD. 1969 Upper Water Street, Suite 503 Halifax, NS B3J 3R7</p> <p>Philip Churchill Tel: 902.490.3306 Email: pchurchill@eckler.ca</p>	

PPSA REGISTRANTS

XEROX CANADA LTD. 20 York Mills Rd, Suite 500 Box 700 Toronto, ON N2P 2C2	HYUNDAI CAPITAL LEASE INC. 123 Front Street, Suite 1000 Toronto ON M5J2M3
THE TORONTO-DOMINION BANK – 54203 1785 Barrington St. Po Box 427 Halifax, Nova Scotia B3J 2P8	THE TORONTO DOMINION BANK – 54213 7071 Bayers Rd. Halifax, Nova Scotia B3L 2C2 Kirk Milligan, Manager
CISCO SYSTEMS CAPITAL CORPORATION 170 W. Tasman Drive MS SJ13-3 San Jose, CA 95134 USA	WELLS FARGO EQUIPMENT FINANCE COMPANY 1290 Central Parkway W. Suite 1100 Mississauga, ON L5C 4R3
LBEL INC. 5035 South Service Rd Burlington, ON L7L 6M9	KIA FINANCE 123 Front Street, Suite 1000 Toronto ON M5J2M3 Canada
THE BANK OF NOVA SCOTIA 10 Wright Boulevard Stratford, ON N5A 7X9	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. 3450 Superior Court, Unit 1 Oakville, ON L6L 0C4

Email Service List

jennifer.stam@nortonrosefulbright.com; katie.parent@nortonrosefulbright.com;
jsantimaw@boyneclarke.com; bkofman@ksvadvisory.com ; mvininsky@ksvadvisory.com;
george@chaitons.com; davidboyd.resolve@gmail.com; mchiasson@stewartmckelvey.com;
sscott@stewartmckelvey.com ; Devon.Steele@cra-arc.gc.ca ; AGC_PGC_ARO-BRA@JUSTICE.GC.CA; Deanna.frappier@justice.gc.ca; mdunning@bwbllp.ca;
bdosanjh@cavalluzzo.com; sfitzpatrick@cavalluzz.com; ssayeqh@cavalluzzo.com;
scorbett@ufcw.nf.net; Anthony.Dale@unifor.org; pensionreg@novascotia.ca;
klatimer@coxandpalmer.com; jboyle@coxandpalmer.com; karrie_ledrew@manulife.ca;
pchurchill@eckler.ca

Appendix “B”

2024

Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC.,
THE HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents



SISP APPROVAL ORDER

Before the Honourable Justice Keith in chambers:

The Applicants applied for relief under to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended (the "**CCA**") in respect of Saltwire Network Inc. ("**Saltwire**"), The Halifax Herald Limited ("**The Herald**"), Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited, including an initial order which was granted, and further orders on further motion;

The Applicants now move for an order (i) approving a sale and investment solicitation process substantially in the form attached hereto as Schedule "B" (the "**SISP**") in respect of the business and assets of Saltwire and The Herald (the "**Companies**"); (ii) authorizing and

directing FTI Capital Advisors – Canada ULC (the “**Financial Advisor**”), to conduct the SISP; and (iii) authorizing KSV Restructuring Inc., in its capacity as monitor (the “**Monitor**”) to supervise and oversee the SISP in accordance with the terms of the SISP.

The following parties received notice of this motion: see attached as Schedule “A”.

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

<u>Party</u>	<u>Counsel</u>
Applicants	<p>Norton Rose Fulbright Canada LLP 222 Bay Street, Suite 3000 Toronto, ON M5K 1E7</p> <p>Jennifer Stam Tel: 416.202.6707 Email: Jennifer.stam@nortonrosefulbright.com</p> <p>-and-</p> <p>BOYNECLARKE LLP 99 Wyse Road, Suite 600 Dartmouth, Nova Scotia B3A 4S5</p> <p>Joshua J. Santimaw Tel: 902.460.3451 jsantimaw@boyneclarke.com</p>
Companies	<p>Stewart McKelvey 600-1741 Lower Water Street Halifax, Nova Scotia</p> <p>Maurice Chiasson Tel: 902.420.3300 Email: mchiasson@stewartmckelvey.com</p> <p>Sara Scott Tel: 902.420.3363 Email: sscott@stewartmckelvey.com</p>
Monitor, KSV Restructuring Inc.	<p>Chaitons LLP 5000 Yonge Street, 10th Floor Toronto, ON M2N 7E9</p> <p>George Benchetrit 416.218.1141 george@chaitons.com</p>

-and-

Burchell Wickwire Bryson LLP
1801 Hollis Street, Suite 1800
Halifax, NS B3J 3N4

Marc Dunning
Tel: 902.482.7017
Email: mdunning@bwbllp.ca

On motion of the Applicants the following is ordered and declared:

SERVICE

1. The service of the notice of motion 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.

INTERPRETATION

2. The Capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the SISP, as the case may be.

FINANCIAL ADVISOR ENGAGEMENT LETTER

3. The engagement letter dated as of March 14, 2024 by and among, the Financial Advisor and the Companies (the "**Financial Advisor Engagement Letter**") is hereby approved.

4. The Financial Advisor shall have the benefit of a charge, which charge shall not exceed the aggregate amount of \$500,000 as security for the Fees as defined in and payable under the Financial Advisor Engagement Letter (the "**Financial Advisor's Charge**"). The Financial Advisor's Charge shall have the priority afforded to it in paragraphs 42 and 43 of the Initial Order.

APPROVAL OF SALE AND INVESTMENT SOLICITATION PROCESS

5. The SISP is hereby approved.
6. The Financial Advisor is authorized and directed to take such steps as it deems necessary or advisable to carry out and perform its obligations under the SISP.
7. The Financial Advisor and its respective affiliates, partners, employees, representatives and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the SISP, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Financial Advisor in performing its obligations under the SISP as determined by this Court.
8. Pursuant to Section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Financial Advisor and the Monitor are each hereby authorized and permitted to disclose and transfer to potential bidders (the "**Bidders**") and to their advisors, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Companies' records pertaining to their past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the Property ("**Sale**") or investment in the Companies ("**Investment**"). Each Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale or Investment, and if it does not complete a Sale or Investment, shall return all such information to the Financial Advisor or the Monitor (or as they may direct), or in the alternative destroy all such information. The successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the successful Bid(s), shall be entitled to use the personal information provided

to it that is related to the Property acquired pursuant to the Sale in a manner which is in all material respects identical to the prior use of such information by the Companies, and shall return all other personal information to the Financial Advisor or the Monitor (or as they may direct) or ensure that all other personal information is destroyed.

MONITOR'S AUTHORIZATION

9. Without limiting the powers and authority provided to the Monitor in the Initial Order, the Monitor is authorized to supervise and oversee the SISP in accordance with the terms of the SISP. The Monitor shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the SISP, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Monitor in performing its obligations under the SISP as determined by this Court.

10. The Monitor and its counsel are hereby authorized, but not obligated, to serve or distribute this Order, any other materials, orders, communication, correspondence or other information as may be necessary or desirable in connection with the SISP to any Person (as defined in the Initial Order dated March 13, 2024) or interested party that the Monitor considers appropriate. For greater certainty, any such distribution, communication or correspondence shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of Section 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

11. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States is hereby 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, 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.

12. Each of the Applicants and the Monitor is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

13. This Order and all of its provisions are effective as of 3 ~~am~~/p.m Atlantic Standard/Daylight Time on the 25th day of MARCH, 2024.

Issued March 26, 20 24.

Gael O'Keefe

GAEL O'KEEFE
~~Prothonotary~~ Deputy Prothonotary

Deemed to be a true and correct copy
of original document herein

Date March 26, 2024
Gael O'Keefe
GAEL O'KEEFE
Deputy Prothonotary

Schedule A

2024

Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC., THE
HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents

SERVICE LIST

<p>NORTON ROSE FULBRIGHT CANADA LLP 222 Bay Street, Suite 3000, P.O. Box 53 Toronto, ON M5K 1E7</p> <p>Jennifer Stam Tel: 416.202.6707 jennifer.stam@nortonrosefulbright.com</p> <p>Katie Parent katie.parent@nortonrosefulbright.com</p> <p>-and-</p> <p>BOYNECLARKE LLP 99 Wyse Road, Suite 600 Dartmouth, Nova Scotia B3A 4S5</p> <p>Joshua J. Santimaw Tel: 902.460.3451 jsantimaw@boyneclarke.com</p> <p>Lawyers for the Applicants, Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP</p>	<p>KSV RESTRUCTURING INC. 220 Bay Street, Suite 1300 Toronto Ontario M5J 2W3</p> <p>Bobby Kofman Tel: 416.932.6228 Email: bkofman@ksvadvisory.com</p> <p>Mitch Vininsky Tel: 416.932.6013 Email: mvininsky@ksvadvisory.com</p> <p>Monitor</p>
--	--

<p>CHAITONS LLP 5000 Yonge Street 10th Floor Toronto, ON M2N 7E9</p> <p>George Benchetrit 416.218.1141 george@chaitons.com</p> <p>Lawyers for the Monitor</p>	<p>BURCHELL WICKWIRE BRYSON LLP 1801 Hollis Street, Suite 1800 Halifax, NS B3J 3N4</p> <p>Marc Dunning Tel: 902.482.7017 Email: mdunning@bwblp.ca</p> <p>Lawyers for the Monitor (Local Counsel)</p>
<p>STEWART MCKELVEY 600-1741 Lower Water St. Halifax, NS</p> <p>Maurice Chiasson Tel: 902.420.3300 Email: mchiasson@stewartmckelvey.com</p> <p>Sara Scott Tel: 902.420.3363 Email: sscott@stewartmckelvey.com</p> <p>Lawyers for the Debtors</p>	<p>RESOLVE ADVISORY SERVICES LTD</p> <p>David Boyd davidboyd.resolve@gmail.com</p> <p>Chief Restructuring Officer</p>
<p>CANADA REVENUE AGENCY Insolvency Division P.O. Box 638, Stn Central 145 Hobsons Lake Drive Halifax, NS B3J 2T5</p> <p>Devon.Steele@cra-arc.gc.ca</p> <p>SHAWINIGAN-SUD NATIONAL VERIFICATION AND COLLECTION CENTRE Canada Revenue Agency 4695 Shawinigan-Sud Blvd. Shawinigan QC G9P 5H9</p>	<p>ATTORNEY GENERAL OF CANADA, DEPARTMENT OF JUSTICE Tax Law Services Atlantic Regional Office Suite 1400, Duke Tower 5251 Duke Street Halifax, NS N3J 1P3</p> <p>AGC_PGC_ARO-BRA@JUSTICE.GC.CA</p> <p>Deanna M. Frappier, K.C. Deanna.frappier@justice.gc.ca</p>

<p>CAVALLUZZO LLP BARRISTERS AND SOLICITORS 474 Bathurst Street, Suite 300 Toronto, ON M5T 2S6</p> <p>Balraj Dosanjh Email: bdosanjh@cavalluzzo.com</p> <p>Sean FitzPatrick Email: sfitzpatrick@cavalluzz.com</p> <p>Sama Sayegh Email: ssayegh@cavalluzzo.com</p> <p>Lawyers for the CWA Cape Breton Post, Halifax Typographical Union – Editorial and Halifax Typographical Union – Press</p>	<p>UNITED FOOD AND COMMERCIAL WORKERS OF CANADA, LOCAL 1252 (UFCW CANADA, LOCAL 1252) 120 Lemarchant Rd St. John's, NFLD A1C 2H2 Tel: 709.753.8830</p> <p>Sandra Corbett Email: scorbett@ufcw.nf.net</p>
<p>UNIFOR UNION OF CANADA, LOCAL 441G 115 Gordon Baker Road Toronto, ON M2H 0A8</p> <p>Anthony F. Dale Tel: 1.800.268.5763 ext. 8475 Email: Anthony.Dale@unifor.org</p>	<p>SUPERINTENDENT OF PENSIONS Finance and Treasury Board Pension Regulation Division 1723 Hollis St., 4th Floor Halifax, NS B3J 1V9</p> <p>Tel: 902.424.8915 Email: pensionreg@novascotia.ca</p>
<p>MANULIFE 2727 Joseph Howe Drive, PO Box 1030 Halifax, NS B3J 2X5</p> <p>Karrie LeDrew Client Relationship Manager, Group Retirement Solutions</p> <p>Tel: 902.718.9674 Email: karrie_ledrew@manulife.ca</p> <p>Administrator of the defined benefit and defined contribution plan of Saltwire Networks Inc. and The Halifax Herald Limited</p>	<p>COX & PALMER LLP Nova Centre – South Tower 1500-1625 Grafton Street Halifax, NS B3J 0E8</p> <p>Kevin Latimer, KC Tel: 902.491.4212 Email: klatimer@coxandpalmer.com</p> <p>John T.G. Boyle Tel: 902.491.4137 Email: jboyle@coxandpalmer.com</p> <p>Lawyers for Transcontinental Nova Scotia Media Group Inc.</p>
<p>ECKLER LTD. 1969 Upper Water Street, Suite 503 Halifax, NS B3J 3R7</p> <p>Philip Churchill Tel: 902.490.3306 Email: pchurchill@eckler.ca</p>	

PPSA REGISTRANTS

XEROX CANADA LTD. 20 York Mills Rd, Suite 500 Box 700 Toronto, ON N2P 2C2	HYUNDAI CAPITAL LEASE INC. 123 Front Street, Suite 1000 Toronto ON M5J2M3
THE TORONTO-DOMINION BANK – 54203 1785 Barrington St. Po Box 427 Halifax, Nova Scotia B3J 2P8	THE TORONTO DOMINION BANK – 54213 7071 Bayers Rd. Halifax, Nova Scotia B3L 2C2 Kirk Milligan, Manager
CISCO SYSTEMS CAPITAL CORPORATION 170 W. Tasman Drive MS SJ13-3 San Jose, CA 95134 USA	WELLS FARGO EQUIPMENT FINANCE COMPANY 1290 Central Parkway W. Suite 1100 Mississauga, ON L5C 4R3
LBEL INC. 5035 South Service Rd Burlington, ON L7L 6M9	KIA FINANCE 123 Front Street, Suite 1000 Toronto ON M5J2M3 Canada
THE BANK OF NOVA SCOTIA 10 Wright Boulevard Stratford, ON N5A 7X9	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. 3450 Superior Court, Unit 1 Oakville, ON L6L 0C4

Email Service List

jennifer.stam@nortonrosefulbright.com; katie.parent@nortonrosefulbright.com;
jsantimaw@boyneclarke.com; bkofman@ksvadvisory.com ; mvininsky@ksvadvisory.com;
george@chaitons.com; davidboyd.resolve@gmail.com; mchiasson@stewartmckelvey.com;
sscott@stewartmckelvey.com ; Devon.Steele@cra-arc.gc.ca ; AGC_PGC_ARO-BRA@JUSTICE.GC.CA; Deanna.frappier@justice.gc.ca; mdunning@bwbllp.ca;
bdosanjh@cavalluzzo.com; sfitzpatrick@cavalluzz.com; ssayegh@cavalluzzo.com;
scorbett@ufcw.nf.net; Anthony.Dale@unifor.org; pensionreg@novascotia.ca;
klatimer@coxandpalmer.com; jboyle@coxandpalmer.com; karrie_ledrew@manulife.ca;
pchurchill@eckler.ca

Schedule B

Sale and Investment Solicitation Process

Introduction

On March 12, 2024, upon application by Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP, each by their general partner, Fiera Private Debt GP Inc. (collectively, the “**Applicants**”) the Supreme Court of Nova Scotia (the “**Court**”) granted an Initial Order (as amended and restated and as may be further amended from time to time, the “**Initial Order**”) commencing proceedings pursuant to the *Companies’ Creditors Arrangement Act* (the “**CCAA**” and the “**CCAA Proceedings**”) in respect of Saltwire Network Inc. (“**Saltwire**”), the Halifax Herald Limited (“**The Herald**”), Headline Promotional Products Limited (“**Headline**”), Titan Security & Investigation Inc. (“**Titan**”), Brace Capital Limited and Brace Holdings Limited.

Pursuant to the Initial Order, KSV Restructuring Inc. was appointed by the Court as the monitor in the CCAA Proceedings (the “**Monitor**”) and Resolve Advisory Services Ltd., through the services of David Boyd, was appointed as chief restructuring officer (the “**CRO**”) in the CCAA Proceedings.

Saltwire and The Herald (collectively, the “**Companies**”), through the CRO, have retained FTI Capital Advisors – Canada ULC (the “**Financial Advisor**”) pursuant to a revised engagement letter dated March 14, 2024, to conduct a sale and investment solicitation process (“**SISP**”) under the supervision of the Monitor and with approval of the Court, pursuant to which all interested parties will be provided with an opportunity to participate in the SISP. The SISP will continue the pre-filing efforts of Financial Advisor in soliciting interests for the assets and/or the business of the Companies, which efforts were commenced by the Financial Advisor on November 6, 2023 pursuant to an engagement letter dated October 18, 2023.

This document outlines the SISP, comprised of two phases (“**Phase 1**” and “**Phase 2**”, respectively).

Opportunity

1. The SISP is intended to solicit interest in, and opportunities for, a sale of, or investment in, all or part of assets and business operations of the Companies (the “**Opportunity**”) which includes principally, the assets or shares relating to the media businesses owned by the Companies (the “**Business**”).
2. The Opportunity may include one or more of:
 - (a) a restructuring, recapitalization or other form of reorganization of the business and affairs of the Companies (or some of them) as a going concern; and

- (b) subject to 3, a sale of all, any or all of the assets or shares relating to the Business (the “**Property**”) as a going concern.
3. For greater certainty, the Opportunity shall not include the sale or restructuring of Titan, Headline or the real property owned by the Companies (the “**Real Property**”) on a stand-alone basis.
4. Prior to the date of the Initial Order, the Companies, with the assistance of the Financial Advisor, had been conducting a pre-filing sale and investment solicitation process (the “**Pre-filing SISP**”) in respect of the Business. From and after the date of the SISP Order, the Pre-filing SISP will be continued under, and be governed by, this SISP. Further, and for greater certainty, any previously submitted non-binding letter of interest shall not be considered an LOI for the purposes of the SISP unless re-submitted in accordance with the terms set out herein.

Timeline

5. The following table sets out the key milestones under the SISP:

Milestone	Deadline
Commencement of the SISP	March 26, 2024
Phase 1 Bid Deadline	5pm ADT, April 25, 2024 (“ Phase 1 Bid Deadline ”)
Phase 2 Bid Deadline	5pm ADT, May 24, 2024 (“ Phase 2 Bid Deadline ”)
Court Approval Date	No later than June 28, 2024
Closing Date Deadline	July 31, 2024

Subject to the terms provided for herein or any order of the Court, these dates may be extended by the Monitor in consultation with the CRO and the Financial Advisor pursuant to this SISP.

Nothing herein shall prevent an interested from submitting a letter of intent or expression of interest prior to any deadline in the table above.

Solicitation of Interest: Notice of the SISP

6. As soon as reasonably practicable, but in any event by no later than March 26, 2024:
- (a) In consultation with the Monitor and the CRO, the Financial Advisor shall contact again those parties canvassed as part of the Pre-filing SISP to determine whether they now have an interest in this Opportunity in light of the commencement of these proceedings, pursuant to the process in paragraph 7 below. Additionally, the Financial Advisor, in consultation with the Monitor and the CRO, will contact any

additional parties it believes may have an interest in this Opportunity, including parties that have approached the Companies, the Financial Advisor or the Monitor indicating an interest in the Opportunity (collectively, “**Known Potential Bidders**”);

- (b) the Monitor will cause a notice of the SISP (the “**Notice**”) to be published in The Globe and Mail (National Edition) and the relevant media company newspapers, and any other newspaper or journals as the CRO, Monitor and Financial Advisor, consider appropriate, if any;
 - (c) the CRO will cause the Companies to issue a press release with Canada Newswire setting out the information contained in the Notice and such other relevant information which the CRO, Financial Advisor and the Monitor, consider appropriate, designating dissemination in Canada and major financial centres in the United States; and
 - (d) the Financial Advisor, in consultation with the Monitor and the CRO, will prepare:
 - (i) a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and
 - (ii) a non-disclosure agreement in form and substance satisfactory to the Financial Advisor and the Monitor, in consultation with the CRO and consistent with the form and substance of the non-disclosure agreement previously executed by interested parties under the Pre-filing SISP (an “**NDA**”).
7. The Financial Advisor will send the Teaser Letter and NDA to all Known Potential Bidders by no later than March 26, 2024 and to any other party who request a copy of the Teaser Letter and NDA or who is identified to the CRO, the Monitor or the Financial Advisor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

PHASE 1: NON BINDING LOIs

Qualified Bidders and Delivery of Confidential Information Package

8. Any party who wishes to participate in the SISP (a “**Potential Bidder**”) must provide to the Financial Advisor:
- (a) A written acknowledgement which confirms receipt of this SISP Approval Order (including these SISP Procedures) and contains an agreement to accept and be bound by the terms of that Order;
 - (b) An NDA executed by it, or any portion thereof, and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder – unless the Financial Advisor confirms to such Potential Bidder that those documents were already provided to the satisfaction of the Financial Advisor and the Monitor,

9. If it is determined by the Financial Advisor and the Monitor in their reasonable business judgement, and in consultation with the CRO that a Potential Bidder: (i) has satisfied the requirements of paragraph 8 above; (ii) has a *bona fide* interest in completing a Sale Proposal or Investment Proposal; (iii) has delivered an NDA; and (iv) and has the financial capability based on the availability of financing, experience and other considerations, as determined by the Financial Advisor and the CRO, in consultation with the Monitor, to be able to consummate a sale or investment transaction pursuant to the SISP, then such Potential Bidder will be deemed to be a “**Phase 1 Qualified Bidder**”; provided that no Potential Bidder shall be deemed not to be a Phase 1 Qualified Bidder.
10. At any time during Phase 1 of the SISP, the Financial Advisor and the CRO, with the consent of the Monitor, may eliminate a Phase 1 Qualified Bidder from the SISP, in which case such bidder will be eliminated from the SISP.
11. The Financial Advisor, with the assistance of the CRO and the Monitor, will prepare and send to each Phase 1 Qualified Bidder a confidential information package providing additional information considered relevant to the Opportunity (the “**Confidential Information Package**”). The Financial Advisor, the CRO, the Companies, the Monitor and their respective advisors make no representation or warranty as to the information contained in the Confidential Information Package or otherwise made available pursuant to the SISP or otherwise, except to the extent expressly contemplated in any definitive sale or investment agreement with a successful bidder ultimately executed and delivered by the Companies.
12. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and the Business in connection with their participation in the SISP and any transaction they enter into pursuant to this SISP.

Due Diligence

13. The Financial Advisor and the CRO, in consultation with the Monitor, shall in their reasonable business judgment and subject to competitive and other business considerations, afford each Phase 1 Qualified Bidder such access to due diligence materials and information relating to the Property and the Business as they deem appropriate. Due diligence access may include management presentations, access to electronic data rooms, on-site inspections, and other matters which a Phase 1 Qualified Bidder may reasonably request and as to which the Financial Advisor and the Monitor, in their reasonable business judgment and after consulting with CRO, may agree. The Financial Advisor, with the assistance of the Monitor, will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Phase 1 Qualified Bidders and the manner in which such requests must be communicated. None of the Companies, the Financial Advisor and the Monitor will be obligated to furnish any information relating to the Property or the Business to any person other than to Phase 1 Qualified Bidders. Further and for the avoidance of doubt, selected due diligence materials may be withheld from certain Phase 1 Qualified Bidders if the Financial Advisor the CRO, in consultation with the Monitor, determine such information to represent proprietary or sensitive competitive information.

14. If any officer, director, professional advisor, or employee of the Companies has information which could prove useful or valuable to any bidder (including, without limitation Mark Lever, Sarah Dennis, the CFO and the COO or any other employee of the Companies with such information):
- (a) is asked to participate in due diligence being performed by a purchaser or investor, including management meetings; or
 - (b) is or may be a member of a purchaser or investor group
- (each, a “**Management Member**”)

Then (i) any such Management Member shall be required to advise the Financial Advisor and Monitor of this potential interest. This information shall be provided to the Financial Advisor and Monitor immediately upon the Management Member being asked to participate in due diligence or becoming (or may become) a member of a purchaser or investor group and, in any event, before any management meeting occurs; (ii) competing interested parties shall be advised of the Management Member’s potential involvement with another bid by the Financial Advisor or the Monitor; (iii) the Management Member will only be entitled to participate in the meetings with the consent of the interested party; and (iv) the management meeting will be supervised by either or both of the Financial Advisor and the Monitor. The Monitor reserves the right to implement such other procedures as it considers necessary to address any confidentiality issues that may arise during the conduct of the SISP. If a Management Member fails to disclose its interest or potential interest in a transaction prior to meeting with another interested party, the Monitor shall have the right to preclude that individual or the group with he or she is involved from participating in the SISP.

Non-Binding Letters of Intent from Phase I Qualified Bidders

15. A Phase I Qualified Bidder that wishes to pursue the Opportunity further must deliver a non-binding letter of interest (an “**LOI**”) to the Financial Advisor and the Monitor in the manner specified in Schedule “1” hereto, so as to be received by them not later the Phase I Bid Deadline.
16. Subject to paragraph 17, an LOI so submitted will be considered a qualified LOI (a “**Qualified LOI**”) only if:
- (a) it is submitted on or before the Phase I Bid Deadline by a Phase I Qualified Bidder;
 - (b) it contains an indication of Phase I Qualified Bidder’s offer to:
 - (i) acquire all, substantially all or a portion of the Property (a “**Sale Proposal**”) and clearly identifies which Property it intends to acquire, or
 - (ii) make an investment in, restructure, reorganize or refinance the Business/the Companies (an “**Investment Proposal**”) and clearly identifies which

Business/Companies it intends to make an investment in, restructure, reorganize or refinance;

- (c) in the case of a Sale Proposal, it identifies or contains the following:
 - (i) the purchase price or price range in Canadian dollars, including details of any liabilities to be assumed by the Phase 1 Qualified Bidder and key assumptions supporting the valuation;
 - (ii) a description of the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;
 - (iii) a specific indication of the financial capability of the Phase 1 Qualified Bidder and the expected structure and financing of the transaction;
 - (iv) the key material contracts and leases, if any, the Phase 1 Qualified Bidder wishes to acquire and the Qualified Phase 1 Bidder's proposed treatment of any related cure costs;
 - (v) a description of the conditions and approvals required for a final and binding offer;
 - (vi) an outline of any additional due diligence required to be conducted in order to submit a final and binding offer; and
 - (vii) any other terms or conditions of the Sale Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;

- (d) in the case of an Investment Proposal, it identifies the following:
 - (i) a description of how the Phase 1 Qualified Bidder proposes to structure the proposed investment;
 - (ii) the aggregate amount of the equity and/or debt investment to be made in the Business/the Companies in Canadian dollars;
 - (iii) the underlying assumptions regarding the pro forma capital structure;
 - (iv) a specific indication of the sources of capital for the Phase 1 Qualified Bidder and the structure and financing of the transaction;
 - (v) a description of the conditions and approvals required for a final and binding offer;
 - (vi) an outline of any additional due diligence required to be conducted in order to submit a final and binding offer;
 - (vii) all conditions to closing that the Phase 1 Qualified Bidder may wish to impose; and

- (viii) any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;
 - (e) in the case of either a Sale Proposal or an Investment Proposal, it contains such other information as reasonably requested by the Financial Advisor and the Monitor in consultation with the CRO.
17. Unless otherwise ordered by the Court, the Monitor in consultation with the Financial Advisor and the CRO, may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified LOI. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

Preliminary Assessment of Phase 1 Bids and Subsequent Process

18. Following the Phase 1 Bid Deadline, the Financial Advisor and the CRO, in consultation with the Monitor, will assess the LOIs and shall determine whether an LOI is a Qualified LOI. A summary of all LOIs shall be provided to the Applicants forthwith after receipt. If it is determined by the Financial Advisor and the Monitor, in consultation with the CRO, that a Phase 1 Qualified Bidder that has submitted a Qualified LOI (i) has a *bona fide* interest in completing a Sale Proposal or Investment Proposal (as the case may be); and (ii) has the financial capability (based on availability of financing, experience and other considerations) to consummate such a transaction based on the financial information provided, then such Phase 1 Qualified Bidder will be deemed a **“Phase 2 Qualified Bidder”**. Only Phase 2 Qualified Bidders shall be permitted to proceed to Phase 2 of the SISF.
19. As part of the assessment of Qualified LOIs and the determination of the process subsequent thereto, the Financial Advisor and the CRO, in consultation with the Monitor, and after consultation with the Applicants, shall determine the process and timing to be followed in pursuing Qualified LOIs based on such factors and circumstances as they consider appropriate in the circumstances including, but not limited to: (i) the number of Qualified LOIs received, (ii) the scope of the Property or Business to which any Qualified LOIs may relate, and (iii) whether to proceed by way of sealed bid or auction (with or without a stalking horse bidder) with respect to some or all of the Property.
20. Upon the determination by the Financial Advisor and the CRO in consultation with the Monitor and the Applicants, of the manner in which to proceed to Phase 2 of the SISF, the Financial Advisor, in consultation with the Monitor, the CRO and the Applicants, will prepare a bid process letter for Phase 2 (the **“Bid Process Letter”**), and the Bid Process Letter will be (i) sent by the Financial Advisor to all Phase 2 Qualified Bidders, and (ii) posted by the Monitor on the website the Monitor maintains in respect of this CCAA proceeding.

PHASE 2: FORMAL OFFERS AND SELECTION OF SUCCESSFUL BIDDER

21. Paragraphs 22 to 31 below and the conduct of Phase 2 are subject to paragraphs 18 to 20, above, and any adjustments made to Phase 2 in accordance with the Bid Process Letter and any further Court order regarding the SISP.

Formal Binding Offers

22. Phase 2 Qualified Bidders that wish to make a formal offer to purchase or make an investment in the Business or the Property (or any of it) shall submit a binding offer that complies with all of the following requirements to the Financial Advisor and the Monitor as specified in Schedule "I" hereto, so as to be received by them not later than the Phase 2 Bid Deadline or as may be modified in the Bid Process Letter, in consultation with and with the CRO and the Applicants by the Phase 2 Bid Deadline:
- (a) the bid shall comply with all of the requirements set forth in respect of Phase 1 Qualified LOIs;
 - (b) the bid clearly identifies which of the Property it relates to and is on terms and conditions reasonably acceptable to the Financial Advisor and the Monitor, in consultation with the CRO;
 - (c) it indicates whether the bid includes the acquisition of the litigation claim of Saltwire against Transcontinental Nova Scotia Media Group Inc., et. al. and provides an allocated purchase price to the same;
 - (d) the bid indicates the number of employees of the Companies that the Phase 2 Qualified Bidder intends to hire;
 - (e) the bid confirms that any applicable collective agreements will be assumed by the Phase 2 Qualified Bidder;
 - (f) the bid includes a letter stating that the Phase 2 Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder (as defined below), provided that if such Phase 2 Qualified Bidder is selected as the Successful Bidder or a Back Up Bidder (defined below), its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder or, in the case of a Back Up Bid (defined below), that it shall remain irrevocable until the later of the closing of the transaction with the Successful Bidder or the closing of the transaction contemplated by the Back Up Bid, if the Successful Bid has failed (the "**Back Up Bid Expiration Date**");
 - (g) the bid includes duly authorized and executed transaction agreements, including the purchase price or investment amount and any other key economic terms expressed in Canadian dollars (the "**Purchase Price**"), together with all exhibits and schedules thereto;

- (h) the bid includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, that will allow the Financial Advisor and the CRO, in consultation with the Monitor to make a determination as to the Phase 2 Qualified Bidder's financial and other capabilities to consummate the proposed transaction;
 - (i) the bid is not conditioned on the outcome of unperformed due diligence by the Phase 2 Qualified Bidder, apart from, to the extent applicable, to the disclosure of due diligence materials that represent proprietary or sensitive competitive information which was withheld in Phase 1 from the Phase 1 Qualified Bidder;
 - (j) the bid fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is participating or benefiting from such bid;
 - (k) the bid is accompanied by a non-refundable deposit in the amount of not less than 10% (the "**Deposit**") of the purchase price or transaction value (as determined by the Financial Advisor, in consultation with the Monitor and the CRO) by wire transfer of immediately available funds, which deposit shall be retained by the Monitor in a non-interest bearing trust account in accordance with paragraph 44;
 - (l) the bid includes acknowledgments and representations of the Phase 2 Qualified Bidder that: (i) has had an opportunity to conduct any and all due diligence regarding the Property, the Business and the Companies prior to making its offer (apart from, to the extent applicable, the disclosure of due diligence materials that represent proprietary or sensitive competitive information which were withheld in Phase 2 from the Phase 2 Qualified Bidder); (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Business, Property, or the Companies or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) entered into in connection with a transaction;
 - (m) the bid is received by the Phase 2 Bid Deadline; and
 - (n) the bid contemplates closing the transaction set out therein on or before July 31, 2024 (the "**Closing Date**").
23. Following the Phase 2 Bid Deadline, the Financial Advisor and the CRO, in consultation with the Monitor, will assess the Phase 2 bids received and, for greater certainty, copies of all Phase 2 bids shall be provided forthwith after receipt to the Applicants unless the Applicants have become a Phase 2 Qualified Bidder. The Financial Advisor and the CRO, in consultation with the Monitor, will designate the most competitive bids that comply with the foregoing requirements to be "Qualified Bids". No Phase 2 bids received shall be deemed not to be Qualified Bids without the approval of the Monitor. Only Phase 2

Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder(s).

24. The Monitor, in consultation with the Financial Advisor and the CRO, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified Bid
25. The Financial Advisor shall notify each Phase 2 Qualified Bidder in writing as to whether its bid constituted a Qualified Bid within five (5) business days of the expiration of the Phase 2 Bid Deadline, or at such later time as the Financial Advisor and the Monitor, in consultation with the CRO and the Applicants, deem appropriate.
26. If the Financial Advisor and the CRO, with the consent of the Monitor, are not satisfied with the number or terms of the Qualified Bids or otherwise believe that the SISF would benefit from extending the Phase 2 Bid Deadline, the Financial Advisor and the CRO, with the consent of the Monitor and subject to paragraph 40, may extend the Phase 2 Bid Deadline provided that the Phase 2 Bid Deadline shall not be extended for more than 10 business days without the approval of the Monitor or Order of the Courts.
27. The Financial Advisor and the CRO, with the consent of the Monitor, may aggregate separate bids from unaffiliated Phase 2 Qualified Bidders to create one "Qualified Bid".

Evaluation of Competing Bids

28. A Qualified Bid will be valued based upon several factors, including, without limitation, items such as the Purchase Price and the net value provided by such bid, the identity, circumstances and ability of the Phase 2 Qualified Bidder to successfully complete such transactions, the proposed transaction documents, factors affecting the speed, certainty and value of the transaction, the assets included or excluded from the bid, any related restructuring costs, and the likelihood and timing of consummating such transactions, each as determined by the Financial Advisor and the Monitor, in consultation with the CRO.

Selection of Successful Bids

29. Subject to the Bid Process Letter, the Financial Advisor, the CRO and the Monitor:
 - (a) will review and evaluate each Qualified Bid, provided that each Qualified Bid may be negotiated among the Financial Advisor, in consultation with the Monitor and the CRO, and the applicable Phase 2 Qualified Bidder, and may be amended, modified or varied to improve such Phase 2 Qualified Bid as a result of such negotiations, and
 - (b) may
 - (i) identify the highest or otherwise best bid or bids (each, a "**Successful Bid**", and the Phase 2 Qualified Bidder making each such Successful Bid, a "**Successful Bidder**") for any particular Property or Business in whole or part; and/or

- (ii) Identify one or more Qualified Bids to be accepted on a conditional basis subject to the failure of the transaction(s) contemplated by the Successful Bid(s) (a “**Back Up Bid**” and such Phase 2 Qualified Bidder, a “**Back Up Bidder**”); and/or
 - (iii) (ii) direct such Phase 2 Qualified Bidders to participate in an auction (“**Auction**”) to be conducted and administered by the Monitor in accordance with the Auction Procedures Letter (defined below), with the assistance of the Financial Advisor and the CRO. The determination of any Successful Bid and Back Up Bid by the Financial Advisor and the CRO, with the concurrence of the Monitor and in consultation with the Applicants, shall be subject to approval by the Court.
30. In the event that it is determined that there is to be an Auction in respect of some or all of the Property or Business, the Auction shall be governed by an auction procedures letter (“**Auction Procedures Letter**”) to be prepared by the Monitor and sent to all applicable Phase 2 Qualified Bidders setting out, among other things, (a) the date, time and location of the Auction (including whether in person or by videoconference); (b) the amount of the starting bid; and (c) the initial minimum overbid.

Sale Approval Motion Hearing

31. At the hearing of the motion to approve any transaction with a Successful Bidder or Successful Bidders (the “**Sale Approval Motion**”), the Monitor shall seek, among other things, approval from the Court to consummate any Successful Bid.

Confidentiality and Access to Information

32. All discussions regarding a Sale Proposal, Investment Proposal, LOI or Phase 2 bid should be directed through the Financial Advisor. Under no circumstances should the management of the Companies be contacted directly without the prior consent of the Financial Advisor and the Monitor. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP process, in the discretion of the Monitor.
33. Participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Phase 1 Qualified Bidders, Phase 2 Qualified Bidders, Phase 2 Qualified Bids, the details of any bids submitted or the details of any confidential discussions or correspondence between the CRO, the Financial Advisor, the Monitor and such other bidders or Potential Bidders in connection with the SISP, except to the extent the Financial Advisor and the CRO, with the consent of the Monitor, and consent of the applicable participants, are seeking to combine separate bids from Phase I Qualified Bidders or Phase 2 Qualified Bidders.
34. Without limiting the rights of the Applicants herein, the Financial Advisor and the Monitor may consult with any other parties with a material interest in the CCAA proceedings, including the Applicants, regarding the status and material information and developments relating to the SISP to the extent considered appropriate by the Monitor in consultation

with the Financial Advisor, provided that such parties (other than the Applicants) shall have entered into confidentiality arrangements satisfactory to the Financial Advisor and the Monitor. The Financial Advisor and/or the Monitor may discuss the status of the SISP throughout the conduct of the SISP.

Supervision of the SISP

35. The Monitor will oversee, in all respects, the conduct of the SISP by the Financial Advisor and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out in herein, in any Bid Process Letter and the Initial Order and is entitled to receive all information in relation to the SISP.
36. This SISP does not and will not be interpreted to create any contractual or other legal relationship between the Companies and any Phase I Qualified Bidder, any Phase 2 Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be signed in connection with a Successful Bid.
37. Without limiting the preceding paragraph, neither the Financial Advisor nor the Monitor shall have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, the Successful Bidder, the Companies, the Applicants or any other creditor or other stakeholder of the Companies, for any act or omission related to the process contemplated herein. By submitting a bid, each Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Monitor or the Financial Advisor for any reason whatsoever.
38. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any LOI, Phase 2 bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.
39. Subject to the limitations in paragraph 40, the Financial Advisor, with the consent of the Monitor, or order of the Court, shall have the right to modify the SISP (including, without limitation, pursuant to the Bid Process Letter) if, in their reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the Service List in this CCAA proceeding shall be advised of any substantive modification to the procedures set forth herein. Any material amendment to the SISP, in the opinion of the Monitor, will require the consent of the Applicants. However, for clarity and irrespective of the Applicants' foregoing consent rights, the Monitor shall seek the Court's approval for any material changes to the SISP.
40. The deadlines provided for in this SISP may be extended in the discretion of the Financial Advisor and the Monitor provided that the aggregate discretionary extensions shall not exceed 15 business days. In the event that any one milestone deadline is extended, all subsequent milestones shall be extended by the same number of days and a revised timetable shall be provided to all applicable interested parties and posted on the Monitor's website.

Miscellaneous

41. Notwithstanding the other provisions of the SISP, the Monitor may, in consultation with the CRO, the Financial Advisor and the Applicants, at any time bring a motion:
 - (a) to seek approval of a stalking horse agreement in respect of some or all of the Property and related bid procedures in respect of such Property or to establish further or other procedures for Phase 2; and/or
 - (b) to seek approval to terminate the SISP if (i) no *bona fide* purchasers or investors, in the opinion of the Monitor are participating in the SISP; or (ii) the Applicants, acting reasonably, have advised the Financial Advisor and the Monitor that none of the LOIs submitted in phase 1 will result in a transaction acceptable to the Applicants, and after consideration, the Financial Advisor, CRO and the Monitor concur with that view or (iii) the Applicants, acting reasonably, have advised the Financial Advisor, the CRO and the Monitor that none of the offers submitted in phase 2 will result in a transaction acceptable to the Applicants, and after consideration, the Financial Advisor, the CRO and the Monitor concur with that view; and/or
 - (c) to seek approval of a transaction for any of the Real Property, provided that prior to the completion of the SISP, such Real Property sale does not impair the ability to complete a transaction for the Business; and/or
 - (d) to seek approval of a transaction for certain Property of some or all of the Companies of de minimis value and which the Monitor, in consultation with the CRO and Financial Advisor, can be sold independently of the Business.
42. In the event that the SISP is terminated in connection with paragraph 41(b) above, the Applicants shall not, by virtue of having not participated in the SISP, be disqualified from submitting an offer for the Business on the basis of a credit bid or otherwise. For clarity, it is the strong preference of the Applicants to find a solution that results in a transaction where the Applicants are not the controlling shareholder of the Companies or the Business.
43. Except to the extent otherwise set forth in a definitive sale or investment agreement with a successful bidder, any sale of any of the Property or investment in the Business will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor, the Companies, the CRO the Financial Advisor, or any of their respective agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Companies in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, except as otherwise provided in such Court orders or the definitive documents entered into in connection with the Successful Bid.
44. All Deposits shall be retained by the Monitor in a non-interest bearing trust account. If a Successful Bid is selected and an order authorizing the consummation of the transaction contemplated thereunder is granted, any Deposit paid in connection with such Successful

Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. In the event that the Successful Bid is not completed due to a breach or default of the bidder's obligations thereunder, the Deposit shall be forfeited to the Companies as damages and such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Companies have in respect of such breach or default. Any Deposit delivered with a Phase 2 Qualified Bid that is not selected as a Successful Bid or a Back Up Bid will be returned to the applicable bidder as soon as reasonably practicable (but not later than ten (10) business days) after the earliest of (a) Court approval of an alternative Successful Bid for the same Property or Business, which Order shall have become a final order; (b) the closing of a transaction in respect of the same Property or Business; or (c) 60 days after the date the Phase 2 Qualified Bidder is notified its bid is not a Successful Bid. Deposits in respect of a Back Up Bid will be returned as soon as reasonably practicable (but not later than ten (10) business days) after the Back Up Bid Expiration Date.

45. The consultation and other rights afforded to the CRO herein shall not extend to other officers, shareholders and/or the directors of the Companies without the consent of the Monitor, in its sole discretion.

Schedule "1"

Addresses of Monitor and Financial Advisor

All LOIs and formal binding offers (and any accompanying documents) shall be transmitted by way of email to the Monitor and Financial Advisor as follows:

To the Monitor:

KSV Restructuring Inc.
220 Bay Street, 13th Floor, PO Box 20
Toronto, Ontario M5J 2W4

Attention: Bobby Kofman (bkofman@ksvadvisory.com) and Mitch Vininsky
(mvininsky@ksvadvisory.com)

To the Financial Advisor:

FTI Capital Advisors – Canada ULC
79 Wellington Street West, Suite 2010
Toronto, ON M5K 1G8

Attention: Dean Mullett (dean.mullett@fticonsulting.com) and Richard Kim
(richard.kim@fticonsulting.com)

Appendix “C”



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
THE HALIFAX HERALD LIMITED, SALTWIRE NETWORK INC., HEADLINE PROMOTIONAL
PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND
BRACE HOLDINGS LIMITED**

BETWEEN:

**Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.,**

Applicants

-and-

**Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited**

Respondents

**FIRST REPORT OF KSV RESTRUCTURING INC.
AS CCAA MONITOR**

March 19, 2024

Contents		Page
1.0	Introduction	1
1.1	Purposes of this Report.....	3
1.2	Restrictions	4
1.3	Currency	4
2.0	Background	4
3.0	Update on the Company's Activities since the Filing Date	6
4.0	Monitor's Activities since the Initial Order	6
5.0	SISP	7
5.1	SISP Agent Agreement.....	8
5.2	SISP Agent Agreement Recommendation	8
5.3	SISP	9
5.4	SISP Recommendation.....	11
6.0	Revised Cash Flow Forecast.....	12
6.1	Interim Financing Facility Increase.....	13
7.0	Priority of Court-Ordered Charges	14
8.0	Headline	14
8.1	WEPPA.....	15
9.0	Expanded Role of CRO	15
10.0	Expanded Monitor's Authority.....	16
11.0	Pre-filing Payments	16
12.0	Stay Extension	17
13.0	Conclusion and Recommendation	18

Appendices

Appendix	Tab
Initial Order.....	A
Pre-filing Report	B
Corporate Chart	C
SISP Agent Agreement.....	D
FTI Summary	E
Revised Cash Flow Forecast and Companies' Report on Cash Flow.....	F
Monitor's Report on Revised Cash Flow Forecast	G
First Interim Financing Term Sheet	H
Interim Financing Term Sheet.....	I
Blackline of First Interim Financing Term Sheet to Interim Financing Term Sheet	J

1.0 Introduction

1. Pursuant to an order (the “**Initial Order**”) issued by the Supreme Court of Nova Scotia (the “**Court**”) on March 13, 2024 (the “**Filing Date**”), The Halifax Herald Limited (“**Herald**”), Saltwire Network Inc. (“**Saltwire**”, and together with the Herald, the “**Media Companies**”), Headline Promotional Products Limited (“**Headline**”), Titan Security & Investigation Inc. (“**Titan**”), Brace Capital Limited (“**Brace Capital**”) and Brace Holdings Limited (“**Brace Holdings**”, and together with Headline, Titan and Brace Capital, the “**Non-Media Companies**”, and together the Non-Media Companies and the Media Companies, the “**Companies**”) 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 these proceedings (the “**Monitor**”). A copy of the Initial Order is provided as **Appendix “A”**.
2. Applications under the CCAA (the “**Initial Applications**”) were made by both the Companies and Fiera Private Debt Fund III LP, by its sole general partner Fiera Private Debt Fund GP Inc. (“**Fund III**”) and Fiera Private Debt Fund V LP, by its sole general partner Fiera Private Debt Fund GP Inc. (“**Fund V**” and together with Fund III, “**Fiera**”). Fiera is the Media Companies’ senior secured creditor and is owed in excess of \$32 million, plus interest and costs which continue to accrue. The Non-Media Companies are guarantors of the debt owing to Fiera. The Court granted the Initial Order sought by Fiera, subject to certain amendments.
3. The Initial Order provides for (among other things) an initial stay of proceedings up to and including March 22, 2024 (the “**Stay Period**”). Fiera is bringing a motion to extend the Stay Period and for certain other relief described below which is scheduled to be heard on March 22, 2024 (the “**Comeback Hearing**”).
4. The principal purpose of these CCAA proceedings is to create a stabilized environment to enable the Companies, particularly the Media Companies, to secure financing to continue to operate while the Media Companies pursue a restructuring or sale of their businesses and assets through a Court-supervised sale and investment solicitation process (the “**SISP**”).
5. The Media Companies engaged FTI Capital Advisors-Canada ULC (“**FTI**”) pursuant to an engagement letter dated October 18, 2023 to conduct a strategic process to explore a potential sale or refinancing of their business. FTI commenced its marketing process on November 6, 2023. Fiera’s CCAA application materials contemplate that the SISP would continue during these CCAA proceedings, as discussed in further detail below and subject to Court approval.
6. Pursuant to the terms of the Initial Order, *inter alia*, the Court:
 - a) granted a stay of proceedings in favour of the Companies and their directors and officers (the “**Stay of Proceedings**”) to and including March 22, 2024;

- b) appointed KSV as Monitor;
- c) appointed David Boyd, a representative of Resolve Advisory Services Ltd. (“**Resolve**”), as Chief Restructuring Officer (the “**CRO**”);
- d) approved an interim financing credit facility (the “**Interim Financing Facility**”) in the maximum principal amount of \$500,000 made available by Fiera (in such capacity, the “**Interim Lender**”) pursuant to an interim financing term sheet dated March 13, 2024, as amended, subject to being increased and amended as part of the Comeback Hearing;
- e) granted charges on all of the Companies’ current and future assets, property and undertaking (collectively, the “**Property**”) in the following priorities:
 - i. a charge in the amount of \$300,000 in favour of the Monitor, its legal counsel and Fiera’s legal counsel to secure payment of their fees and disbursements (the “**Administration Charge**”);
 - ii. a charge in the amount of \$1.075 million in favour of the Companies’ directors and officers to secure the Companies’ indemnity obligations to such persons (the “**D&O Charge**”); and
 - iii. a charge in favour of the Interim Lender to secure the Companies’ obligations to the Interim Lender in respect of advances made under the Interim Financing Facility (the “**Interim Lender’s Charge**”).

7. Fiera has filed materials in connection with the Comeback Hearing seeking orders:

- a) amending and restating the terms and provisions of the Initial Order (as amended and restated, the “**ARIO**”), including to provide for an:
 - i. extension of the Stay of Proceedings to May 3, 2024 (the “**Stay Extension**”);
 - ii. increase in the Administration Charge from \$300,000 to \$450,000, as it is intended to cover the Monitor, its counsel, Fiera’s counsel, the Companies’ counsel and the CRO;
 - iii. increase in the amount of the authorized borrowings under the Interim Financing Facility from \$500,000 to \$1.5 million (the “**DIP Increase**”) and a corresponding increase in the Interim Lender’s Charge;
 - iv. increase in the aggregate amount that the Companies can pay to suppliers and service providers for pre-filing obligations from \$300,000 to \$500,000, subject to the prior consent of the Monitor and the CRO (“**Pre-filing Payments**”);
 - v. expansion of the CRO’s powers and authority; and
 - vi. expansion of the Monitor’s powers and authority;

- b) approving a SISP;
 - c) approving an engagement letter dated March 14, 2024 (the “**SISP Agent Agreement**”) between the Media Companies and FTI in respect of FTI’s engagement as sales agent in relation to the SISP (in such capacity, the “**SISP Agent**”) and including the payment of certain work fees and a success fee, as set out in the SISP Agent Agreement (the “**SISP Agent Compensation**”), to be secured by a charge of \$500,000 on the Property (the “**SISP Agent Charge**”), which is proposed to rank *pari passu* with the Administration Charge and in priority to the D&O Charge and the Interim Lender’s Charge (collectively, the “**CCAA Charges**”); and
 - d) declaring that Headline meets the criteria prescribed by section 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222 (the “**WEPP Regulations**”) and that Headline’s former employees are eligible to receive payments under and in accordance with the *Wage Earner Protection Program Act*, S.C. 2005, c. 47 s. 1, as amended (“**WEPPA**”).
8. KSV is filing this report (the “**First Report**”) as Monitor.
 9. The Affidavit of Russell French, a managing director of, and the head of special situations at, Fiera, affirmed March 8, 2024 in support of Fiera’s CCAA application (the “**French Affidavit**”) and Mr. French’s affidavit affirmed March 19, 2024 (the “**Second French Affidavit**”) in support of the relief being sought at the Comeback Hearing, provide, *inter alia*, background information concerning the Companies and their businesses, as well as the reasons that Fiera commenced these proceedings.
 10. Court materials filed in these proceedings, including the French Affidavit and the report to Court prepared by KSV as proposed Monitor dated March 8, 2024 (the “**Pre-filing Report**”), are available on KSV’s case website at <https://www.ksvadvisory.com/experience/case/Herald-Saltwire>. A copy of the Pre-filing Report is also provided in **Appendix “B”**, without attachments.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide the Court with an update on the Companies’ and the Monitor’s activities since the Initial Order;
 - b) report on the Company’s updated cash flow projection for the period March 9, 2024 to May 4, 2024 (the “**Revised Cash Flow Forecast**”); and
 - c) discuss and provide the Monitor’s recommendations regarding the proposed:
 - DIP Increase;
 - SISP;
 - the continued engagement of FTI by the Media Companies to act as SISP Agent pursuant to the SISP Agent Agreement;

- the SISP Agent Charge;
- WEPPA declaration;
- Pre-filing Payments increase;
- expanded role of the CRO;
- expanded authority of the Monitor; and
- extension of the Stay Period to May 3, 2024.

1.2 Restrictions

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

1.3 Currency

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

2.0 Background

1. The Companies are private companies incorporated under the laws of Nova Scotia.
2. The Media Companies publish *The Chronicle Herald*, the *Cape Breton Post*, *The Telegram* (St. Johns) and *The Guardian* (Charlottetown), as well as several digital publications. The Monitor understands that these are the largest media and newspaper businesses in Atlantic Canada.
3. The Media Companies recently launched a "last mile" parcel delivery business known as "Door Direct", which utilizes their existing carrier network. The Media Companies believe that this business has the potential to materially improve their viability. The Door Direct business is in its development stages.

4. Titan is a full-service security and health care services company with approximately 100 full and part-time employees.
5. Headline is a promotional products company that procures branded novelty and other products for corporate buyers. It presently employs 10 individuals. As discussed further below, the Companies intend to wind down Headline's business in the near term as it is not profitable.
6. Brace Capital is the sole shareholder of Headline and Titan. Brace Holdings is the sole shareholder of the Media Companies and Brace Capital. A copy of the Companies' corporate chart is provided as **Appendix "C"**.
7. The Herald's head office and principal address is located at 2717 Joseph Howe Drive, Halifax where it operates from leased premises. The registered office of Saltwire, Headline and Titan is located at 600-1741 Lower Water Street, Halifax.
8. Saltwire owns the following locations (the "**Real Properties**") from which it presently operates (or formerly operated), each of which is listed for sale, except Bluewater (as defined below):
 - 311 Bluewater Road, Bedford ("**Bluewater**");
 - 2 Second Street, Yarmouth;
 - 255 George Street, Sydney; and
 - 36 Austin Street, St. John's.
9. The Monitor understands that Fiera has a senior ranking mortgage on the Real Properties.
10. The Media Companies presently have approximately 390 employees and 800 independent contractors. A number of the Media Companies' employees are members of unions, as set out below:

Union	Members	Province
CWA Cape Breton Post	24	Nova Scotia
Halifax Typographical Union – Editorial	19	Nova Scotia
Halifax Typographical Union – Press	9	Nova Scotia
UFCW – St. John's Mailroom	10	Newfoundland
UFCW – Western Star	3	Newfoundland
Unifor – Telegram (Admin)	10	Newfoundland
Unifor – Editorial	13	Newfoundland
Unifor – NL Print	19	Newfoundland
Unifor – NL Print CSR	1	Newfoundland
Total	108	

11. The Media Companies have several pension and other benefit plans for their current and former employees, as follows:

Plan Name	Sponsor	Plan Type
Pension Plan for the Employees of SaltWire Network Inc.	SaltWire	Defined Contribution
The Group Retirement Savings Plan for the Employees of SaltWire Network	SaltWire	Registered Retirement Savings Plan
The Deferred Profit-Sharing Plan for the Employees of SaltWire Network	SaltWire	Deferred Profit-Sharing Plan
The Group Tax-Free Savings Account for the Employees of SaltWire Network	SaltWire	Tax-Free Savings Account
The Herald Retirement Plan	Herald	Registered Pension Plan
The Halifax Herald Limited & Associated Companies	Herald	Registered Retirement Savings Plan
The Deferred Profit-Sharing Plan for the Employees of The Halifax Herald	Herald	Deferred Profit-Sharing Plan
The Group Tax-Free Savings Account for the Employees of The Halifax Herald	Herald	Tax-Free Savings Account
The Herald Retirement Plan	Herald	Defined Benefit

3.0 Update on the Company's Activities since the Filing Date

1. Since the Filing Date, the Companies have, among other things:
 - a) continued to operate their businesses in the ordinary course with the assistance of the CRO and under the supervision of the Monitor;
 - b) drafted and disseminated a press release regarding the commencement of these CCAA proceedings;
 - c) communicated with employees, customers, advertisers and suppliers regarding the purpose of these proceedings and their intentions regarding the restructuring and continuation of the business;
 - d) reviewed the terms of the proposed SISP Agent Agreement and the SISP in consultation with FTI, the CRO, Fiera and the Monitor;
 - e) communicated with staff and unions regarding these proceedings; and
 - f) reviewed and updated the Cash Flow Forecast, with the assistance of the Monitor and the CRO.

4.0 Monitor's Activities since the Initial Order

1. Since the Filing Date, the Monitor has, among other things:
 - a) met with and corresponded regularly with the Companies' management team and the CRO regarding these proceedings;

- b) worked with the Companies' management team and the CRO regarding the Companies' stakeholder communication strategy;
- c) mailed a CCAA notice to the Companies' creditors and filed Forms 1 and 2 with the Office of Superintendent of Bankruptcy, all as required under the CCAA;
- d) posted the CCAA notice, list of creditors and other documents on the Monitor's website;
- e) arranged for the publication of the CCAA notice in *The Chronicle Herald* in accordance with the Initial Order;
- f) monitored the Companies' receipts and disbursements;
- g) engaged extensively with Chaitons LLP (the Monitor's legal counsel) and Norton Rose (Canada) LLP (Fiera's legal counsel) regarding various matters relating to these proceedings;
- h) corresponded and spoken with the CRO and Fiera (and its counsel) regarding the proposed terms of the SISP and the SISP Agent Agreement;
- i) assisted the Companies in their dealings with key suppliers;
- j) corresponded with legal counsel to certain of the Companies' unions;
- k) considered, on a preliminary basis, next steps in the Companies' litigation with Transcontinental Nova Scotia Media Group;
- l) reviewed and commented on Fiera's materials to be filed in support of the relief to be sought at the Comeback Hearing; and
- m) prepared this Report.

5.0 SISP

1. At the hearing for the Initial Applications, and in the respective materials filed in the context of the Initial Applications, Fiera and the Companies both advised that they would be seeking the approval of a SISP and the retention of FTI to conduct the SISP.
2. Since the date of the Initial Order, FTI has worked with the Monitor, the CRO and Fiera to settle the terms of the SISP Agent Agreement and the terms of the proposed SISP, both of which are subject to Court approval at the Comeback Hearing.
3. As referenced above and discussed in the Pre-filing Report, the Media Companies engaged FTI in late October 2023 to assist them in their efforts to raise capital and/or sell the Media Companies' businesses and assets (the "**Pre-filing SISP**"). The Pre-filing SISP commenced on November 8, 2023. FTI canvassed an extensive list of prospective purchasers and/or investors, facilitated due diligence through, *inter alia*, an online data room and arranged meetings between certain interested parties and management of the Media Companies. That process has not yet resulted in a transaction, although many parties have expressed, and continue to express, an interest in the opportunity. A letter of intent was received recently, and discussions are ongoing with that party.

4. Pursuant to its engagement letter with the Media Companies in the context of the Pre-filing SISP, FTI was paid a monthly work fee of \$45,000 for the first four months of its mandate and was entitled to a minimum success fee of \$750,000 on completion of a transaction.
5. Upon being appointed, the Monitor requested that FTI provide the Media Companies with a new engagement letter for the SISP to be carried out in these proceedings. A copy of FTI's proposed terms of engagement are provided in the SISP Agent Agreement, a copy of which is provided as **Appendix "D"**.

5.1 SISP Agent Agreement

1. Capitalized terms used but not otherwise defined in this section have the meanings ascribed to them in the SISP Agent Agreement.
2. The financial terms of the SISP Agent Agreement are as follows:
 - a) **Work Fee:** The SISP has two phases, as described in Section 5.3 below. FTI is to be paid work fees up to a maximum of \$250,000 per phase based on its standard hourly rates. FTI is also entitled to be reimbursed for its actual out-of-pocket expenses.
 - b) **Transaction Fee:** FTI will be entitled to a transaction fee of \$250,000 upon completion of a Transaction (as defined in the SISP Agent Agreement) for the Media Companies.
 - c) If a Transaction for the Media Companies is not completed, and Fiera decides to acquire the Media Companies, FTI will only be entitled to its Work Fee. If the SISP is terminated in accordance with its terms, FTI would only be entitled to its Work Fees to that point in time. FTI will not be entitled to a transaction fee on the sale of the Real Properties or the sale of any of the assets / businesses of the Non-Media Companies.

5.2 SISP Agent Agreement Recommendation

1. The Monitor recommends that the Court approve the SISP Agent Agreement for, among others, the following reasons:
 - a) in the Monitor's view, the fees payable to FTI are consistent with the market and commercially reasonable;
 - b) as a result of its involvement in the Pre-filing SISP, FTI has obtained significant knowledge about the Media Companies and has a working relationship with their management, Fiera, the CRO and the Monitor;
 - c) FTI has canvassed dozens of financial and strategic parties to determine their interest in this opportunity. FTI has an ongoing dialogue with certain of these parties. Introducing a new financial advisor at this stage would confuse the market;

- d) FTI is ready to continue the SISP without delay, which will save time and money, both in context of professional fees and funding for these CCAA proceedings. FTI has, among other things, prepared a confidential information memorandum and populated a data room. A new financial advisor would be required to draft new materials, resulting in delay. Accordingly, FTI's prior involvement with the Media Companies will provide for a seamless transition from the Pre-filing SISP to the SISP;
 - e) a new (reputable) financial advisor is likely to require similar fees and payment guarantees for its fees. In the Monitor's opinion, it is likely that a new (reputable) financial advisor would be at least as expensive as FTI; and
 - f) Fiera consents to FTI's engagement as the SISP Agent, including the fees payable under the SISP Agent Agreement. Based on the results to-date of the Pre-filing SISP, and the Monitor's assessment of the realizable value of the Companies' businesses and assets, Fiera appears to be the only financial stakeholder that would receive proceeds from a Transaction.
2. As referenced above, Fiera's materials propose that the SISP Agent be granted a charge in the amount of \$500,000, which would represent the maximum amount that could be payable to the SISP Agent at any one time (i.e., the Phase 2 work fee and the success fee).
 3. It is the Monitor's experience that a charge for a sales agent is standard in the context of CCAA proceedings, and, accordingly, the Monitor believes that the SISP Agent Charge is reasonable and appropriate in this case because: (i) it is a condition of FTI's engagement as SISP Agent under the SISP Agent Agreement; and (ii) it provides protection for the SISP Agent that it will be paid.

5.3 SISP

1. Capitalized terms used but not otherwise defined in this section have the meanings ascribed to them in the proposed SISP, which is attached as Schedule "B" to the proposed SISP Approval Order. Interested parties should read the entirety of the SISP. The discussion below provides a high-level summary only.
2. The SISP is intended to be a continuation of the Pre-filing SISP for the sale of or investment in the Media Companies as a going concern. Titan and Headline are not included in the SISP. Court approval of a process to market Titan for sale will be sought in due course in these proceedings. As referenced below, Headline's operations are expected to be discontinued in the near term.
3. FTI has canvassed a large number of parties, as reflected in its summary provided in **Appendix "E"**. FTI has shared the list of parties contacted by FTI to date with the Monitor. The Monitor is satisfied that a broad number of parties have been canvassed. At the return of this motion, the Monitor will have available for the Court's review a list of the parties contacted by FTI during the Pre-filing SISP if the Court wishes to see the list of contacted parties. The Monitor did not include the list in this First Report in order to preserve the integrity of the SISP.

4. The following table provides a summary of key process milestones and dates under the proposed SISP.

Milestone	Deadline
SISP Commencement Date	March 25, 2024
Phase 1 Bid Deadline	5pm AST, April 25, 2024 ("Phase 1 Bid Deadline")
Phase 2 Bid Deadline	5pm AST, May 24, 2024 ("Phase 2 Bid Deadline")
Court Approval Date	No later than June 28, 2024
Closing Date Deadline	July 31, 2024

5. As set out above, the SISP is intended to be conducted in two stages:
 - a. Phase 1 of the SISP is intended to solicit indicative non-binding letters of intent ("**LOIs**") from interested parties; and
 - b. During Phase 2, any parties who submit qualifying LOIs will be permitted to participate in Phase 2 and will be required to submit binding offers on or before the Phase 2 Bid Deadline.
6. The criteria to be considered and the process for assessing qualification is set out in the SISP itself and will largely be considered by the SISP Agent and the CRO in consultation with the Monitor and, where applicable, Fiera.
7. The SISP provides that the deadlines may be extended in the discretion of the SISP Agent and the Monitor, provided that the aggregate discretionary extensions shall not exceed 15 business days. If any one milestone deadline is extended, all subsequent milestones shall be extended by the same number of days and a revised timetable shall be provided to all applicable interested parties and posted on the Monitor's website.
8. Following the Phase 1 Bid Deadline, the SISP provides that the SISP Agent and the CRO, in consultation with the Monitor, and after consultation with Fiera, shall determine the process to be followed in pursuing Qualified LOIs based on such factors and circumstances as they consider appropriate in the circumstances including, but not limited to: (i) the number of Qualified LOIs received; (ii) the scope of the Property or Business to which any Qualified LOIs may relate; and (iii) whether to proceed by way of sealed bid or auction (with or without a stalking horse bidder) with respect to some or all of the Property.
9. The consultative rights regarding the second phase of the SISP are similar to the above. Specifically, following the Phase 2 Bid Deadline, the SISP Agent and the CRO, in consultation with the Monitor, will assess the Phase 2 bids received and, for greater certainty, copies of all Phase 2 bids shall be provided forthwith to Fiera. The SISP Agent and the CRO, in consultation with the Monitor, will designate the most competitive bids that comply with the foregoing requirements to be "Qualified Bids". No Phase 2 bids received shall be deemed not to be Qualified Bids without the approval of the Monitor. Only Phase 2 Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder(s), subject to certain rights afforded to Fiera, as discussed below in the following paragraph.

10. The SISP provides that, notwithstanding the other provisions of the SISP, the Monitor may, in consultation with the CRO, the SISP Agent and Fiera, at any time bring a motion:
 - a) to seek approval of a stalking horse agreement in respect of some or all of the Property and related bid procedures in respect of such Property or to establish further or other procedures for Phase 2; and/or
 - b) to seek approval of a transaction for any of the Real Property, provided that prior to the completion of the SISP, such Real Property sale does not impair the ability to complete a transaction for the Business; and/or
 - c) to seek approval of a transaction for certain Property of some or all of the Companies of *de minimis* value and which the Monitor, in consultation with the CRO and SISP Agent, can be sold independently of the Business.
11. The Monitor understands that certain members of the Companies' management may be considering a transaction to acquire the Media Companies' business. To address confidentiality concerns and preserve the integrity of the SISP, to the extent that any member of the Companies' management team is or may be a member of a purchaser or investor group: (i) it shall be required to advise the SISP Agent and Monitor of this potential interest; (ii) competing interested parties shall be advised of that management member's potential involvement with another bid when engaging with that person in the context of its due diligence; (iii) the management member will only be entitled to participate in the meetings with any purchaser or investor with the consent of the purchaser or investor; and (iv) the management meeting will be supervised by either or both of the SISP Agent and the Monitor. The Monitor reserves the right to implement such other procedures as it considers necessary to address any confidentiality issues that may arise during the conduct of the SISP. If a management member fails to disclose its interest or potential interest in a transaction prior to meeting with another purchaser or investor, the Monitor may consider whether it is appropriate to seek an order from the Court precluding that individual or the group with which he or she is involved from participating in the SISP.
12. The SISP also provides that the Monitor may seek approval to terminate the SISP if (i) no *bona fide* purchasers or investors, in the opinion of the Monitor, are participating in the SISP; or (ii) Fiera, acting reasonably, has advised the SISP Agent and the Monitor that none of the LOIs submitted in phase 1 will result in a transaction acceptable to Fiera, and after consideration, the SISP Agent and the Monitor concur with that view; or (iii) Fiera, acting reasonably, has advised the SISP Agent, CRO and the Monitor that none of the offers submitted in phase 2 will result in a transaction acceptable to Fiera, and after consideration, the SISP Agent, CRO and the Monitor concur with that view.

5.4 SISP Recommendation

1. The Monitor recommends that the Court approve the proposed SISP for the following reasons:
 - a) the primary purpose of the CCAA proceedings is to conduct a SISP for the Media Companies to attempt to complete a going concern transaction and to maximize value for all stakeholders;

- b) in the Monitor's view, the SISP is commercially reasonable and will provide for a further canvassing of the market with a view to completing a going-concern, value maximizing transaction in the interest of the Companies' stakeholders, including the opportunity to preserve employment in the local community;
- c) a two stage SISP is appropriate such that, at the completion of Phase 1, the SISP Agent, CRO and Monitor may assess the likelihood of a successful Phase 2 bid and the associated cost with continuing the SISP for Phase 2;
- d) given breadth and duration of the Pre-filing SISP, the Monitor is of the view that the duration of the SISP is sufficient to allow interested parties to complete their due diligence and submit offers on the two-stage basis set out in the SISP;
- e) the SISP deadlines can be extended, if necessary, subject to the consent of the Monitor or an order of the Court;
- f) FTI has obtained extensive knowledge about the Media Companies since being retained in the context of the Pre-filing SISP and is prepared to continue that process without delay, which should reduce the professional costs of these proceedings, as well as the amount of funding required under the Interim Financing Facility;
- g) FTI is a well-known financial advisor and has significant experience conducting sale and investment processes both within and outside of CCAA proceedings;
- h) the SISP will be supervised by the Monitor;
- i) the authority of the Monitor to bring a motion for the purposes set out in Section 5.3, paragraph 8 above provides further flexibility and efficiency to the process;
- j) Fiera consents to the terms of the proposed SISP; and
- k) in the Monitor's view, the consultative rights provided to Fiera are reasonable, appropriate and consistent with industry practice given Fiera is the Companies' most significant creditor, the evidence to date concerning the value of the Companies' assets and the Media Companies relative to amount of Fiera's debt, and its status as Interim Lender under the Interim Financing Facility.

6.0 Revised Cash Flow Forecast

1. The Companies, with the assistance of the CRO and the Monitor, prepared a revised cash flow forecast for the period March 9, 2024 to May 4, 2024 (the "**Revised Cash Flow Forecast**"). The Revised Cash Flow Forecast and the Companies' statutory report thereon pursuant to Section 10(2)(b) of the CCAA are attached as **Appendix "F"**.
2. The changes to the Revised Cash Flow Forecast compared to the Cash Flow Forecast filed with the Pre-filing Report relate primarily to the opening cash balance, contingencies, HST remittances and professional fee line items, each of which were discussed with the Companies, the CRO and Fiera.

3. The Revised Cash Flow Forecast shows that the Companies are expected to require borrowings of up to approximately \$1.5 million under the Interim Financing Facility during the forecast period.
4. Based on the Monitor's review of the Revised Cash Flow Forecast, the cash flow assumptions appear reasonable. The Monitor's statutory report on the Revised Cash Flow Forecast is attached hereto as **Appendix "G"**.
5. The Monitor understands that the Interim Lender is prepared to fund the Companies and these proceedings in accordance with the Revised Cash Flow Forecast, subject to: (a) the Court granting the relief sought under the ARIO, including the Stay Extension and the DIP Increase; and (b) the Companies remaining compliant with the terms and conditions of the Interim Financing Term Sheet.

6.1 Interim Financing Facility Increase

1. The terms of the Interim Financing Facility were detailed in the Pre-filing Report and the French Affidavit and were amended immediately following the hearing for the Initial Order (the "**First Interim Financing Term Sheet**"). A copy of the First Interim Financing Term Sheet is attached as **Appendix "H"**.
2. Fiera and the Companies, through the CRO, have now agreed on the terms of an amended and restated interim financing term sheet dated as of March 22, 2024 (the "**Interim Financing Term Sheet**"). A copy of the Interim Financing Term Sheet is attached as **Appendix "I"**. A blackline of the First Interim Financing Term Sheet to the Interim Financing Term Sheet is attached as **Appendix "J"**. The additional terms of the Interim Financing Term Sheet are largely consistent with the original proposed terms set out in the French Affidavit and the Pre-Filing Report, with certain modifications, and have now been agreed upon by the Companies and by the CRO.
3. KSV summarized the relevant terms of the Interim Financing Term Sheet in the Pre-filing Report.
4. As noted in the CCAA application materials, it was the intention of Fiera and KSV, if appointed Monitor, to review the Cash Flow Forecast with the Companies and then for Fiera to seek an increase in the amount that may be borrowed under the Interim Financing Facility based on the Companies' borrowing requirements.
5. The Monitor is of the view that the DIP Increase is reasonable and appropriate for the following reasons:
 - a) the Revised Cash Flow Forecast projects that the Companies will require an additional financing of \$1 million to the end of the Stay Extension period;
 - b) the terms of the Interim Financing Facility are reasonable for the reasons set out in the Pre-filing Report and include the amendments discussed during the hearing for the Initial Order and certain others, including to provide for payment of the Companies' counsel's restructuring fees of up to \$100,000 incurred after March 14, 2024 for services rendered at the instruction of, or with the consent of, the CRO in connection with the CCAA proceedings; and
 - c) without the DIP Increase, the Companies are not projected to have the funding they require to operate their business and/or to fund these proceedings.

7.0 Priority of Court-Ordered Charges

1. The proposed ARIO contemplates the following CCAA Charges:
 - a) First, the Administration Charge (increased from \$300,000 to \$450,000 as it covers the Monitor, its counsel, Fiera's counsel, the Companies' counsel and the CRO), which would rank *pari passu* with the SISP Agent Charge (\$500,000), as discussed in Section 5.2 above;
 - b) Second, the Interim Lender's Charge; and
 - c) Third, the D&O Charge (\$1.075 million).
2. Section 6.2 of the Pre-filing Report provides the rationale for the amount of the D&O Charge.
3. The Monitor is supportive of the grant and priority of the CCAA Charges for the reasons provided in the Pre-filing Report and as discussed herein.

8.0 Headline

1. Headline is a promotional products company with ten employees that procures branded novelty and other products for corporate buyers.
2. The Companies advised the Monitor that they intend to wind-down Headline in the near term as:
 - a) Headline's business is relatively insignificant – in the 12 months ended December 31, 2023, it generated revenue of approximately \$823,000 and a net loss of \$303,000, based on its internal, unaudited financial statements;
 - b) Headline does not provide strategic value to the Media Companies; and
 - c) continuing to operate Headline will distract the Companies' management from working to restructure the Media Companies.
3. Headline has approximately 10 employees. The Companies and the Monitor discussed the treatment of claims by Headline's employees in the context of its wind-down and whether the provisions associated with the Wage Earner Protection Program ("WEPP") would apply to those claims. WEPP provides compensation to employees of insolvent companies for unpaid wages, vacation pay, termination pay and severance pay. In this instance, all wages and vacation pay are intended to be paid in full, so it is anticipated that WEPP would only be claimed for termination and severance pay, both of which are unsecured claims.
4. As discussed below, the Monitor supports the request that the provisions of WEPPA apply to the employees of Headline upon their termination.

8.1 WEPPA

1. Subsection 5(1) of the WEPPA provides that an individual is eligible to receive payment under the WEPP if, among other things: a) the individual's employment is ended for a reason prescribed by regulation; b) the individual is owed eligible wages by a former employer; c) the former employer is subject to proceedings under the CCAA; and d) a court determines under subsection 5(5) of the WEPPA that the criteria prescribed by regulation are met.
2. The Headline employees are currently being retained in order to complete the winddown of Headline and will be terminated thereafter.
3. Pursuant to Section 3.2 of the WEPP Regulations, the Court "may determine whether the former employer is the former employer all of whose employees in Canada have been terminated other than any retained to wind down its business operations."
4. The Monitor understands that Headline is preparing a wind-down plan that would result in it providing all, or substantially all, of its employees with notice of termination of their employment with Headline in the near term. Certain of the employees may be required to assist to wind-down Headline's business.
5. The proposed WEPPA declaration is intended to assist Headline's terminated employees to access benefits under the WEPPA shortly after their termination and subject to the WEPP Regulations.
6. The Monitor supports the request for a declaration that Headline is a former employer for the purposes of subsection 5(5) of the WEPPA. If such declaration is made, the Monitor intends to work with Headline to identify all employees that may be eligible for payments under the WEPPA and to assist eligible employees in making submissions to Service Canada at the appropriate time.

9.0 Expanded Role of CRO

1. As discussed above, Mr. Boyd of Resolve was appointed CRO pursuant to the Initial Order.
2. Since its appointment, the Monitor has worked with the CRO to, among other things, assist the Companies to stabilize their business and to consider the terms of a SISF.
3. As set out in the Comeback Hearing, the ARIO contemplates that, in addition to the authorities provided to the CRO in the Initial Order, the CRO would be empowered to:
 - a) approve all of the Companies' receipts and disbursements;
 - b) oversee and have access to all elements of the management and operation of the business of the Companies and, without limitation, be provided advance details of all proposed sale transactions, including estimated production and transportation cost, price and payment terms;

- c) carry out all obligations of the Companies pursuant to any proposed sale and investment solicitation process or other sale or divestiture of the assets or business of the Companies including, without limitation, executing agreements, instruments, notices, directions, settlements, filings, authorizations and other documents of whatever nature on behalf of each of the Companies in connection therewith;
 - d) take steps to cause the Companies, with the approval of the Monitor, to disclaim any agreements to which any of the Companies are party in accordance with the CCAA;
 - e) execute all Advance Requests (as defined in the Interim Financing Term Sheet) on behalf of the Companies; and
 - f) cause the Companies to administer the Business or the Property as the CRO, in consultation with the Monitor, deems necessary or desirable for the purposes of completing any transaction involving the Business or the Property or for purposes of facilitating distributions to creditors of the Companies.
4. In the Monitor's view, the CRO's expanded role will further assist the Companies with their restructuring efforts and is appropriate in the circumstances. The CRO's expanded role is also required in light of the decision by Mark Lever, the Companies' president, to step down. Mr. Boyd is an experienced restructuring professional and will be able to consider the foregoing in the context of the overall objectives of these proceedings.

10.0 Expanded Monitor's Authority

1. The ARIO provides for the Monitor to be empowered to:
 - a) approve, rather than monitor, the Companies' disbursements; and
 - b) bring motions in these proceedings including, without limitation, for the approval of one or more sale or investment transactions. The Monitor's role and its ability to bring motions related to the SISF is discussed above in Section 5.3.
2. Similar to the expansion of the CRO's role, these revisions are intended to increase efficiency and flexibility in these proceedings and provide additional oversight to the Companies' business for the benefit of its stakeholders.

11.0 Pre-filing Payments

1. The Companies' materials for the Initial Order requested the ability to make payments up to an aggregate limit of \$800,000 to suppliers, contractors, subcontractors and other creditors in respect of amounts owing to them prior to the date of the Initial Order where such payments were deemed to be critical to the ongoing and uninterrupted operations of the Companies and the preservation of the Property. The amount of the Pre-Filing Payments was reduced to \$300,000 at the initial hearing, with any such payments subject to the approval of the CRO and the Monitor.

2. Following its appointment, the Monitor reviewed the assumptions underlying the Companies' initial request and is of the view that a limit of \$500,000 for Pre-filing Payments should be sufficient, subject to the Companies' or the Monitor's right to bring a motion to Court on an urgent basis should the need arise to increase this amount. Accordingly, the Monitor requests that this limit be increased on the basis set out in the ARIO.
3. The Monitor notes that these payments should be only made in exceptional circumstances and that it expects suppliers and service providers to comply with the terms of the Initial Order. The Monitor intends to bring motions compelling supply if creditors do not comply with the ARIO, unless the creditor can justify why it should receive extraordinary treatment.

12.0 Stay Extension

1. The Stay Period currently expires on March 22, 2024. Fiera is requesting an extension of the Stay Period until May 3, 2024.
2. The Monitor supports the Stay Extension for the following reasons, among others:
 - a) the Companies are acting in good faith and with due diligence to advance their restructuring;
 - b) the Stay Extension will allow for the orderly conduct of the SISP which, in the Monitor's view, is in the best interests of the Media Companies and their stakeholders and will allow the Monitor to provide an update to the Court in that regard;
 - c) the Monitor does not believe that any creditor will be materially prejudiced if the extension is granted as the Revised Cash Flow Forecast projects that the Companies should be able to meet their obligations in the ordinary course;
 - d) as of the date of this First Report, neither Fiera nor the Monitor is aware of any party opposed to the requested extension; and
 - e) subject to Court approval of the proposed increase to the Interim Financing Facility, the Companies are projected to have sufficient liquidity to fund operations and the costs of these proceedings, as reflected in the Revised Cash Flow Forecast.

1.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Court grant the relief set out in Section 1.1(1)(c) above.

* * *

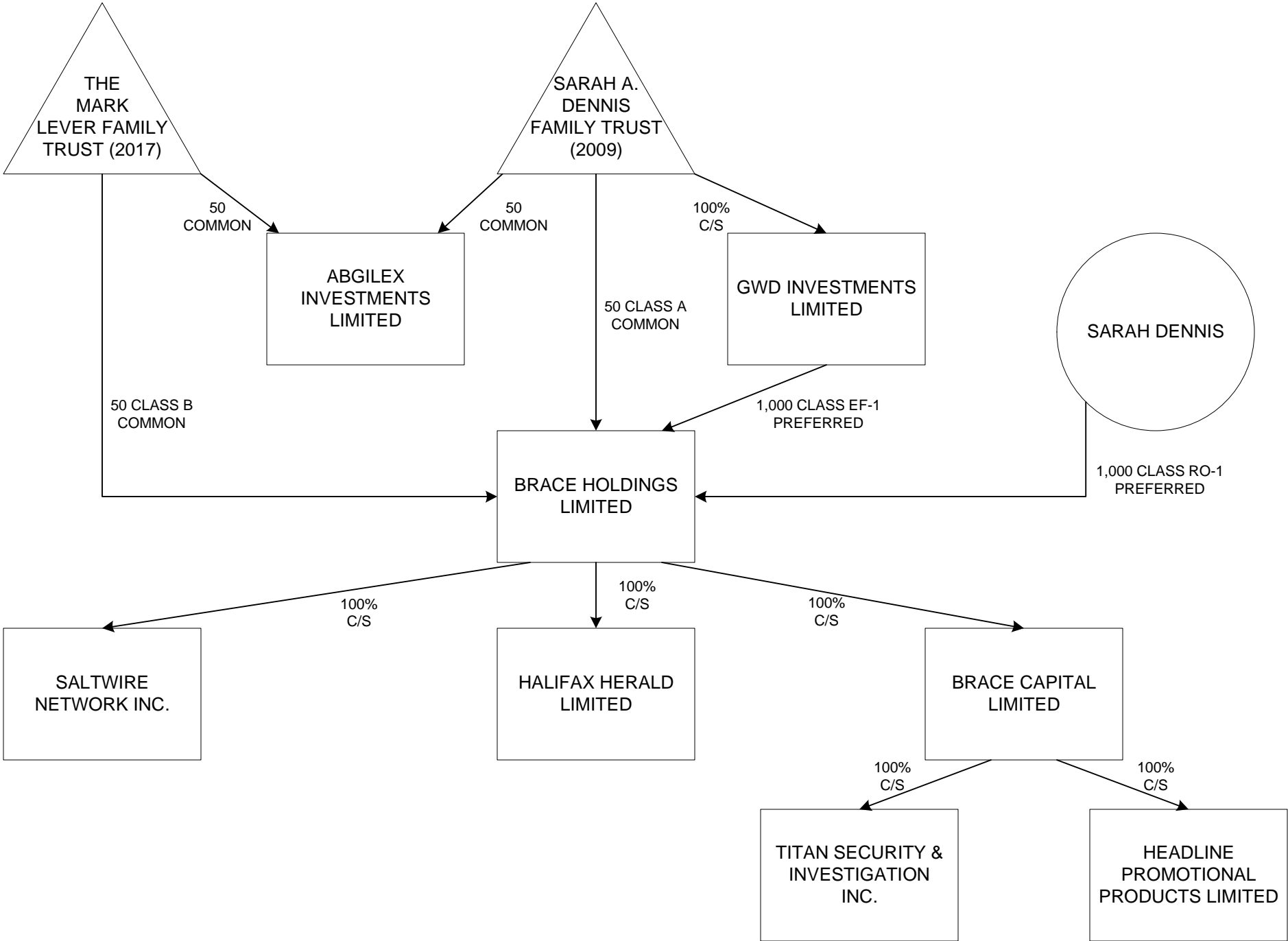
All of which is respectfully submitted,

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS CCAA MONITOR OF THE HALIFAX HERALD LIMITED,
SALTWIRE NETWORK INC., HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AN BRACE HOLDINGS LIMITED
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

PER: BOBBY KOFMAN, PRESIDENT

Appendix “D”

CORPORATE CHART



Appendix “E”

SALTWIRE NETWORK INC. AND HALIFAX HERALD LTD. SALE AND INVESTMENT SOLICITATION PROCESS

NEWS PROVIDED BY

SaltWire Network →

Mar 26, 2024, 09:28 ET

HALIFAX, NS, March 26, 2024 /CNW/ - On March 13, 2024, the Supreme Court of Nova Scotia (the "**Court**") granted an Initial Order (the "**Initial Order**") commencing proceedings pursuant to the Companies' Creditors Arrangement Act (the "**CCAA**" and the "**CCAA Proceedings**") in respect of Saltwire Network Inc. ("**Saltwire**"), the Halifax Herald Limited ("**The Herald**"), Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited.

Pursuant to the Initial Order, KSV Restructuring Inc. was appointed by the Court as the monitor in the CCAA Proceedings (the "**Monitor**") and Resolve Advisory Services Ltd., through the services of David Boyd, was appointed as chief restructuring officer (the "**CRO**") in the CCAA Proceedings.

Pursuant to an order granted by the Court on March 25, 2024, Saltwire and The Herald (collectively, the "**Media Companies**") were authorized to retain FTI Capital Advisors – Canada ULC (the "**Financial Advisor**") to conduct a sale and investment solicitation process ("**SISP**") for the Media Companies under the supervision of the Monitor. The SISP is intended to solicit interest in, and opportunities for, a sale of, or investment in, all or part of assets and business operations of the Media Companies which includes principally, the assets or shares relating to the media businesses owned by the Media Companies.

The SISP is a two-phased process. Qualified interested parties who wish to submit a bid in Phase 1 of the SISP must deliver a non-binding letter of intent to the Financial Advisor and the Monitor by no later than 5:00 p.m. ADT on April 25, 2024. Subject to their offers submitted in Phase 1 of the SISP, interested parties may be invited to participate in Phase 2. In accordance with the SISP Order, the deadline for submitting binding offers in Phase 2 is 5:00 p.m. ADT on May 24, 2024.

Copies of the Initial Order, the SISP Order and all related materials can be obtained from the website of the Monitor at: <https://www.ksvadvisory.com/experience/case/herald-saltwire>

Those interested in participating in the SISP should contact the Financial Advisor to receive additional information at:

SOURCE SaltWire Network

For further information: FTI Capital Advisors - Canada ULC, 79 Wellington Street West, Suite 2010, P.O. Box 104, Toronto, ON M5K 1G8, Attention: Dean Mullett, Email: Dean.Mullett@fticonsulting.com

Appendix “F”

	Actuals Weeks 1-5	20-Apr Week 6	27-Apr Week 7	4-May Week 8	11-May Week 9	18-May Week 10	25-May Week 11	1-Jun Week 12	8-Jun Week 13	15-Jun Week 14	22-Jun Week 15	29-Jun Week 16	Total Weeks 6-16	Total Weeks 1-16	Notes
SaltWire Network Inc and The Halifax Herald Limited															
Cash Receipts															
Collection of accounts receivable	3,834,654	726,087	850,435	1,295,652	600,000	813,043	495,652	917,391	1,295,652	686,957	726,087	917,391	9,324,348	13,159,001	2
HST collected	575,198	108,913	127,565	194,348	90,000	121,957	74,348	137,609	194,348	103,043	108,913	137,609	1,398,652	1,973,850	
Total Cash Receipts	4,409,852	835,000	978,000	1,490,000	690,000	935,000	570,000	1,055,000	1,490,000	790,000	835,000	1,055,000	10,723,000	15,132,852	
Cash Disbursements - Operational															
Payroll and benefits	1,718,700	855,104	96,835	955,472	96,112	735,600	63,975	716,807	263,875	690,000	44,000	690,000	5,207,780	6,926,480	3
Distribution costs	1,366,662	170,000	390,000	170,000	390,000	170,000	390,000	170,000	390,000	170,000	390,000	170,000	2,970,000	4,336,662	4
Occupancy, repairs and utilities	204,793	24,000	11,739	141,739	4,348	24,000	4,348	23,478	141,739	4,348	24,000	23,478	427,217	632,010	
Printing supplies and inventory	276,652	65,217	65,217	65,217	65,217	65,217	65,217	65,217	65,217	65,217	65,217	65,217	717,391	994,044	
Operational, office and administration	307,395	108,696	108,696	108,696	108,696	108,696	108,696	108,696	108,696	108,696	108,696	108,696	1,195,652	1,503,047	5
Insurance	36,141	-	-	42,000	-	-	-	-	42,000	-	-	-	84,000	120,141	
Bank charges	10,753	4,000	-	12,000	-	4,000	-	-	12,000	-	4,000	-	36,000	46,753	
Vehicle and equipment lease payments	-	7,000	-	-	-	7,000	-	-	-	7,000	-	-	21,000	21,000	
Contingency	246,303	10,000	9,000	16,000	-	-	-	-	-	-	-	-	35,000	281,303	6
HST paid on disbursements	321,845	30,709	56,161	107,847	24,957	31,908	24,957	72,225	92,491	24,957	29,458	77,335	573,003	894,849	
Net HST remittance	-	-	-	178,997	-	-	-	237,460	-	-	-	290,984	707,441	707,441	
Total Operational Disbursements	4,489,244	1,274,726	737,648	1,797,968	689,329	1,146,421	657,192	1,383,883	1,116,018	1,070,217	665,371	1,425,710	11,974,485	16,463,730	
Net Cash from Operations	(79,393)	(439,726)	240,352	(307,968)	671	(211,421)	(87,192)	(338,883)	373,982	(280,217)	169,629	(370,710)	(1,251,485)	(1,330,878)	
Titan Security + Investigations Inc.															
Cash Receipts															
Collection of accounts receivable	419,882	63,928	63,928	63,928	63,928	63,928	63,928	63,928	63,928	63,928	63,928	63,928	703,203	1,123,085	8
HST collected	62,982	9,589	9,589	9,589	9,589	9,589	9,589	9,589	9,589	9,589	9,589	9,589	105,480	168,463	
Total Cash Receipts	482,865	73,517	73,517	73,517	73,517	73,517	73,517	73,517	73,517	73,517	73,517	73,517	808,683	1,291,548	
Cash Disbursements - Operational															
Payroll and benefits	352,660	-	111,074	-	111,074	-	111,074	-	111,074	-	111,074	-	555,372	908,032	3
Operational, office and administration	5,652	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	17,845	23,297	
HSTs paid on disbursements	848	241	241	241	241	241	241	241	241	241	241	241	2,647	3,495	
HST remitted	-	-	-	22,436	-	-	-	-	-	-	-	-	22,436	22,436	
Total Operational Disbursements	359,160	1,845	112,919	24,281	112,919	1,845	112,919	1,845	112,919	1,845	112,919	1,845	598,100	957,261	
Net Cash from Operations	123,704	71,672	(39,402)	49,236	(39,402)	71,672	(39,402)	71,672	(39,402)	71,672	(39,402)	71,672	210,583	334,287	
Restructuring & Other Fees															
Monitor and Monitor's counsel fees	229,644	-	-	250,000	-	-	-	-	250,000	-	-	200,000	700,000	929,644	9
DIP Lender's counsel fees	216,509	-	-	100,000	-	-	-	-	75,000	-	-	100,000	275,000	491,509	9
Company counsel fees	-	-	-	39,308	-	-	-	-	20,000	-	-	25,000	84,308	84,308	9
Chief Restructuring Officer fees	-	11,438	-	49,375	-	30,000	-	-	-	-	-	30,000	120,813	120,813	9
SaltWire/Herald SISIP fees	-	-	194,000	-	-	-	-	306,000	-	-	-	-	500,000	500,000	9
Titan SISIP fees	-	-	12,500	-	-	-	-	12,500	-	-	12,500	-	37,500	37,500	9
DIP fees and interest	15,867	-	-	9,590	-	15,000	-	-	10,948	-	-	20,967	56,505	72,373	10
Total Restructuring Fees	462,020	11,438	206,500	448,273	45,000	-	318,500	355,948	-	12,500	375,967	1,774,126	2,236,146		
Total Net Cash Flow	(417,708)	(379,492)	(5,551)	(707,006)	(38,732)	(184,749)	(126,595)	(585,711)	(21,369)	(208,545)	117,727	(675,006)	(2,815,029)	(3,232,737)	
Opening Cash Balance	330,118	662,410	282,918	277,367	70,361	31,629	246,880	120,286	34,574	13,205	204,660	322,387	662,410	330,118	
Total Net Cash Flow	(417,708)	(379,492)	(5,551)	(707,006)	(38,732)	(184,749)	(126,595)	(585,711)	(21,369)	(208,545)	117,727	(675,006)	(2,815,029)	(3,232,737)	
Debtor-in-Possession Financing	750,000	-	-	500,000	-	400,000	-	500,000	-	400,000	-	400,000	2,200,000	2,950,000	
Ending Cash Balance	662,410	282,918	277,367	70,361	31,629	246,880	120,286	34,574	13,205	204,660	322,387	47,381	47,381	47,381	

Notes to Cash Flow Forecast

Purpose:

This statement of projected cash flow (the "Forecast") has been prepared on a consolidated basis in respect of SaltWire Network Inc., the Halifax Herald Limited, Brace Holdings Limited, Brace Capital Limited, Titan Security + Investigation Inc. and Headline Promotional Products Limited (collectively, the "Companies") in accordance with s. 23(1)(b) of the Companies Creditors' Arrangement Act ("CCAA") for the period April 15 to June 29, 2024 (the "Cash Flow Period").


Notes:

1. SaltWire Network Inc. ("SaltWire") and The Halifax Herald Limited (the "Herald") are the Companies' main operating entities.
2. SaltWire's and the Herald's collection of accounts receivable consists of subscription revenue for print and digital media, flyer and other distribution revenue, advertising and other printing services.
3. Payroll and benefits consists of wages, salaries, benefits and pension costs for all employees. Included in weeks 6-12 are certain pension and benefit amounts payable to Manulife Financial that were in arrears as of the Filing Date
4. Distribution costs include amounts paid to carriers and other transportation costs.
5. Operational, office and administration includes costs are in respect of trucking, service contracts, freelance, content purchases and general operating consumables
6. Represents a contingency for the potential payment of amounts owing to key vendors for their pre-filing obligations
7. Titan Security + Investigations Inc. ("Titan") provides security and nursing home sitter services to its customers.
8. Titan's collections are projected to be consistent month over month based on the Company's contracts with its customers.
9. Restructuring fees include the projected fees for the Monitor, Monitor's counsel, the DIP Lender's counsel, Companies' counsel, the SISIP Agent, Titan sales agent and the Chief Restructuring Officer
10. Represents monthly interest charged at 8% per annum for the first \$1.5 million of advances and 14% for advances above that amount

Date:

April 21, 2024

On Behalf of the CCAA Debtor Companies



David Boyd
Chief Restructuring Officer

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 THE HALIFAX HERALD LIMITED,
SAL TWIRE NETWORK INC., HEADLINE PROMOTIONAL
PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION
INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED
MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)**

The management of The Halifax Herald Limited, SaltWire Network Inc., Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited. (the "Companies") has developed the assumptions and prepared the attached statement of projected cash flow as of the 21st day April, 2024 for the period April 14, 2024 to June 29, 2024 ("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 Note 1 to 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 Note 1 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 Halifax, NS this 21st day of April, 2024

**THE HALIFAX HERALD LIMITED,
SALTWIRE NETWORK INC.,
HEADLINE PROMOTIONAL PRODUCTS LIMITED,
TITAN SECURITY & INVESTIGATION INC.,
~~BRACE CAPITAL LIMITED AND BRACE HOLDINGS LIMITED~~**


Per: David Boyd

Appendix “G”

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 THE HALIFAX HERALD LIMITED,
SALTWIRE NETWORK INC., HEADLINE PROMOTIONAL
PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION
INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED**

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

The attached statement of projected cash-flow of The Halifax Herald Limited, SaltWire Network Inc., Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited. (the "Companies") as of the 22nd day April, 2024, consisting of a projected cash flow statement for the period April 14, 2024 to June 29, 2024 (the "Cash Flow Forecast") has been prepared by the management of the Companies for the purpose described in Note 1, 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 and employees 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 Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto this 22nd day of April, 2024.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS MONITOR OF
THE HALIFAX HERALD LIMITED, SALTWIRE NETWORK INC.,
HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION
INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS LIMITED
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “H”

**AMENDED & RESTATED TERMS AND CONDITIONS OF
INTERIM FINANCING CREDIT FACILITY
("Interim Financing Term Sheet")**

As of March 22, 2024

WHEREAS pursuant to a credit agreement dated as of July 19, 2012 (as amended, the "**Herald Credit Agreement**") by and among The Halifax Herald Limited ("**The Herald**"), as borrower, and G.W.D Investments Ltd., Brace Capital Limited, Bounty Print Limited, Brace Properties Limited and Brace Publishing Limited, as guarantors, and Fiera Private Debt Fund III LP ("**Fund III**"), by its general partner, Fiera Private Debt Fund GP Inc., Fund III agreed to establish certain term loan facilities in favour of The Herald;

WHEREAS pursuant to a credit agreement dated as of April 12, 2017 (as amended the "**Saltwire Credit Agreement**") between Saltwire Network Inc. ("**Saltwire**"), as borrower, G.W.D Investments Ltd., Bounty Print Limited, Brace Capital Limited, the Lever Trust, Ms. Dennis, the Dennis Trust, The Herald and Brace Holdings Limited, as guarantors, and Fiera Private Debt Fund V LP, ("**Fund V**") by its general partner, Fiera Private Debt Fund GP Inc., Fund V agreed to establish certain term loan facilities in favour of Saltwire.

AND WHEREAS on March 13, 2024, the Court (defined below) granted the Initial Order (defined below) pursuant to the *Companies' Creditors Arrangement Act* ("**CCA**") and scheduled the comeback hearing (the "**Comeback**") on March 22, 2024.

AND WHEREAS pursuant to the Initial Order, KSV Restructuring Inc. was appointed as monitor (the "**Monitor**") in the CCA proceedings.

AND WHEREAS pursuant to the Initial Order, the Court authorized the Borrowers to borrow under a credit facility from the Applicants pursuant to an interim financing term sheet dated as of March 13, 2024 (the "**First Interim Financing Term Sheet**") up to an maximum initial amount of \$500,000 (the "**Initial Interim Amount**") in respect of immediate interim debtor-in-possession funding that may be required prior to the Comeback.

AND WHEREAS in connection with the Comeback, the Applicants, with the consent of the Monitor and the CRO, are seeking the approval of a sale and investment solicitation process ("**SISP**") in respect of the media business of the Borrowers, to be conducted by FTI Capital Advisors – Canada ULC (the "**Financial Advisor**"), substantially the terms attached to the first report of the Monitor dated March 19, 2024 (the "**First Report**").

AND WHEREAS the Borrowers require additional financing during the CCA proceedings.

AND WHEREAS the parties wish to amend and restate the First Interim Financing Term Sheet on the terms and conditions set out in this Interim Financing Term Sheet which include, without limitation, an increase in the maximum borrowing amount under the Interim Facility (defined below) from \$500,000 to \$1,500,000 subject to the approval of the Court on the Comeback and the other conditions set out herein;

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

1. **BORROWERS:** The Halifax Herald Limited and Saltwire Network Inc.
2. **GUARANTORS:** Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited (collectively, the "**Guarantors**" and together with the

Borrowers, the “**Credit Parties**”).

3. INTERIM LENDER: Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP (collectively, the “**Interim Lender**”).

4. INTERIM FINANCING FACILITY: A senior secured super-priority, interim, non-revolving multiple draw credit facility (the “**Interim Facility**”) up to a maximum principal amount of \$1,500,000 (the “**Facility Amount**”), subject to the terms and conditions contained herein.

Advances shall be made available to the Borrowers in \$100,000 increments or such other amounts as may be agreed to by the Interim Lender (each, a “**Advance**”) which shall be provided only if the Advance Conditions have been satisfied and / or waived in the sole discretion of the Interim Lender.

Advances under the Interim Facility shall not exceed, in the aggregate, the Facility Amount.

Each Advance shall be funded upon receipt of a certificate requesting such Advance from the Borrowers in the form attached as Schedule “A” (an “**Advance Request Certificate**”). An Advance Request Certificate shall only be honoured by the Interim Lender provided that the Advance Conditions (as defined in Section 7) are satisfied to the satisfaction of the Interim Lender, acting reasonably, as of the date on which such Advance Request Certificate is received and remain satisfied on the date of such corresponding Advance.

If the Advance Conditions are satisfied in accordance with the terms herein, each Advance shall be funded to a bank account of the Borrowers within three (3) business days following receipt of an Advance Request Certificate, or such shorter period as the Interim Lender may agree in its sole discretion. The Borrowers’ bank account shall not be subject to a blocked account agreement. Advances under the Interim Facility shall be made in Canadian Dollars.

5. PURPOSE AND PERMITTED PAYMENTS: The Borrowers shall use the proceeds of the Interim Facility solely for the following purposes, in each case in accordance with the Initial Order, the ARIO and the revised cash flow attached to the First Report (the “**Cash Flow**”):

- (i) to pay (i) the reasonable and documented legal fees and expenses of the Interim Lender, Resolve Advisory Services Ltd., (“**Resolve**”) in its capacity as the proposed Chief Restructuring Officer (the “**CRO**”), the Monitor and its legal counsel;
- (ii) to pay the reasonable and documented legal fees and expenses of Stewart McKelvey, counsel to the Credit Parties, incurred (A) after March 13, 2024; (B) for services rendered at the instruction of or with the consent of the CRO in connection with the CCAA proceedings provided that such fees and expenses shall not exceed what is provided for in

the Cash Flow for any forecast period;

- (iii) to pay the Commitment Fee, such amount to be paid in accordance with Section 12;
- (iv) to pay the interest, fees and other amounts owing to the Interim Lender under this Interim Financing Term Sheet;
- (v) to fund, in accordance with the Cash Flow, the Credit Parties' general corporate and working capital purposes, including funding the CCAA proceedings and the pursuit of the SISP and any other process for the sale of the other assets or businesses of the Credit Parties, provided that the Interim Facility shall not be used for any other purpose other than in accordance with the Cash Flow except with the prior written consent of the Interim Lender; and
- (vi) to fund the enforcement of any of the Interim Lenders' rights and remedies available hereunder or under any ancillary documents related thereto.

6. BUDGET AND REPORTING COVENANTS:

The Cash Flow shall be the Cash Flow attached to the First Report until such time as a revised Cash Flow has been approved by the Interim Lender and the Monitor accordance with this Section 6.

Every Wednesday, commencing on March 27, 2024, the Borrowers shall, with the assistance of the Monitor, deliver to the Interim Lender a weekly update on the Cash Flow with variance reporting provided for the immediately preceding week and cumulative period (the "**Variance Report**"), certified by the CRO. The Borrowers shall strictly adhere to the Cash Flow in all material respects. Upon the occurrence of a material change, or if there is a material change reasonably anticipated by the Borrowers or the Monitor to any item set forth in the Cash Flow, the Borrowers or the Monitor shall immediately update and propose a revised budget to the Interim Lender for its consent and approval which may be unreasonably withheld.

In addition, the Borrowers, with the assistance of the Monitor, shall deliver to the Interim Lender, in form and substance satisfactory to the Interim Lender, a weekly rolling 13-week cash flow, the whole for visibility purposes.

7. ADVANCE CONDITIONS:

The Interim Lender's agreement to make Advances under the Interim Facility to the Borrowers is subject to the satisfaction, as determined by the Interim Lender in its sole and absolute discretion, of each of the following additional conditions precedent (collectively, the "**Advance Conditions**"), each of which is for the benefit of the Interim Lender and may be waived by the Interim Lender:

- (a) The Credit Parties shall have executed and delivered this Interim Financing Term Sheet, and such other documents as the Interim Lender may reasonably require;

- 4 -

- (b) The Borrowers shall have delivered an Advance Request Certificate in respect of such Advance;
- (c) The Supreme Court of Nova Scotia (the "**Court**") shall have executed an Order (the "**Initial Order**") in the CCAA proceedings in form and substance acceptable to the Interim Lender and its legal counsel, which Initial Order shall, among other things: (i) authorize and approve the Interim Facility up to the maximum amount of the Initial Advances; and (ii) grant the Interim Financing Charge (as defined in Section 13) against the Collateral (as defined in section 13) securing all obligations owing by the Credit Parties to the Interim Lender hereunder including, without limitation, all principal, interest and Interim Financing Fees and Expenses (as defined in Section 8) (collectively, the "**Interim Financing Obligations**", which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender;
- (d) The Court shall have executed an amended and restated initial order (the "**ARIO**") in form and substance acceptable to the Interim Lender and its legal counsel, amending and restating the Initial Order, which shall, among other things: (i) grant the Interim Financing Charge securing the Interim Financing Obligations; and (ii) increasing the maximum borrowing amount to the Facility Amount, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender;
- (e) The Interim Financing Charge shall be granted priority over all mortgages, pledges, charges, encumbrances, hypothecs, liens and security interests of any kind or nature whatsoever ("**Encumbrances**") granted by the Credit Parties against any of the Collateral subject in priority only to: (i) an administrative charge on the Collateral in an aggregate amount not to exceed \$450,000 (the "**Administrative Charge**"); (ii) the Financial Advisor's Charge (as defined in the SISP Order); or (iii) valid and enforceable purchase money security interests or true leasing arrangements held by parties not provided with notice of the initial application, provided that the Interim Lender reserves the right to seek further priority at subsequent motions,;
- (f) The Court shall have granted an order (the "**SISP Order**") approving the terms of the SISP which shall be on terms and conditions satisfactory to the Interim Lender (including with respect to milestones and outside date for completion);
- (g) All orders rendered by the Court shall be in form and substance satisfactory to the Interim Lender and its legal counsel;

- (h) The Interim Lender and its counsel shall be satisfied that (i) the entering into of this Interim Financing Term Sheet, the granting of the unlimited guarantee and Interim Lender Charge and the consummation of the transactions contemplated hereby have been approved by the Credit Parties and do not violate any applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any governmental authority having the force of law ("**Applicable Law**") and (ii) service has been effected on a list of parties acceptable to the Interim Lender, which shall include, but not limited to, all secured creditors of the Credit Parties and the Canada Revenue Agency and any other parties as may be requested by the Interim Lender;
- (i) Resolve shall have been appointed CRO and KSV shall have been appointed as Monitor on such terms and with such authorities as agreed on by the Interim Lender and shall include, without limitation, the express authorization to and shall make themselves available to have direct discussions with the Interim Lender, and the Interim Lender shall be entitled to receive information from the CRO and / or the Monitor as may be requested by the Interim Lender from time to time;
- (j) Since the granting of the Initial Order, the Credit Parties, the CRO and the Monitor shall have fully cooperated with, and provided access to any information, including financial information, requested by the Interim Lender;
- (k) The Interim Lender shall be satisfied with the Cash Flow;
- (l) The Monitor shall provide its report on the Cash Flow to the Interim Lender and such report shall be satisfactory to the Interim Lender;
- (m) Since the date of the commencement of the CCAA proceedings, there shall not have occurred any payment, prepayment, redemption, purchase or exchange of any pre-filing indebtedness or equity, or amendment or modification of any of the terms thereof, except as permitted by the terms of an Order of the Court and the aggregate amount of all such pre-filing amounts do not exceed the amount provided for this purpose in the Cash Flow;
- (n) The Interim Lender is satisfied that no change in the business, assets or conditions (financial or otherwise) of the Credit Parties, that will, in the Interim Lender's judgment acting reasonably, materially further impair the Credit Parties' financial condition or ability to comply with its obligations under this Interim Financing Term Sheet or any Court order shall have occurred;
- (o) The Interim Lender is satisfied that the Collateral remains sufficient to secure the obligations of the Credit Parties to the

Interim Lender under this Interim Financing Term Sheet, in the Interim Lender's judgment, acting reasonably;

- (p) The Commitment Fee shall have been paid, or will be paid from the proceeds of the first Advance under the DIP Facility within such period of time as is acceptable to the Interim Lender in its sole and absolute discretion;
- (q) The representations and warranties made by (or in respect of) the Credit Parties under this Interim Financing Term Sheet) are true and correct in all material respects as of the date of such requested Initial Advance (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) and will remain true and correct in all material respects immediately following the making of such Initial Advance;
- (r) No default or Event of Default has occurred or will occur as a result of the requested Advance.

For greater certainty, the Interim Lender shall not be obligated to make any Advance pursuant to this Interim Financing Term Sheet unless and until all of the foregoing conditions have been satisfied or waived and all of the foregoing documentation and confirmations have been obtained, each in form and content satisfactory to the Interim Lender.

8. COSTS AND EXPENSES:

The Borrowers shall pay all of the Interim Lender's reasonable legal and financial advisor fees and out-of-pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the Interim Facility, the Interim Lender Charge and / or the CCAA proceedings (collectively, the "**Interim Financing Fees and Expenses**") within 5 business days after presentation of such invoices.

9. REPAYMENT:

The aggregate principal amount owing under the Interim Facility, together with all accrued and unpaid interest, fees and prepayment obligations, if applicable, and all fees, expenses and other amounts incurred by the Interim Lender in connection with the Interim Facility shall be repayable in full on the earlier of:

- (i) the date on which the Interim Lender demands repayment of the Interim Facility upon the occurrence of an Event of Default;
- (ii) the date of the termination of the stay period in the CCAA proceedings or the CCAA proceedings are converted into a bankruptcy or a receivership;
- (iii) the date on which the stay in the CCAA proceedings is lifted, in whole or in part, without the prior written consent of the Interim Lender;

- (iv) the date on which all or substantially all of the Collateral has been sold; and
- (v) the date that is six (6) months following granting of the Initial Order;

(the earliest of such dates being the “**Maturity Date**”).

The Maturity Date may be extended from time to time at the request of the Borrowers and with the prior written consent of the Interim Lender for such period and on such terms and conditions as the Borrowers and the Interim Lender may agree, subject to approval from the Court if so required.

The commitment in respect of the Interim Facility shall expire on the Maturity Date (as may be extended pursuant to the terms hereof) and all amounts outstanding under the Interim Facility shall be repaid in full no later than the Maturity Date (as may be extended pursuant to the terms hereof), without the Interim Lender being required to make demand (or, in the case of clause (i) above, further demand) upon the Borrowers or to give notice that the Interim Facility has expired and the obligations are due and payable.

All payments received by the Interim Lender shall be applied first to any fees due hereunder and out-of-pocket disbursements, then to accrued and unpaid interest and then after all such amounts are paid in full, to principal.

10. PREPAYMENT:

The Borrowers may prepay any amounts outstanding under the Interim Facility, without penalty, at any time prior to the Maturity Date. The Facility Amount shall automatically be reduced by the amount of such prepayment and the amount prepaid may not be subsequently reborrowed.

11. INTEREST RATE:

Interest shall be charged on the aggregate principal amount outstanding of the Interim Facility from the date each such Advance is made, both before and after maturity, demand, default, or judgment until payment in full at an annual rate equal to 8.00%. Interest is calculated on a daily basis and is payable monthly in arrears on the first business day of each month.

12. COMMITMENT FEE:

A commitment fee of 1.00% (\$15,000), plus applicable taxes, is fully earned by the Interim Lender upon execution of this Interim Financing Term Sheet and shall be and deducted from first Advance made after the ARIO is granted (the “**Commitment Fee**”) provided that the Commitment Fee in this section shall be reduced by any Commitment Fee already paid on the Initial Interim Amount.

The Credit Parties agree that the aggregate of the interest rate and Commitment Fee do not contravene the *Criminal Code of Canada*.

13. SECURITY:

All Interim Financing Obligations of the Credit Parties under or in connection with the Interim Facility and any of the credit documentation shall be secured by a Court-ordered Charge (the “**Interim Financing Charge**”) on all present and after-acquired

personal and real property of the Credit Parties, in each case of any kind or nature whatsoever and wheresoever situated (collectively, the “**Collateral**”) without the need for any further loan or security documentation or any filings or registrations in any public register or system.

Upon the request of the Interim Lender, the Credit Parties shall enter into such additional security documentation as the Interim Lender, acting reasonably, shall request. The Interim Lender may require or proceed with the execution, filing or recording of registrations or financing statements.

The Guarantors hereby guarantee in favour of the Interim Lender, the payment and performance of all of the Interim Financing Obligations of the Borrowers under or in connection with this Interim Financing Term Sheet.

14. REPRESENTATIONS AND WARRANTIES:

Each Credit Party represents and warrants to the Interim Lender, upon which the Interim Lender is relying in entering into this Interim Financing Term Sheet, that:

- (a) The transactions contemplated by this Interim Financing Term Sheet:
 - (i) are within the corporate power of such Credit Party;
 - (ii) have been duly executed and delivered by or on behalf of such Credit Party;
 - (iii) upon the granting of the Initial Order, shall constitute legal, valid and binding obligations of such Credit Party, enforceable against such Credit Party in accordance with their terms; and
 - (iv) upon the granting of the Initial Order, do not require any material authorization from, the consent or approval of, registration or filing with, or any other action by, any governmental authority or any third party.
- (b) None of the reports, financial statements, certificates or other written information furnished by or on behalf of the Credit Parties to the Interim Lender and its legal counsel in connection with the negotiation of this Interim Financing Term Sheet or delivered with respect thereto (as modified or supplemented by other information so furnished), contains any misstatement of material fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in the light of the circumstances under which it was made, not materially misleading;
- (c) Such Credit Party has been duly incorporated and is validly existing under the law of its jurisdiction of incorporation and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all

jurisdictions in which the nature of its assets or business makes such qualification necessary;

- (d) Such Credit Party maintains adequate insurance coverage, as is customary with companies in the same or similar business (except with respect to directors' and officers' insurance in respect of which no representation is made regarding adequacy of coverage) of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contains reasonable coverage and scope;
- (e) Other than as has been disclosed to the Interim Lender, since March 13, 2024, such Credit Party has maintained and paid current its obligations for payroll, source deductions, harmonized, goods and services and retail sales tax, and all other applicable taxes in compliance with the Initial Order;
- (f) No Credit Party is aware of any person with a secured claim against a Credit Party or the Collateral that would rank in priority to or *pari passu* with the Interim Lender's Charge (other than the Administration Charge) or any other security granted hereunder; and
- (g) All payments to shareholders and directors of such Credit Party or any other related party, whether under contract or otherwise, including bonus payments, transaction payments, change of control payments, management fees, consulting or advisory fees or amounts payable in respect of reimbursement, to the extent known and contemplated for future payments, have been included in the Cash Flow and separately disclosed to the Interim Lender.

15. AFFIRMATIVE COVENANTS:

Each Credit Party agrees to do, or cause to be done, the following, unless otherwise consented to or waived in writing by the Interim Lender:

- (a) In connection with matters related to the Interim Facility or compliance of such Credit Party with its obligations pursuant to this Interim Financing Term Sheet (i) provide representatives of the Interim Lender and its agents with reasonable access to the books and records, Collateral, financial information and electronic data rooms of or maintained by such Credit Party, and (ii) cause management and legal counsel of the Credit Party, to cooperate with requests for information by the Interim Lender or its legal counsel, in each case subject to solicitor-client privilege, all Court orders and applicable privacy laws and the Credit Party's confidentiality obligations to third parties;
- (b) Keep the Interim Lender apprised on a timely basis of all material developments with respect to the business and

affairs of such Credit Party and the CCAA proceedings, including all material matters relating to the SISF or any Transaction;

- (c) Deliver to the Interim Lender the reporting and other information reasonably requested by them from time to time as set out in this Interim Financing Term Sheet including, without limitation, the Variance Reports at the times set out herein;
- (d) Use the proceeds of the Interim Facility only in accordance with Section 5 hereof and in accordance with the restrictions set out herein and pursuant to the Cash Flow;
- (e) Conduct its business, including the making of all payments, in accordance and compliance with the Cash Flow;
- (f) Promptly notify the Interim Lender of the occurrence of any Event of Default and any other event or circumstance that may negatively impact the Cash Flow, including any material change in its contractual arrangements or with relationships with third parties;
- (g) Maintain in good standing at all times all insurance coverage as is customarily carried by companies which are engaged in the same or similar business to the business of the Credit Parties or as otherwise may be required by the Interim Lender;
- (h) Comply with the CCAA proceedings; and
- (i) Provide the Interim Lender's legal counsel with draft copies of any reports or other court materials proposed by the CRO on behalf of the Credit Parties.

16. NEGATIVE COVENANTS:

Each Credit Party covenants and agrees not to do the following while any obligations hererunder remain outstanding, other than with the prior written consent of the Interim Lender:

- (a) Make any payment of principal or interest in respect of any indebtedness outstanding other than payments authorized by the ARIO and have been approved by both the Monitor and the CRO;
- (b) Permit any new liens to exist on any of its properties or assets, other than the Encumbrances approved by the Interim Lender, which approved Encumbrances shall include a Directors' Charge (as defined in the Initial Order) in the maximum amount of \$1.075 million which shall rank subordinate to the Interim Financing Charge;
- (c) Disclaim, resiliate or terminate any material contract;
- (d) Terminate the CRO;

- (e) Merge, amalgamate, consolidate, reorganize, or sell any assets outside of the ordinary course of business other than in accordance with the SISP;
- (f) Make any acquisitions, investments or loans to any party or guarantee the obligations of any party;
- (g) Incur or enter into any debts, liabilities or obligations, including, without limitation, guarantees and contingent obligations, except in the ordinary course of business;
- (h) Make or permit any dividends or distributions (whether by reduction of capital or otherwise) with respect to its shares or directly or indirectly purchase, redeem or otherwise acquire or retire any of its shares;
- (i) Conduct any business or engage in any transaction with an affiliate or non-arm's length person unless such business or transaction is on terms which would apply to an arm's length transaction; and
- (j) Use the proceeds from the Interim Facility for anything other than the purpose as stated herein, and will not be used to repay or refinance existing debt obligations of the Credit Parties, to make shareholder contributions, shareholder loans, loans to parties related to the Credit Parties, to pay interest on shareholder loans, interest on loans to parties related to the Credit Parties, pay management fees, buy back stock, issue stock options, or pay any bonuses or increase executive compensation.

17. CCAA PROCEEDINGS:

The Interim Lender shall be an unaffected creditor for the purpose of the CCAA Proceedings and any plan of arrangement filed therein.

18. EVENTS OF DEFAULT:

The following events shall constitute events of default (each, an "**Event of Default**"):

- (a) If the Borrowers fails to pay to the Interim Lender when due any amount of principal, interest, fees or other amounts under this Interim Financing Term Sheet;
- (b) if the Borrowers deviates from the Cash Flow in any material respect;
- (c) if the Initial Order is not obtained in form and substance satisfactory to the Interim Lender on or before March 13, 2024, and the ARIO, in each case in form and substance satisfactory to the Interim Lender, is not obtained on or before March 22, 2024;
- (d) the seeking or support by the Borrowers of any Court order (in the CCAA proceedings or otherwise) to which the Interim Lender, in its sole discretion, does not consent, including,

without limitation any proposed CRO other than Resolve and any proposed Monitor other than KSV;

- (e) any breach by any Credit Party in the observance or performance of any provision, covenant (affirmative or negative) or agreement contained in this Interim Financing Term Sheet, provided, that, in the case of a breach of any affirmative covenant, such breach remains unremedied for longer than three (3) business days;
- (f) if the Interim Lender determines, acting reasonably, that a material adverse change has occurred after the date hereof;
- (g) if the Initial Order or the ARIO are varied without the prior written consent of the Interim Lender or any other Order is made which is or may be prejudicial to the Interim Lender's interests;
- (h) if any person challenges the enforceability of any of the rights of the Interim Lender hereunder or pursuant to the DIP Order, and any such challenge has not been dismissed or determined by the Court within 15 days;
- (i) the Interim Lender in good faith and on commercially reasonable grounds believes the prospect of payment of the Interim Facility or any other amounts payable hereunder or the performance of the Borrowers' other obligations hereunder or under any of the security granted in connection herewith is impaired or that any of the assets, properties or undertakings of the Borrowers hereunder or under any security or other document granted in connection herewith is or is about to be placed in jeopardy;
- (j) the stay in the CCAA proceedings is lifted or the CCAA proceedings are terminated or converted to bankruptcy or receivership proceedings or any order is granted by the Court (or any court of competent jurisdiction) granting relief from the stay of proceedings during the CCAA proceedings, unless agreed by the DIP Lender, acting reasonably;
- (k) the sale, transfer, assignment, conveyance or lease of substantially all of the business or assets of any of the Credit Parties that has not been approved or consented to by the Interim Lender in writing; and
- (l) the filing of any plan of reorganization, arrangement or liquidation to which the Interim Lender does not consent

19. REMEDIES:

Upon the occurrence and continuance of an Event of Default, the Interim Lender may, upon written notice to the Borrowers and the Monitor:

- (a) terminate the Interim Facility;
- (b) on prior notice to the Borrowers and the service list of no less than three (3) business days, apply to the Court for the

appointment of an interim receiver or a receiver and manager of the undertaking, property and assets of the Borrowers or for the appointment of a trustee in bankruptcy of the Borrowers;

- (c) exercise the powers and rights of a secured party under any legislation; and
- (d) exercise all such other rights and remedies under the Interim Financing Term Sheet and Orders of the Court in the CCAA proceedings.

20. INDEMNITY:

Each Credit Party agrees to indemnify and hold harmless each of the Interim Lender and its respective directors, officers, employees, advisors and agents (all such persons and entities being referred to hereafter as “**Indemnified Persons**”) from and against any and all actions, suits, proceedings, claims, losses, damages and liabilities of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person as a result of or arising out of or in any way related to the Interim Facility or this Interim Financing Term Sheet and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, such Credit Party shall not be obligated to indemnify any Indemnified Person against any loss, claim, damage, expense or liability (i) to the extent it resulted from the gross negligence, wilful misconduct or intentional breach of such Indemnified Person as finally determined by a court of competent jurisdiction, or (ii) to the extent arising from any dispute solely among Indemnified Persons other than any claims arising out of any act or omission on the part of such Credit Party.

21. INTERIM LENDER'S APPROVALS:

Any consent, agreement, amendment, approval, waiver or instruction of the Interim Lender to be delivered hereunder, may be delivered by any written instrument, including by way of electronic mail, by legal counsel on behalf of the Interim Lender.

22. NOTICES:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by email to such party at its address set out on its signature page hereof, with a copy to counsel.

Any such notice shall be deemed to be given and received when received, unless received after 5:00 p.m. Eastern Time or on a day other than a business day, in which case the notice shall be deemed to be received the next business day.

23. COUNTERPARTS AND SIGNATURES:

This Interim Financing Term Sheet may be executed in any number of counterparts and by facsimile, PDF or other electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

24. ASSIGNMENT

The Credit Parties (or any of them) shall not assign this Interim Financing Term Sheet or any of the provisions set out herein without the consent of the Interim Lender in its sole and absolute discretion. The Interim Lender may assign or sell its rights or obligations with respect to this Interim Financing Term Sheet to any person without the prior written consent of the Credit Parties.


25. GOVERNING LAW AND JURISDICTION:

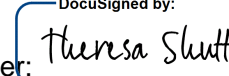
This Interim Financing Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein. The parties hereby attorn to the exclusive jurisdiction of the Court.

(Signatures on following page)


IN WITNESS HEREOF, the parties hereby execute this Interim Financing Term Sheet as at the date first above mentioned.

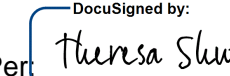
FIERA PRIVATE DEBT FUND III LP,
by its general partner, **FIERA PRIVATE DEBT FUND GP INC.**

DocuSigned by:

Per: 6165962494EA41B...
Name: Russell French
ASO

DocuSigned by:

Per: F7B1CFF7D5CE484...
Name: Theresa Shutt
ASO

FIERA PRIVATE DEBT FUND V LP,
by its general partner, **FIERA PRIVATE DEBT FUND GP INC.**

DocuSigned by:

Per: 6165962494EA41B...
Name: Russell French
ASO

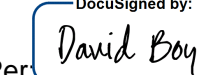
DocuSigned by:

Per: F7B1CFF7D5CE484...
Name: Theresa Shutt
ASO

THE HALIFAX HERALD LIMITED

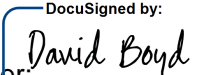
DocuSigned by:

Per: 84448A1D6DB74B6...
Name: David Boyd
Title: CRO

SALTWIRE NETWORK INC.

DocuSigned by:

Per: 84448A1D6DB74B6...
Name: David Boyd
Title: CRO

TITAN SECURITY & INVESTIGATION INC.

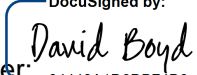
DocuSigned by:

Per: 84448A1D6DB74B6...
Name: David Boyd
Title: CRO

BRACE CAPITAL LIMITED

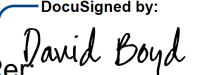
DocuSigned by:

Per: 84448A1D6DB74B6...
Name: David Boyd
Title: CRO

HEADLINE PROMOTIONAL PRODUCTS LIMITED

DocuSigned by:

Per: 84448A1D6DB74B6...
Name: David Boyd
Title: CRO

BRACE HOLDINGS LIMITED

DocuSigned by:

Per: 84448A1D6DB74B6...
Name: David Boyd
Title: CRO

SCHEDULE "A"

ADVANCE REQUEST CERTIFICATE

TO: **FIERA PRIVATE DEBT FUND III LP and FIERA PRIVATE DEBT FUND V LP**
(collectively, the "Interim Lender")

TO: **KSV RESTRUCTURING INC.**

FROM: **THE HALIFAX HERALD LIMITED and SALTWIRE NETWORK INC.**
(collectively, the "Borrowers")

DATE: ●, 2024

1. This certificate is delivered to you, as Interim Lender, in connection with a request for an Advance pursuant to the Interim Financing Term Sheet made as of March ●, 2024 between the Borrowers, the Interim Lender and the Guarantors with the intervention of the Monitor, as amended, supplemented, restated or replaced from time to time (the "Term Sheet"). All defined terms used, but not otherwise defined in this certificate shall have the respective meanings set forth in the Term Sheet, unless the context requires otherwise.
2. The Borrowers hereby request an Advance in an amount of \$● to be made on ●.
3. The representations and warranties set forth in the Term Sheet are and shall be true and accurate.
4. No event has occurred and is continuing which constitutes an Event of Default or which would constitute an Event of Default with the giving of notice or lapse of time or both.
5. All conditions precedent to the requested Advance pursuant to the Term Sheet have been satisfied and all supporting evidence required by the Interim Lender is attached hereto.

THE HALIFAX HERALD LIMITED

Name: David Boyd
Title: CRO
I have authority to bind the corporation.

SALTWIRE NETWORK INC.

Name: David Boyd
Title: CRO
I have authority to bind the corporation.

Appendix “I”

**SECOND AMENDED & RESTATED TERMS AND CONDITIONS OF
INTERIM FINANCING CREDIT FACILITY
("Second Amended & Restated Interim Financing Term Sheet")**

As of April 22, 2024

WHEREAS pursuant to a credit agreement dated as of July 19, 2012 (as amended, the "**Herald Credit Agreement**") by and among The Halifax Herald Limited ("**The Herald**"), as borrower, and G.W.D Investments Ltd., Brace Capital Limited, Bounty Print Limited, Brace Properties Limited and Brace Publishing Limited, as guarantors, and Fiera Private Debt Fund III LP ("**Fund III**"), by its general partner, Fiera Private Debt Fund GP Inc., Fund III agreed to establish certain term loan facilities in favour of The Herald.

WHEREAS pursuant to a credit agreement dated as of April 12, 2017 (as amended the "**Saltwire Credit Agreement**") between Saltwire Network Inc. ("**Saltwire**"), as borrower, G.W.D Investments Ltd., Bounty Print Limited, Brace Capital Limited, the Lever Trust, Ms. Dennis, the Dennis Trust, The Herald and Brace Holdings Limited, as guarantors, and Fiera Private Debt Fund V LP, ("**Fund V**") by its general partner, Fiera Private Debt Fund GP Inc., Fund V agreed to establish certain term loan facilities in favour of Saltwire.

AND WHEREAS on March 13, 2024, the Court (defined below) granted the Initial Order (defined below) pursuant to the *Companies' Creditors Arrangement Act* ("**CCA**") and scheduled the comeback hearing (the "**Comeback**") on March 22, 2024.

AND WHEREAS pursuant to the Initial Order, KSV Restructuring Inc. was appointed as monitor (the "**Monitor**") in the CCA proceedings.

AND WHEREAS pursuant to the Initial Order, the Court authorized the Borrowers to borrow under a credit facility from the Applicants pursuant to an interim financing term sheet dated as of March 13, 2024 (the "**First Interim Financing Term Sheet**") up to an maximum initial amount of \$500,000 (the "**Initial Interim Amount**") in respect of immediate interim debtor-in-possession funding that may be required prior to the Comeback.

AND WHEREAS in connection with the Comeback, Fund III and Fund V, with the consent of the Monitor and the CRO, sought and obtained orders; (a) approving of a sale and investment solicitation process ("**SISP**") in respect of the media business of the Borrowers, to be conducted by FTI Capital Advisors – Canada ULC (the "**Financial Advisor**"), substantially the terms attached to the first report of the Monitor dated March 19, 2024 (the "**First Report**"); and (b) amending and restating the Initial Order (the "**Second Amended and Restated Initial Order**"), increasing the maximum borrowing amount under the Interim Facility (defined below) from \$500,000 to \$1,500,000 pursuant to the an amended and restated interim financing term sheet dated as of March 22, 2024 (the "**First Amended & Restated Interim Financing Term Sheet**").

AND WHEREAS the Borrowers require additional financing during the CCA proceedings.

AND WHEREAS the Original Interim Lender (defined below), together with Fiera FP Business Financing Fund, L.P., have agreed to provide additional funding and have agreed to amend and restate the First Amended & Restated Interim Financing Term Sheet on the terms and conditions set out in this Second Amended & Restated Interim Financing Term Sheet which include, without limitation, an increase in the maximum borrowing amount under the Interim Facility (defined below) from \$1,500,000 to \$3,000,000 subject to the approval of the Court and the other conditions set out herein.

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

1. BORROWERS: The Halifax Herald Limited and Saltwire Network Inc.
2. GUARANTORS: Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited (collectively, the “**Guarantors**” and together with the Borrowers, the “**Credit Parties**”).
3. INTERIM LENDER: Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP (collectively, the “**Original Interim Lender**”) and Fiera FP Business Financing Fund, L.P. (the “**Additional Interim Lender**”) and together with the Original Interim Lender, the “**Interim Lender**”).
4. INTERIM FINANCING FACILITY:

A senior secured super-priority, interim, non-revolving multiple draw credit facility (the “**Interim Facility**”) up to a maximum principal amount of \$3,000,000 (the “**Facility Amount**”), subject to the terms and conditions contained herein.

Advances shall be made available to the Borrowers in \$100,000 increments or such other amounts as may be agreed to by the Interim Lender (each, a “**Advance**”) which shall be provided only if the Advance Conditions have been satisfied and / or waived in the sole discretion of the Interim Lender.

Advances under the Interim Facility shall not exceed, in the aggregate, the Facility Amount.

Each Advance shall be funded upon receipt of a certificate requesting such Advance from the Borrowers in the form attached as Schedule “A” (an “**Advance Request Certificate**”). An Advance Request Certificate shall only be honoured by the Interim Lender provided that the Advance Conditions (as defined in Section 7) are satisfied to the satisfaction of the Interim Lender, acting reasonably, as of the date on which such Advance Request Certificate is received and remain satisfied on the date of such corresponding Advance.

If the Advance Conditions are satisfied in accordance with the terms herein, each Advance shall be funded to a bank account of the Borrowers within three (3) business days following receipt of an Advance Request Certificate, or such shorter period as the Interim Lender may agree in its sole discretion. The Borrowers’ bank account shall not be subject to a blocked account agreement. Advances under the Interim Facility shall be made in Canadian Dollars.
5. PURPOSE AND PERMITTED PAYMENTS:

The Borrowers shall use the proceeds of the Interim Facility solely for the following purposes, in each case in accordance with the Initial Order, the ARIIO and the revised cash flow (the “**Cash Flow**”) attached to the second report of the Monitor to be dated April 23, 2024 (the “**Second Report**”):

 - (i) to pay (i) the reasonable and documented legal fees and expenses of the Interim Lender, Resolve Advisory Services Ltd., (“**Resolve**”) in its capacity as the Chief Restructuring

Officer (the “CRO”), the Monitor and its legal counsel;

- (ii) to pay the reasonable and documented legal fees and expenses of Stewart McKelvey, counsel to the Credit Parties, incurred (A) after March 13, 2024; (B) for services rendered at the instruction of or with the consent of the CRO in connection with the CCAA proceedings provided that such fees and expenses shall not exceed what is provided for in the Cash Flow for any forecast period;
- (iii) to pay the Commitment Fees, such amount to be paid in accordance with Section 12;
- (iv) to pay the interest, fees and other amounts owing to the Interim Lender under this Second Amended and Restated Interim Financing Term Sheet;
- (v) to fund, in accordance with the Cash Flow, the Credit Parties’ general corporate and working capital purposes, including funding the CCAA proceedings and the pursuit of the SISP and any other process for the sale of the other assets or businesses of the Credit Parties, provided that the Interim Facility shall not be used for any other purpose other than in accordance with the Cash Flow except with the prior written consent of the Interim Lender; and
- (vi) to fund the enforcement of any of the Interim Lender’s rights and remedies available hereunder or under any ancillary documents related thereto.

6. BUDGET AND REPORTING COVENANTS:

The Cash Flow shall be the Cash Flow attached to the Second Report until such time as a revised Cash Flow has been approved by the Interim Lender and the Monitor accordance with this Section 6.

Every Wednesday, commencing on May 1, 2024, the Borrowers shall, with the assistance of the Monitor, deliver to the Interim Lender a weekly update on the Cash Flow with variance reporting provided for the immediately preceding week and cumulative period (the “**Variance Report**”), certified by the CRO. The Borrowers shall strictly adhere to the Cash Flow in all material respects. Upon the occurrence of a material change, or if there is a material change reasonably anticipated by the Borrowers or the Monitor to any item set forth in the Cash Flow, the Borrowers or the Monitor shall immediately update and propose a revised Cash Flow to the Interim Lender for its consent and approval which may not be unreasonably withheld.

In addition, the Borrowers, with the assistance of the Monitor, shall deliver to the Interim Lender, in form and substance satisfactory to the Interim Lender, a weekly rolling 13-week cash flow, the whole for visibility purposes.

7. ADVANCE CONDITIONS:

The Interim Lender’s agreement to make Advances under the Interim Facility to the Borrowers is subject to the satisfaction, as determined by the Interim Lender in its sole and absolute

discretion, of each of the following additional conditions precedent (collectively, the “**Advance Conditions**”), each of which is for the benefit of the Interim Lender and may be waived by the Interim Lender:

- (a) The Credit Parties shall have executed and delivered this Second Amended & Restated Interim Financing Term Sheet, and such other documents as the Interim Lender may reasonably require;
- (b) The Borrowers shall have delivered an Advance Request Certificate in respect of such Advance;
- (c) The Supreme Court of Nova Scotia (the “**Court**”) shall have executed an Order (the “**Initial Order**”) in the CCAA proceedings in form and substance acceptable to the Interim Lender and its legal counsel, which Initial Order shall, among other things: (i) authorize and approve the Interim Facility up to the maximum amount of the Initial Advances; and (ii) grant the Interim Financing Charge (as defined in Section 13) against the Collateral (as defined in Section 13) securing all obligations owing by the Credit Parties to the Interim Lender hereunder including, without limitation, all principal, interest and Interim Financing Fees and Expenses (as defined in Section 8) (collectively, the “**Interim Financing Obligations**”, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender;
- (d) The Court shall have executed an amended and restated initial order (the “**ARIO**”) in form and substance acceptable to the Interim Lender and its legal counsel, amending and restating the Initial Order, which shall, among other things: (i) grant the Interim Financing Charge securing the Interim Financing Obligations; and (ii) increasing the maximum borrowing amount to the Facility Amount, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender;
- (e) The Court shall have executed an order (the “**DIP Increase Order**”) in form and substance acceptable to the Interim Lender and its legal counsel, which shall, among other things: (i) increase the maximum borrowing amount to the Facility Amount; and (ii) confirm the Interim Financing Charge secures the increased borrowing amount, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender;
- (f) The Interim Financing Charge shall be granted priority over all mortgages, pledges, charges, encumbrances, hypothecs,

liens and security interests of any kind or nature whatsoever (“**Encumbrances**”) granted by the Credit Parties against any of the Collateral subject in priority only to: (i) an administrative charge on the Collateral in an aggregate amount not to exceed \$450,000 (the “**Administrative Charge**”); (ii) the Financial Advisor’s Charge (as defined in the SISP Order); or (iii) valid and enforceable purchase money security interests or true leasing arrangements held by parties not provided with notice of the initial application, provided that the Interim Lender reserves the right to seek further priority at subsequent motions;

- (g) The Court shall have granted an order (the “**SISP Order**”) approving the terms of the SISP which shall be on terms and conditions satisfactory to the Interim Lender (including with respect to milestones and outside date for completion);
- (h) The Court shall have granted an order (the “**Titan Sale Process Order**”) approving the sale process for Titan, as such process is set out in the Second Report (the “**Titan Sale Process**”);
- (i) All orders rendered by the Court shall be in form and substance satisfactory to the Interim Lender and its legal counsel;
- (j) The Interim Lender and its counsel shall be satisfied that (i) the entering into of this Second Amended & Restated Interim Financing Term Sheet, the granting of the unlimited guarantee and Interim Lender Charge and the consummation of the transactions contemplated hereby have been approved by the Credit Parties and do not violate any applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any governmental authority having the force of law (“**Applicable Law**”) and (ii) service has been effected on a list of parties acceptable to the Interim Lender, which shall include, but not limited to, all secured creditors of the Credit Parties and the Canada Revenue Agency and any other parties as may be requested by the Interim Lender;
- (k) Resolve shall have been appointed CRO and KSV shall have been appointed as Monitor on such terms and with such authorities as agreed on by the Interim Lender and shall include, without limitation, the express authorization to and shall make themselves available to have direct discussions with the Interim Lender, and the Interim Lender shall be entitled to receive information from the CRO and / or the Monitor as may be requested by the Interim Lender from time to time;
- (l) Since the granting of the Initial Order, the Credit Parties, the CRO and the Monitor shall have fully cooperated with, and provided access to any information, including financial information, requested by the Interim Lender;

- (m) The Interim Lender shall be satisfied with the Cash Flow;
- (n) The Monitor shall provide its report on the Cash Flow to the Interim Lender and such report shall be satisfactory to the Interim Lender;
- (o) Since the date of the commencement of the CCAA proceedings, there shall not have occurred any payment, prepayment, redemption, purchase or exchange of any pre-filing indebtedness or equity, or amendment or modification of any of the terms thereof, except as permitted by the terms of an Order of the Court and the aggregate amount of all such pre-filing amounts do not exceed the amount provided for this purpose in the Cash Flow;
- (p) The Interim Lender is satisfied that no change in the business, assets or conditions (financial or otherwise) of the Credit Parties, that will, in the Interim Lender's judgment acting reasonably, materially further impair the Credit Parties' financial condition or ability to comply with its obligations under this Second Amended & Restated Interim Financing Term Sheet or any Court order shall have occurred;
- (q) The Interim Lender is satisfied that the Collateral remains sufficient to secure the obligations of the Credit Parties to the Interim Lender under this Second Amended & Restated Interim Financing Term Sheet, in the Interim Lender's judgment, acting reasonably;
- (r) The Commitment Fees shall have been paid, or will be paid as set out in Section 12, within such period of time as is acceptable to the Interim Lender in its sole and absolute discretion;
- (s) The representations and warranties made by (or in respect of) the Credit Parties under this Second Amended & Restated Interim Financing Term Sheet) are true and correct in all material respects as of the date of such requested Initial Advance (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) and will remain true and correct in all material respects immediately following the making of such Initial Advance;
- (t) No default or Event of Default has occurred or will occur as a result of the requested Advance.

For greater certainty, the Interim Lender shall not be obligated to make any Advance pursuant to this Second Amended & Restated Interim Financing Term Sheet unless and until all of the foregoing conditions have been satisfied or waived and all of the foregoing documentation and confirmations have been obtained, each in form and content satisfactory to the Interim Lender.

8. COSTS AND EXPENSES: The Borrowers shall pay all of the Interim Lender's reasonable legal and financial advisor fees and out-of-pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the Interim Facility, the Interim Lender Charge and / or the CCAA proceedings (collectively, the "**Interim Financing Fees and Expenses**") within 5 business days after presentation of such invoices.
9. REPAYMENT: The aggregate principal amount owing under the Interim Facility, together with all accrued and unpaid interest, fees and prepayment obligations, if applicable, and all fees, expenses and other amounts incurred by the Interim Lender in connection with the Interim Facility shall be repayable in full on the earlier of:
- (i) the date on which the Interim Lender demands repayment of the Interim Facility upon the occurrence of an Event of Default;
 - (ii) the date of the termination of the stay period in the CCAA proceedings or the CCAA proceedings are converted into a bankruptcy or a receivership;
 - (iii) the date on which the stay in the CCAA proceedings is lifted, in whole or in part, without the prior written consent of the Interim Lender;
 - (iv) the date on which all or substantially all of the Collateral has been sold; and
 - (v) the date that is six (6) months following granting of the Initial Order;

(the earliest of such dates being the "**Maturity Date**").

The Maturity Date may be extended from time to time at the request of the Borrowers and with the prior written consent of the Interim Lender for such period and on such terms and conditions as the Borrowers and the Interim Lender may agree, subject to approval from the Court if so required.

The commitment in respect of the Interim Facility shall expire on the Maturity Date (as may be extended pursuant to the terms hereof) and all amounts outstanding under the Interim Facility shall be repaid in full no later than the Maturity Date (as may be extended pursuant to the terms hereof), without the Interim Lender being required to make demand (or, in the case of clause (i) above, further demand) upon the Borrowers or to give notice that the Interim Facility has expired and the obligations are due and payable.

All payments received by the Interim Lender shall be applied first to any fees due hereunder and out-of-pocket disbursements, then shall be applied on a pro rata basis as between the Original Interim Lender and the Additional Interim Lender, to accrued and unpaid interest and then after all such amounts are paid in full, to principal.

10. PREPAYMENT:

The Borrowers may prepay any amounts outstanding under the Interim Facility, without penalty, at any time prior to the Maturity Date. The Facility Amount shall automatically be reduced by the amount of such prepayment and the amount prepaid may not be subsequently reborrowed.

11. INTEREST RATE:

Interest shall be charged on the aggregate principal amount outstanding of the Interim Facility from the date each such Advance is made, both before and after maturity, demand, default, or judgment until payment in full as follows:

- (a) in respect of the first \$1,500,000 of Advances, at an annual rate equal to 8.00%; and
- (b) in respect of any additional Advances, at an annual rate equal to prime rate of National Bank of Canada, in effect from time to time, plus 6.80% adjusted on a daily basis with changes in the prime rate. The prime rate of the National Bank of Canada on the date hereof is 7.20%.

Interest is calculated on a daily basis and is payable monthly in arrears on the first business day of each month.

12. COMMITMENT FEE:

A commitment fee of 1.00% (\$15,000), plus applicable taxes, was fully earned by the Interim Lender upon execution of the First Amended & Restated Interim Financing Term Sheet and shall be and deducted from first Advance made after the ARIO is granted (the "**Tranche 1 Commitment Fee**").

An additional commitment fee of 1.00% (\$15,000), plus applicable taxes, is fully earned by Fiera Private Debt Inc. upon execution of this Second Amended & Restated Interim Financing Term Sheet and shall be and deducted from first Advance made after the DIP Increase Order is granted (together with the Tranche 1 Commitment Fee, the "**Commitment Fees**").

The Credit Parties agree that the aggregate of the interest rate and Commitment Fees do not contravene the *Criminal Code of Canada*.

13. SECURITY:

All Interim Financing Obligations of the Credit Parties under or in connection with the Interim Facility and any of the credit documentation shall be secured by a Court-ordered Charge (the "**Interim Financing Charge**") on all present and after-acquired personal and real property of the Credit Parties, in each case of any kind or nature whatsoever and wheresoever situated (collectively, the "**Collateral**") without the need for any further loan or security documentation or any filings or registrations in any public register or system.

Upon the request of the Interim Lender, the Credit Parties shall enter into such additional security documentation as the Interim Lender, acting reasonably, shall request. The Interim Lender may require or proceed with the execution, filing or recording of registrations or financing statements.

The Guarantors hereby guarantee in favour of the Interim Lender, the payment and performance of all of the Interim Financing Obligations of the Borrowers under or in connection with this Second Amended & Restated Interim Financing Term Sheet.

14. REPRESENTATIONS AND WARRANTIES:

Each Credit Party represents and warrants to the Interim Lender, upon which the Interim Lender is relying in entering into this Second Amended & Restated Interim Financing Term Sheet, that:

- (a) The transactions contemplated by this Second Amended & Restated Interim Financing Term Sheet:
 - (i) are within the corporate power of such Credit Party;
 - (ii) have been duly executed and delivered by or on behalf of such Credit Party;
 - (iii) upon the granting of the Initial Order, shall constitute legal, valid and binding obligations of such Credit Party, enforceable against such Credit Party in accordance with their terms; and
 - (iv) upon the granting of the Initial Order, do not require any material authorization from, the consent or approval of, registration or filing with, or any other action by, any governmental authority or any third party.
- (b) None of the reports, financial statements, certificates or other written information furnished by or on behalf of the Credit Parties to the Interim Lender and its legal counsel in connection with the negotiation of this Second Amended & Restated Interim Financing Term Sheet or delivered with respect thereto (as modified or supplemented by other information so furnished), contains any misstatement of material fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in the light of the circumstances under which it was made, not materially misleading;
- (c) Such Credit Party has been duly incorporated and is validly existing under the law of its jurisdiction of incorporation and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary;
- (d) Such Credit Party maintains adequate insurance coverage, as is customary with companies in the same or similar business (except with respect to directors' and officers' insurance in respect of which no representation is made regarding adequacy of coverage) of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable

insurers and that contains reasonable coverage and scope;

- (e) Other than as has been disclosed to the Interim Lender, since March 13, 2024, such Credit Party has maintained and paid current its obligations for payroll, source deductions, harmonized, goods and services and retail sales tax, and all other applicable taxes in compliance with the Initial Order;
- (f) No Credit Party is aware of any person with a secured claim against a Credit Party or the Collateral that would rank in priority to or *pari passu* with the Interim Lender's Charge (other than the Administration Charge) or any other security granted hereunder; and
- (g) All payments to shareholders and directors of such Credit Party or any other related party, whether under contract or otherwise, including bonus payments, transaction payments, change of control payments, management fees, consulting or advisory fees or amounts payable in respect of reimbursement, to the extent known and contemplated for future payments, have been included in the Cash Flow and separately disclosed to the Interim Lender.

15. AFFIRMATIVE COVENANTS:

Each Credit Party agrees to do, or cause to be done, the following, unless otherwise consented to or waived in writing by the Interim Lender:

- (a) In connection with matters related to the Interim Facility or compliance of such Credit Party with its obligations pursuant to this Second Amended & Restated Interim Financing Term Sheet (i) provide representatives of the Interim Lender and its agents with reasonable access to the books and records, Collateral, financial information and electronic data rooms of or maintained by such Credit Party, and (ii) cause management and legal counsel of the Credit Party, to cooperate with requests for information by the Interim Lender or its legal counsel, in each case subject to solicitor-client privilege, all Court orders and applicable privacy laws and the Credit Party's confidentiality obligations to third parties;
- (b) Keep the Interim Lender apprised on a timely basis of all material developments with respect to the business and affairs of such Credit Party and the CCAA proceedings, including all material matters relating to the SISF, the Titan Sale Process or any Transaction;
- (c) Deliver to the Interim Lender the reporting and other information reasonably requested by them from time to time as set out in this Second Amended & Restated Interim Financing Term Sheet including, without limitation, the Variance Reports at the times set out herein;

- (d) Use the proceeds of the Interim Facility only in accordance with Section 5 hereof and in accordance with the restrictions set out herein and pursuant to the Cash Flow;
- (e) Conduct its business, including the making of all payments, in accordance and compliance with the Cash Flow;
- (f) Promptly notify the Interim Lender of the occurrence of any Event of Default and any other event or circumstance that may negatively impact the Cash Flow, including any material change in its contractual arrangements or with relationships with third parties;
- (g) Maintain in good standing at all times all insurance coverage as is customarily carried by companies which are engaged in the same or similar business to the business of the Credit Parties or as otherwise may be required by the Interim Lender;
- (h) Comply with the CCAA proceedings; and
- (i) Provide the Interim Lender's legal counsel with draft copies of any reports or other court materials proposed by the CRO on behalf of the Credit Parties.

16. NEGATIVE COVENANTS:

Each Credit Party covenants and agrees not to do the following while any obligations hererunder remain outstanding, other than with the prior written consent of the Interim Lender:

- (a) Make any payment of principal or interest in respect of any indebtedness outstanding other than payments authorized by the ARIO and have been approved by both the Monitor and the CRO;
- (b) Permit any new liens to exist on any of its properties or assets, other than the Encumbrances approved by the Interim Lender, which approved Encumbrances shall include a Directors' Charge (as defined in the Initial Order) in the maximum amount of \$1.075 million which shall rank subordinate to the Interim Financing Charge;
- (c) Disclaim, resiliate or terminate any material contract;
- (d) Terminate the CRO;
- (e) Merge, amalgamate, consolidate, reorganize, or sell any assets outside of the ordinary course of business other than in accordance with the SISP or the Titan Sale Process;
- (f) Make any acquisitions, investments or loans to any party or guarantee the obligations of any party;

- (g) Incur or enter into any debts, liabilities or obligations, including, without limitation, guarantees and contingent obligations, except in the ordinary course of business;
- (h) Make or permit any dividends or distributions (whether by reduction of capital or otherwise) with respect to its shares or directly or indirectly purchase, redeem or otherwise acquire or retire any of its shares;
- (i) Conduct any business or engage in any transaction with an affiliate or non-arm's length person unless such business or transaction is on terms which would apply to an arm's length transaction; and
- (j) Use the proceeds from the Interim Facility for anything other than the purpose as stated herein, and will not be used to repay or refinance existing debt obligations of the Credit Parties, to make shareholder contributions, shareholder loans, loans to parties related to the Credit Parties, to pay interest on shareholder loans, interest on loans to parties related to the Credit Parties, pay management fees, buy back stock, issue stock options, or pay any bonuses or increase executive compensation.

17. CCAA PROCEEDINGS:

The Interim Lender shall be an unaffected creditor for the purpose of the CCAA Proceedings and any plan of arrangement filed therein.

18. EVENTS OF DEFAULT:

The following events shall constitute events of default (each, an "**Event of Default**"):

- (a) if the Borrowers fail to pay to the Interim Lender when due any amount of principal, interest, fees or other amounts under this Second Amended & Restated Interim Financing Term Sheet;
- (b) if the Borrowers deviate from the Cash Flow in any material respect;
- (c) if the Initial Order is not obtained in form and substance satisfactory to the Interim Lender on or before March 13, 2024, and the ARIO, in each case in form and substance satisfactory to the Interim Lender, is not obtained on or before March 22, 2024;
- (d) if the DIP Increase Order and Titan Sale Process Order in each case in form and substance satisfactory to the Interim Lender, are not obtained on or before May 3, 2024;
- (e) the seeking or support by the Borrowers of any Court order (in the CCAA proceedings or otherwise) to which the Interim Lender, in its sole discretion, does not consent, including, without limitation any proposed CRO other than Resolve and any proposed Monitor other than KSV;
- (f) any breach by any Credit Party in the observance or performance of any provision, covenant (affirmative or

negative) or agreement contained in this Second Amended & Restated Interim Financing Term Sheet, provided, that, in the case of a breach of any affirmative covenant, such breach remains unremedied for longer than three (3) business days;

- (g) if the Interim Lender determines, acting reasonably, that a material adverse change has occurred after the date hereof;
- (h) if the Initial Order or the ARIO are varied without the prior written consent of the Interim Lender or any other Order is made which is or may be prejudicial to the Interim Lender's interests;
- (i) if any person challenges the enforceability of any of the rights of the Interim Lender hereunder or pursuant to the DIP Order, and any such challenge has not been dismissed or determined by the Court within 15 days;
- (j) the Interim Lender in good faith and on commercially reasonable grounds believes the prospect of payment of the Interim Facility or any other amounts payable hereunder or the performance of the Borrowers' other obligations hereunder or under any of the security granted in connection herewith is impaired or that any of the assets, properties or undertakings of the Borrowers hereunder or under any security or other document granted in connection herewith is or is about to be placed in jeopardy;
- (k) the stay in the CCAA proceedings is lifted or the CCAA proceedings are terminated or converted to bankruptcy or receivership proceedings or any order is granted by the Court (or any court of competent jurisdiction) granting relief from the stay of proceedings during the CCAA proceedings, unless agreed by the DIP Lender, acting reasonably;
- (l) the sale, transfer, assignment, conveyance or lease of substantially all of the business or assets of any of the Credit Parties that has not been approved or consented to by the Interim Lender in writing; and
- (m) the filing of any plan of reorganization, arrangement or liquidation to which the Interim Lender does not consent

19. REMEDIES:

Upon the occurrence and continuance of an Event of Default, the Interim Lender may, upon written notice to the Borrowers and the Monitor:

- (a) terminate the Interim Facility;
- (b) on prior notice to the Borrowers and the service list of no less than three (3) business days, apply to the Court for the appointment of an interim receiver or a receiver and manager of the undertaking, property and assets of the Borrowers or for the appointment of a trustee in bankruptcy of the Borrowers;

- (c) exercise the powers and rights of a secured party under any legislation; and
- (d) exercise all such other rights and remedies under the Second Amended & Restated Interim Financing Term Sheet and Orders of the Court in the CCAA proceedings.

20. INDEMNITY:

Each Credit Party agrees to indemnify and hold harmless each of the Interim Lender and its respective directors, officers, employees, advisors and agents (all such persons and entities being referred to hereafter as “**Indemnified Persons**”) from and against any and all actions, suits, proceedings, claims, losses, damages and liabilities of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person as a result of or arising out of or in any way related to the Interim Facility or this Second Amended & Restated Interim Financing Term Sheet and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, such Credit Party shall not be obligated to indemnify any Indemnified Person against any loss, claim, damage, expense or liability (i) to the extent it resulted from the gross negligence, wilful misconduct or intentional breach of such Indemnified Person as finally determined by a court of competent jurisdiction, or (ii) to the extent arising from any dispute solely among Indemnified Persons other than any claims arising out of any act or omission on the part of such Credit Party.

21. INTERIM LENDER'S APPROVALS:

Any consent, agreement, amendment, approval, waiver or instruction of the Interim Lender to be delivered hereunder, may be delivered by any written instrument, including by way of electronic mail, by legal counsel on behalf of the Interim Lender.

22. NOTICES:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by email to such party at its address set out on its signature page hereof, with a copy to counsel.

Any such notice shall be deemed to be given and received when received, unless received after 5:00 p.m. Eastern Time or on a day other than a business day, in which case the notice shall be deemed to be received the next business day.

23. COUNTERPARTS AND SIGNATURES:

This Second Amended & Restated Interim Financing Term Sheet may be executed in any number of counterparts and by facsimile, PDF or other electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

24. ASSIGNMENT

The Credit Parties (or any of them) shall not assign this Second Amended & Restated Interim Financing Term Sheet or any of the provisions set out herein without the consent of the Interim Lender in its sole and absolute discretion. The Interim Lender may assign or sell its rights or obligations with respect to this Second Amended & Restated \Interim Financing Term Sheet to any person without the prior written consent of the Credit Parties.

25. GOVERNING LAW AND JURISDICTION:

This Second Amended & Restated Interim Financing Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein. The parties hereby attorn to the exclusive jurisdiction of the Court.

(Signatures on following page)

IN WITNESS HEREOF, the parties hereby execute this Second Amended & Restated Interim Financing Term Sheet as at the date first above mentioned.

FIERA PRIVATE DEBT FUND III LP,
by its general partner, **FIERA PRIVATE DEBT FUND GP INC.**

Per: _____
Name: Russell French
ASO

Per: _____
Name: Theresa Shutt
ASO

FIERA PRIVATE DEBT FUND V LP,
by its general partner, **FIERA PRIVATE DEBT FUND GP INC.**

Per: _____
Name: Russell French
ASO

Per: _____
Name: Theresa Shutt
ASO

FIERA PRIVATE DEBT LENDING INC., acting on behalf of **GENERAL PARTNER FIERA FP BUSINESS FINANCING FUND INC.,** the general partner of **FIERA FP BUSINESS FINANCING FUND, L.P.**

Per: _____
Name: Russell French
ASO

Per: _____
Name: Theresa Shutt
ASO

THE HALIFAX HERALD LIMITED

Per: _____
Name: David Boyd
Title: CRO

TITAN SECURITY & INVESTIGATION INC.

Per: _____
Name: David Boyd
Title: CRO

HEADLINE PROMOTIONAL PRODUCTS LIMITED

Per: _____
Name: David Boyd
Title: CRO

SALTWIRE NETWORK INC.

Per: _____
Name: David Boyd
Title: CRO

BRACE CAPITAL LIMITED

Per: _____
Name: David Boyd
Title: CRO

BRACE HOLDINGS LIMITED

Per: _____
Name: David Boyd
Title: CRO

SCHEDULE "A"

ADVANCE REQUEST CERTIFICATE

TO: **FIERA PRIVATE DEBT FUND III LP, FIERA PRIVATE DEBT FUND V LP and FIERA FP BUSINESS FINANCING FUND LP** (collectively, the "Interim Lender")

TO: **KSV RESTRUCTURING INC.**

FROM: **THE HALIFAX HERALD LIMITED and SALTWIRE NETWORK INC.**
(collectively, the "Borrowers")

DATE: **●**, 2024

1. This certificate is delivered to you, as Interim Lender, in connection with a request for an Advance pursuant to the Second Amended & Restated Interim Financing Term Sheet made as of April **●**, 2024 between the Borrowers, the Interim Lender and the Guarantors with the intervention of the Monitor, as amended, supplemented, restated or replaced from time to time (the "Term Sheet"). All defined terms used, but not otherwise defined in this certificate shall have the respective meanings set forth in the Term Sheet, unless the context requires otherwise.
2. The Borrowers hereby request an Advance in an amount of \$**●** to be made on **●**.
3. The representations and warranties set forth in the Term Sheet are and shall be true and accurate.
4. No event has occurred and is continuing which constitutes an Event of Default or which would constitute an Event of Default with the giving of notice or lapse of time or both.
5. All conditions precedent to the requested Advance pursuant to the Term Sheet have been satisfied and all supporting evidence required by the Interim Lender is attached hereto.

THE HALIFAX HERALD LIMITED

Name: David Boyd
Title: CRO
I have authority to bind the corporation.

SALTWIRE NETWORK INC.

Name: David Boyd
Title: CRO
I have authority to bind the corporation.

**SECOND AMENDED & RESTATED TERMS AND CONDITIONS OF
INTERIM FINANCING CREDIT FACILITY**
(“Second Amended & Restated Interim Financing Term Sheet”)

As of ~~March~~April 22, 2024

WHEREAS pursuant to a credit agreement dated as of July 19, 2012 (as amended, the “**Herald Credit Agreement**”) by and among The Halifax Herald Limited (“**The Herald**”), as borrower, and G.W.D Investments Ltd., Brace Capital Limited, Bounty Print Limited, Brace Properties Limited and Brace Publishing Limited, as guarantors, and Fiera Private Debt Fund III LP (“**Fund III**”), by its general partner, Fiera Private Debt Fund GP Inc., Fund III agreed to establish certain term loan facilities in favour of The Herald;

WHEREAS pursuant to a credit agreement dated as of April 12, 2017 (as amended the “**Saltwire Credit Agreement**”) between Saltwire Network Inc. (“**Saltwire**”), as borrower, G.W.D Investments Ltd., Bounty Print Limited, Brace Capital Limited, the Lever Trust, Ms. Dennis, the Dennis Trust, The Herald and Brace Holdings Limited, as guarantors, and Fiera Private Debt Fund V LP, (“**Fund V**”) by its general partner, Fiera Private Debt Fund GP Inc., Fund V agreed to establish certain term loan facilities in favour of Saltwire.

AND WHEREAS on March 13, 2024, the Court (defined below) granted the Initial Order (defined below) pursuant to the *Companies’ Creditors Arrangement Act* (“**CCAA**”) and scheduled the comeback hearing (the “**Comeback**”) on March 22, 2024.

AND WHEREAS pursuant to the Initial Order, KSV Restructuring Inc. was appointed as monitor (the “**Monitor**”) in the CCAA proceedings.

AND WHEREAS ~~the~~ pursuant to the Initial Order, the Court authorized the Borrowers to borrow under a credit facility from the Applicants pursuant to an interim financing term sheet dated as of March 13, 2024 (the “**First Interim Financing Term Sheet**”) up to a maximum initial amount of \$500,000 (the “**Initial Interim Amount**”) in respect of immediate interim debtor-in-possession funding that may be required prior to the Comeback.

AND WHEREAS in connection with the Comeback, ~~the Applicants~~Fund III and Fund V, with the consent of the Monitor and the CRO, ~~are seeking the sought and obtained orders;~~ (a) approving of a sale and investment solicitation process (“**SISP**”) in respect of the media business of the Borrowers, to be conducted by FTI Capital Advisors – Canada ULC (the “**Financial Advisor**”), substantially the terms attached to the first report of the Monitor dated March 19, 2024 (the “**First Report**”); ~~and (b) amending and restating the Initial Order (the “Second Amended and Restated Initial Order”), increasing the maximum borrowing amount under the Interim Facility (defined below) from \$500,000 to \$1,500,000 pursuant to the amended and restated interim financing term sheet dated as of March 22, 2024 (the “First Amended & Restated Interim Financing Term Sheet”).~~

AND WHEREAS the Borrowers require additional financing during the CCAA proceedings.

AND WHEREAS the ~~parties wish~~Original Interim Lender (defined below), together with Fiera FP Business Financing Fund, L.P., have agreed to provide additional funding and have agreed to amend and restate the First Amended & Restated Interim Financing Term Sheet on the terms and conditions set out in this Second Amended & Restated Interim Financing Term Sheet which include, without limitation, an increase in the maximum borrowing amount under the Interim Facility (defined below) from \$1,500,000 to \$13,500,000 subject to the approval of the Court ~~on the Comeback~~ and the other conditions set out herein;

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

1. **BORROWERS:** The Halifax Herald Limited and Saltwire Network Inc.

2. GUARANTORS: Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited (collectively, the “**Guarantors**” and together with the Borrowers, the “**Credit Parties**”).
3. INTERIM LENDER: Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP (collectively, the “**Original Interim Lender**”) and [Fiera FP Business Financing Fund, L.P. \(the “Additional Interim Lender” and together with the Original Interim Lender, the “Interim Lender”\).](#)
4. INTERIM FINANCING FACILITY: A senior secured super-priority, interim, non-revolving multiple draw credit facility (the “**Interim Facility**”) up to a maximum principal amount of \$~~43,500~~0,000 (the “**Facility Amount**”), subject to the terms and conditions contained herein.
- Advances shall be made available to the Borrowers in \$100,000 increments or such other amounts as may be agreed to by the Interim Lender (each, a “**Advance**”) which shall be provided only if the Advance Conditions have been satisfied and / or waived in the sole discretion of the Interim Lender.
- Advances under the Interim Facility shall not exceed, in the aggregate, the Facility Amount.
- Each Advance shall be funded upon receipt of a certificate requesting such Advance from the Borrowers in the form attached as Schedule “A” (an “**Advance Request Certificate**”). An Advance Request Certificate shall only be honoured by the Interim Lender provided that the Advance Conditions (as defined in Section 7) are satisfied to the satisfaction of the Interim Lender, acting reasonably, as of the date on which such Advance Request Certificate is received and remain satisfied on the date of such corresponding Advance.
- If the Advance Conditions are satisfied in accordance with the terms herein, each Advance shall be funded to a bank account of the Borrowers within three (3) business days following receipt of an Advance Request Certificate, or such shorter period as the Interim Lender may agree in its sole discretion. The Borrowers’ bank account shall not be subject to a blocked account agreement. Advances under the Interim Facility shall be made in Canadian Dollars.
5. PURPOSE AND PERMITTED PAYMENTS: The Borrowers shall use the proceeds of the Interim Facility solely for the following purposes, in each case in accordance with the Initial Order, the ARIO and the revised cash flow ~~attached to the First Report~~ (the “**Cash Flow**”) [attached to the second report of the Monitor to be dated April 23, 2024 \(the “Second Report”\)](#):
- (i) to pay (i) the reasonable and documented legal fees and expenses of the Interim Lender, Resolve Advisory Services Ltd., (“**Resolve**”) in its capacity as the ~~proposed~~ Chief Restructuring Officer (the “**CRO**”), the Monitor and its legal counsel;
 - (ii) to pay the reasonable and documented legal fees and expenses of Stewart McKelvey, counsel to the Credit Parties, incurred (A) after March 13, 2024; (B) for services rendered at the instruction of or with the consent of the CRO in connection with the CCAA proceedings provided that such fees and

expenses shall not exceed what is provided for in the Cash Flow for any forecast period;

- (iii) to pay the Commitment Fees, such amount to be paid in accordance with Section 12;
- (iv) to pay the interest, fees and other amounts owing to the Interim Lender under this [Second Amended and Restated Interim Financing Term Sheet](#);
- (v) to fund, in accordance with the Cash Flow, the Credit Parties' general corporate and working capital purposes, including funding the CCAA proceedings and the pursuit of the SISF and any other process for the sale of the other assets or businesses of the Credit Parties, provided that the Interim Facility shall not be used for any other purpose other than in accordance with the Cash Flow except with the prior written consent of the Interim Lender; and
- (vi) to fund the enforcement of any of the Interim Lender's rights and remedies available hereunder or under any ancillary documents related thereto.

6. BUDGET AND REPORTING COVENANTS:

The Cash Flow shall be the Cash Flow attached to the ~~First~~[Second](#) Report until such time as a revised Cash Flow has been approved by the Interim Lender and the Monitor accordance with this Section 6.

Every Wednesday, commencing on ~~March 27~~[May 1](#), 2024, the Borrowers shall, with the assistance of the Monitor, deliver to the Interim Lender a weekly update on the Cash Flow with variance reporting provided for the immediately preceding week and cumulative period (the "**Variance Report**"), certified by the CRO. The Borrowers shall strictly adhere to the Cash Flow in all material respects. Upon the occurrence of a material change, or if there is a material change reasonably anticipated by the Borrowers or the Monitor to any item set forth in the Cash Flow, the Borrowers or the Monitor shall immediately update and propose a revised ~~budget~~[Cash Flow](#) to the Interim Lender for its consent and approval which may not be unreasonably withheld.

In addition, the Borrowers, with the assistance of the Monitor, shall deliver to the Interim Lender, in form and substance satisfactory to the Interim Lender, a weekly rolling 13-week cash flow, the whole for visibility purposes.

7. ADVANCE CONDITIONS:

The Interim Lender's agreement to make Advances under the Interim Facility to the Borrowers is subject to the satisfaction, as determined by the Interim Lender in its sole and absolute discretion, of each of the following additional conditions precedent (collectively, the "**Advance Conditions**"), each of which is for the benefit of the Interim Lender and may be waived by the Interim Lender:

- (a) The Credit Parties shall have executed and delivered this [Second Amended & Restated Interim Financing Term Sheet](#), and such other documents as the Interim Lender may reasonably require;

- (b) The Borrowers shall have delivered an Advance Request Certificate in respect of such Advance;
- (c) The Supreme Court of Nova Scotia (the “**Court**”) shall have executed an Order (the “**Initial Order**”) in the CCAA proceedings in form and substance acceptable to the Interim Lender and its legal counsel, which Initial Order shall, among other things: (i) authorize and approve the Interim Facility up to the maximum amount of the Initial Advances; and (ii) grant the Interim Financing Charge (as defined in Section 13) against the Collateral (as defined in ~~s~~Section 13) securing all obligations owing by the Credit Parties to the Interim Lender hereunder including, without limitation, all principal, interest and Interim Financing Fees and Expenses (as defined in Section 8) (collectively, the “**Interim Financing Obligations**, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender;
- (d) The Court shall have executed an amended and restated initial order (the “**ARIO**”) in form and substance acceptable to the Interim Lender and its legal counsel, amending and restating the Initial Order, which shall, among other things: (i) grant the Interim Financing Charge securing the Interim Financing Obligations; and (ii) increasing the maximum borrowing amount to the Facility Amount, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender;
- (e) The Court shall have executed an order (the “**DIP Increase Order**”) in form and substance acceptable to the Interim Lender and its legal counsel, which shall, among other things: (i) increase the maximum borrowing amount to the Facility Amount; and (ii) confirm the Interim Financing Charge secures the increased borrowing amount, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender;
- (f) ~~(e)~~ The Interim Financing Charge shall be granted priority over all mortgages, pledges, charges, encumbrances, hypothecs, liens and security interests of any kind or nature whatsoever (“**Encumbrances**”) granted by the Credit Parties against any of the Collateral subject in priority only to: (i) an administrative charge on the Collateral in an aggregate amount not to exceed \$450,000 (the “**Administrative Charge**”); (ii) the Financial Advisor’s Charge (as defined in the SISP Order); or (iii) valid and enforceable purchase money security interests or true leasing arrangements held by parties not provided with notice of the initial application, provided that the Interim Lender reserves the right to seek further priority at subsequent motions;

- (g) ~~(f)~~ The Court shall have granted an order (the “**SISP Order**”) approving the terms of the SISP which shall be on terms and conditions satisfactory to the Interim Lender (including with respect to milestones and outside date for completion);
- (h) The Court shall have granted an order (the “**Titan Sale Process Order**”) approving the sale process for Titan, as such process is set out in the Second Report (the “**Titan Sale Process**”);
- (i) ~~(g)~~ All orders rendered by the Court shall be in form and substance satisfactory to the Interim Lender and its legal counsel;
- (j) ~~(h)~~ The Interim Lender and its counsel shall be satisfied that (i) the entering into of this Second Amended & Restated Interim Financing Term Sheet, the granting of the unlimited guarantee and Interim Lender Charge and the consummation of the transactions contemplated hereby have been approved by the Credit Parties and do not violate any applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any governmental authority having the force of law (“**Applicable Law**”) and (ii) service has been effected on a list of parties acceptable to the Interim Lender, which shall include, but not limited to, all secured creditors of the Credit Parties and the Canada Revenue Agency and any other parties as may be requested by the Interim Lender;
- (k) ~~(i)~~ Resolve shall have been appointed CRO and KSV shall have been appointed as Monitor on such terms and with such authorities as agreed on by the Interim Lender and shall include, without limitation, the express authorization to and shall make themselves available to have direct discussions with the Interim Lender, and the Interim Lender shall be entitled to receive information from the CRO and / or the Monitor as may be requested by the Interim Lender from time to time;
- (l) ~~(j)~~ Since the granting of the Initial Order, the Credit Parties, the CRO and the Monitor shall have fully cooperated with, and provided access to any information, including financial information, requested by the Interim Lender;
- (m) ~~(k)~~ The Interim Lender shall be satisfied with the Cash Flow;
- (n) ~~(l)~~ The Monitor shall provide its report on the Cash Flow to the Interim Lender and such report shall be satisfactory to the Interim Lender;
- (o) ~~(m)~~ Since the date of the commencement of the CCAA proceedings, there shall not have occurred any payment, prepayment, redemption, purchase or exchange of any pre-filing indebtedness or equity, or amendment or modification of any of the terms thereof, except as permitted by the terms of an Order of the Court and the aggregate amount of all such pre-filing amounts do not exceed the

amount provided for this purpose in the Cash Flow;

- (p) ~~(p)~~ The Interim Lender is satisfied that no change in the business, assets or conditions (financial or otherwise) of the Credit Parties, that will, in the Interim Lender's judgment acting reasonably, materially further impair the Credit Parties' financial condition or ability to comply with its obligations under this Second Amended & Restated Interim Financing Term Sheet or any Court order shall have occurred;
- (q) ~~(q)~~ The Interim Lender is satisfied that the Collateral remains sufficient to secure the obligations of the Credit Parties to the Interim Lender under this Second Amended & Restated Interim Financing Term Sheet, in the Interim Lender's judgment, acting reasonably;
- (r) ~~(r)~~ The Commitment Fees shall have been paid, or will be paid ~~from the proceeds of the first Advance under the DIP Facility~~ as set out in Section 12, within such period of time as is acceptable to the Interim Lender in its sole and absolute discretion;
- (s) ~~(s)~~ The representations and warranties made by (or in respect of) the Credit Parties under this Second Amended & Restated Interim Financing Term Sheet) are true and correct in all material respects as of the date of such requested Initial Advance (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) and will remain true and correct in all material respects immediately following the making of such Initial Advance;
- (t) ~~(t)~~ No default or Event of Default has occurred or will occur as a result of the requested Advance.

For greater certainty, the Interim Lender shall not be obligated to make any Advance pursuant to this Second Amended & Restated Interim Financing Term Sheet unless and until all of the foregoing conditions have been satisfied or waived and all of the foregoing documentation and confirmations have been obtained, each in form and content satisfactory to the Interim Lender.

8. COSTS AND EXPENSES:

The Borrowers shall pay all of the Interim Lender's reasonable legal and financial advisor fees and out-of-pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the Interim Facility, the Interim Lender Charge and / or the CCAA proceedings (collectively, the "**Interim Financing Fees and Expenses**") within 5 business days after presentation of such invoices.

9. REPAYMENT:

The aggregate principal amount owing under the Interim Facility, together with all accrued and unpaid interest, fees and prepayment obligations, if applicable, and all fees, expenses and other amounts incurred by the Interim Lender in connection with the Interim Facility shall be repayable in full on the earlier of:

- (i) the date on which the Interim Lender demands repayment of

the Interim Facility upon the occurrence of an Event of Default;

- (ii) the date of the termination of the stay period in the CCAA proceedings or the CCAA proceedings are converted into a bankruptcy or a receivership;
- (iii) the date on which the stay in the CCAA proceedings is lifted, in whole or in part, without the prior written consent of the Interim Lender;
- (iv) the date on which all or substantially all of the Collateral has been sold; and
- (v) the date that is six (6) months following granting of the Initial Order;

(the earliest of such dates being the “**Maturity Date**”).

The Maturity Date may be extended from time to time at the request of the Borrowers and with the prior written consent of the Interim Lender for such period and on such terms and conditions as the Borrowers and the Interim Lender may agree, subject to approval from the Court if so required.

The commitment in respect of the Interim Facility shall expire on the Maturity Date (as may be extended pursuant to the terms hereof) and all amounts outstanding under the Interim Facility shall be repaid in full no later than the Maturity Date (as may be extended pursuant to the terms hereof), without the Interim Lender being required to make demand (or, in the case of clause (i) above, further demand) upon the Borrowers or to give notice that the Interim Facility has expired and the obligations are due and payable.

All payments received by the Interim Lender shall be applied first to any fees due hereunder and out-of-pocket disbursements, then shall be applied on a pro rata basis as between the Original Interim Lender and the Additional Interim Lender, to accrued and unpaid interest and then after all such amounts are paid in full, to principal.

10. PREPAYMENT:

The Borrowers may prepay any amounts outstanding under the Interim Facility, without penalty, at any time prior to the Maturity Date. The Facility Amount shall automatically be reduced by the amount of such prepayment and the amount prepaid may not be subsequently reborrowed.

11. INTEREST RATE:

Interest shall be charged on the aggregate principal amount outstanding of the Interim Facility from the date each such Advance is made, both before and after maturity, demand, default, or judgment until payment in full as follows:

(a) in respect of the first \$1,500,000 of Advances, at an annual rate equal to 8.00%~~;~~ and

(b) in respect of any additional Advances, at an annual rate equal to prime rate of National Bank of Canada, in effect from time to time, plus 6.80% adjusted on a daily basis with changes in the prime rate. The prime rate of the National Bank of Canada on the date hereof is 7.20%.

Interest is calculated on a daily basis and is payable monthly in arrears on the first business day of each month.

12. COMMITMENT FEE:

A commitment fee of 1.00% (\$15,000), plus applicable taxes, ~~is~~ was fully earned by the Interim Lender upon execution of ~~this~~ the First Amended & Restated Interim Financing Term Sheet and shall be and deducted from first Advance made after the ARIO is granted (the "**Tranche 1 Commitment Fee**") ~~provided that the Commitment Fee in this section shall be reduced by any Commitment Fee already paid on the Initial Interim Amount.~~

An additional commitment fee of 1.00% (\$15,000), plus applicable taxes, is fully earned by Fiera Private Debt Inc. upon execution of this Second Amended & Restated Interim Financing Term Sheet and shall be and deducted from first Advance made after the DIP Increase Order is granted (together with the Tranche 1 Commitment Fee, the "Commitment Fees").

The Credit Parties agree that the aggregate of the interest rate and Commitment Fees do not contravene the *Criminal Code of Canada*.

13. SECURITY:

All Interim Financing Obligations of the Credit Parties under or in connection with the Interim Facility and any of the credit documentation shall be secured by a Court-ordered Charge (the "**Interim Financing Charge**") on all present and after-acquired personal and real property of the Credit Parties, in each case of any kind or nature whatsoever and wheresoever situated (collectively, the "**Collateral**") without the need for any further loan or security documentation or any filings or registrations in any public register or system.

Upon the request of the Interim Lender, the Credit Parties shall enter into such additional security documentation as the Interim Lender, acting reasonably, shall request. The Interim Lender may require or proceed with the execution, filing or recording of registrations or financing statements.

The Guarantors hereby guarantee in favour of the Interim Lender, the payment and performance of all of the Interim Financing Obligations of the Borrowers under or in connection with this Second Amended & Restated Interim Financing Term Sheet.

14. REPRESENTATIONS AND WARRANTIES:

Each Credit Party represents and warrants to the Interim Lender, upon which the Interim Lender is relying in entering into this Second Amended & Restated Interim Financing Term Sheet, that:

- (a) The transactions contemplated by this Second Amended & Restated Interim Financing Term Sheet:
 - (i) are within the corporate power of such Credit Party;
 - (ii) have been duly executed and delivered by or on behalf of such Credit Party;
 - (iii) upon the granting of the Initial Order, shall constitute legal, valid and binding obligations of such Credit Party, enforceable against such Credit Party in

accordance with their terms; and

- (iv) upon the granting of the Initial Order, do not require any material authorization from, the consent or approval of, registration or filing with, or any other action by, any governmental authority or any third party.
- (b) None of the reports, financial statements, certificates or other written information furnished by or on behalf of the Credit Parties to the Interim Lender and its legal counsel in connection with the negotiation of this [Second Amended & Restated](#) Interim Financing Term Sheet or delivered with respect thereto (as modified or supplemented by other information so furnished), contains any misstatement of material fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in the light of the circumstances under which it was made, not materially misleading;
- (c) Such Credit Party has been duly incorporated and is validly existing under the law of its jurisdiction of incorporation and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary;
- (d) Such Credit Party maintains adequate insurance coverage, as is customary with companies in the same or similar business (except with respect to directors' and officers' insurance in respect of which no representation is made regarding adequacy of coverage) of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contains reasonable coverage and scope;
- (e) Other than as has been disclosed to the Interim Lender, since March 13, 2024, such Credit Party has maintained and paid current its obligations for payroll, source deductions, harmonized, goods and services and retail sales tax, and all other applicable taxes in compliance with the Initial Order;
- (f) No Credit Party is aware of any person with a secured claim against a Credit Party or the Collateral that would rank in priority to or *pari passu* with the Interim Lender's Charge (other than the Administration Charge) or any other security granted hereunder; and
- (g) All payments to shareholders and directors of such Credit Party or any other related party, whether under contract or otherwise, including bonus payments, transaction payments, change of control payments, management fees, consulting or advisory fees or amounts payable in respect of reimbursement, to the extent known and contemplated for future payments, have been included in the Cash Flow and separately disclosed to the Interim Lender.

15. AFFIRMATIVE COVENANTS: Each Credit Party agrees to do, or cause to be done, the following, unless otherwise consented to or waived in writing by the Interim Lender:

- (a) In connection with matters related to the Interim Facility or compliance of such Credit Party with its obligations pursuant to this [Second Amended & Restated](#) Interim Financing Term Sheet (i) provide representatives of the Interim Lender and its agents with reasonable access to the books and records, Collateral, financial information and electronic data rooms of or maintained by such Credit Party, and (ii) cause management and legal counsel of the Credit Party, to cooperate with requests for information by the Interim Lender or its legal counsel, in each case subject to solicitor-client privilege, all Court orders and applicable privacy laws and the Credit Party's confidentiality obligations to third parties;
- (b) Keep the Interim Lender apprised on a timely basis of all material developments with respect to the business and affairs of such Credit Party and the CCAA proceedings, including all material matters relating to the SISP, [the Titan Sale Process](#) or any Transaction;
- (c) Deliver to the Interim Lender the reporting and other information reasonably requested by them from time to time as set out in this [Second Amended & Restated](#) Interim Financing Term Sheet including, without limitation, the Variance Reports at the times set out herein;
- (d) Use the proceeds of the Interim Facility only in accordance with Section 5 hereof and in accordance with the restrictions set out herein and pursuant to the Cash Flow;
- (e) Conduct its business, including the making of all payments, in accordance and compliance with the Cash Flow;
- (f) Promptly notify the Interim Lender of the occurrence of any Event of Default and any other event or circumstance that may negatively impact the Cash Flow, including any material change in its contractual arrangements or with relationships with third parties;
- (g) Maintain in good standing at all times all insurance coverage as is customarily carried by companies which are engaged in the same or similar business to the business of the Credit Parties or as otherwise may be required by the Interim Lender;
- (h) Comply with the CCAA proceedings; and
- (i) Provide the Interim Lender's legal counsel with draft copies of any reports or other court materials proposed by the CRO on behalf of the Credit Parties.

16. NEGATIVE COVENANTS: Each Credit Party covenants and agrees not to do the following while any obligations hererunder remain outstanding, other than with the

prior written consent of the Interim Lender:

- (a) Make any payment of principal or interest in respect of any indebtedness outstanding other than payments authorized by the ARIO and have been approved by both the Monitor and the CRO;
- (b) Permit any new liens to exist on any of its properties or assets, other than the Encumbrances approved by the Interim Lender, which approved Encumbrances shall include a Directors' Charge (as defined in the Initial Order) in the maximum amount of \$1.075 million which shall rank subordinate to the Interim Financing Charge;
- (c) Disclaim, resiliate or terminate any material contract;
- (d) Terminate the CRO;
- (e) Merge, amalgamate, consolidate, reorganize, or sell any assets outside of the ordinary course of business other than in accordance with the SISP [or the Titan Sale Process](#);
- (f) Make any acquisitions, investments or loans to any party or guarantee the obligations of any party;
- (g) Incur or enter into any debts, liabilities or obligations, including, without limitation, guarantees and contingent obligations, except in the ordinary course of business;
- (h) Make or permit any dividends or distributions (whether by reduction of capital or otherwise) with respect to its shares or directly or indirectly purchase, redeem or otherwise acquire or retire any of its shares;
- (i) Conduct any business or engage in any transaction with an affiliate or non-arm's length person unless such business or transaction is on terms which would apply to an arm's length transaction; and
- (j) Use the proceeds from the Interim Facility for anything other than the purpose as stated herein, and will not be used to repay or refinance existing debt obligations of the Credit Parties, to make shareholder contributions, shareholder loans, loans to parties related to the Credit Parties, to pay interest on shareholder loans, interest on loans to parties related to the Credit Parties, pay management fees, buy back stock, issue stock options, or pay any bonuses or increase executive compensation.

17. CCAA PROCEEDINGS:

The Interim Lender shall be an unaffected creditor for the purpose of the CCAA Proceedings and any plan of arrangement filed therein.

18. EVENTS OF DEFAULT:

The following events shall constitute events of default (each, an "Event of Default"):

- (a) ~~If~~ the Borrowers fails to pay to the Interim Lender when due any amount of principal, interest, fees or other amounts under this [Second Amended & Restated](#) Interim Financing Term Sheet;

- (b) if the Borrowers deviate~~s~~ from the Cash Flow in any material respect;
- (c) if the Initial Order is not obtained in form and substance satisfactory to the Interim Lender on or before March 13, 2024, and the ARIO, in each case in form and substance satisfactory to the Interim Lender, is not obtained on or before March 22, 2024;
- (d) if the DIP Increase Order and Titan Sale Process Order in each case in form and substance satisfactory to the Interim Lender, are not obtained on or before May 3, 2024;
- (e) ~~(d)~~ the seeking or support by the Borrowers of any Court order (in the CCAA proceedings or otherwise) to which the Interim Lender, in its sole discretion, does not consent, including, without limitation any proposed CRO other than Resolve and any proposed Monitor other than KSV;
- (f) ~~(e)~~ any breach by any Credit Party in the observance or performance of any provision, covenant (affirmative or negative) or agreement contained in this Second Amended & Restated Interim Financing Term Sheet, provided, that, in the case of a breach of any affirmative covenant, such breach remains unremedied for longer than three (3) business days;
- (g) ~~(f)~~ if the Interim Lender determines, acting reasonably, that a material adverse change has occurred after the date hereof;
- (h) ~~(g)~~ if the Initial Order or the ARIO are varied without the prior written consent of the Interim Lender or any other Order is made which is or may be prejudicial to the Interim Lender's interests;
- (i) ~~(h)~~ if any person challenges the enforceability of any of the rights of the Interim Lender hereunder or pursuant to the DIP Order, and any such challenge has not been dismissed or determined by the Court within 15 days;
- (j) ~~(i)~~ the Interim Lender in good faith and on commercially reasonable grounds believes the prospect of payment of the Interim Facility or any other amounts payable hereunder or the performance of the Borrowers' other obligations hereunder or under any of the security granted in connection herewith is impaired or that any of the assets, properties or undertakings of the Borrowers hereunder or under any security or other document granted in connection herewith is or is about to be placed in jeopardy;
- (k) ~~(j)~~ the stay in the CCAA proceedings is lifted or the CCAA proceedings are terminated or converted to bankruptcy or receivership proceedings or any order is granted by the Court (or any court of competent jurisdiction) granting relief from the stay of proceedings during the CCAA proceedings, unless agreed by the DIP Lender, acting reasonably;
- (l) ~~(k)~~ the sale, transfer, assignment, conveyance or lease of substantially all of the business or assets of any of the Credit Parties that has not been approved or consented to by the

Interim Lender in writing; and

(m) ~~(h)~~ the filing of any plan of reorganization, arrangement or liquidation to which the Interim Lender does not consent

19. REMEDIES:

Upon the occurrence and continuance of an Event of Default, the Interim Lender may, upon written notice to the Borrowers and the Monitor:

- (a) terminate the Interim Facility;
- (b) on prior notice to the Borrowers and the service list of no less than three (3) business days, apply to the Court for the appointment of an interim receiver or a receiver and manager of the undertaking, property and assets of the Borrowers or for the appointment of a trustee in bankruptcy of the Borrowers;
- (c) exercise the powers and rights of a secured party under any legislation; and
- (d) exercise all such other rights and remedies under the [Second Amended & Restated](#) Interim Financing Term Sheet and Orders of the Court in the CCAA proceedings.

20. INDEMNITY:

Each Credit Party agrees to indemnify and hold harmless each of the Interim Lender and its respective directors, officers, employees, advisors and agents (all such persons and entities being referred to hereafter as "**Indemnified Persons**") from and against any and all actions, suits, proceedings, claims, losses, damages and liabilities of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person as a result of or arising out of or in any way related to the Interim Facility or this [Second Amended & Restated](#) Interim Financing Term Sheet and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, such Credit Party shall not be obligated to indemnify any Indemnified Person against any loss, claim, damage, expense or liability (i) to the extent it resulted from the gross negligence, wilful misconduct or intentional breach of such Indemnified Person as finally determined by a court of competent jurisdiction, or (ii) to the extent arising from any dispute solely among Indemnified Persons other than any claims arising out of any act or omission on the part of such Credit Party.

21. INTERIM LENDER'S APPROVALS:

Any consent, agreement, amendment, approval, waiver or instruction of the Interim Lender to be delivered hereunder, may be delivered by any written instrument, including by way of electronic mail, by legal counsel on behalf of the Interim Lender.

22. NOTICES:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by email to such party at its address set out on its signature page hereof, with a copy to counsel.

Any such notice shall be deemed to be given and received when received, unless received after 5:00 p.m. Eastern Time or on a day

other than a business day, in which case the notice shall be deemed to be received the next business day.

23. COUNTERPARTS AND SIGNATURES:

This [Second Amended & Restated](#) Interim Financing Term Sheet may be executed in any number of counterparts and by facsimile, PDF or other electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

24. ASSIGNMENT

The Credit Parties (or any of them) shall not assign this [Second Amended & Restated](#) Interim Financing Term Sheet or any of the provisions set out herein without the consent of the Interim Lender in its sole and absolute discretion. The Interim Lender may assign or sell its rights or obligations with respect to this [Second Amended & Restated](#) Interim Financing Term Sheet to any person without the prior written consent of the Credit Parties.

25. GOVERNING LAW AND JURISDICTION:

This [Second Amended & Restated](#) Interim Financing Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein. The parties hereby attorn to the exclusive jurisdiction of the Court.

(Signatures on following page)

IN WITNESS HEREOF, the parties hereby execute this [Second Amended & Restated](#) Interim Financing Term Sheet as at the date first above mentioned.

FIERA PRIVATE DEBT FUND III LP,
by its general partner, **FIERA PRIVATE DEBT
FUND GP INC.**

Per: _____
Name: Russell French
ASO

Per: _____
Name: Theresa Shutt
ASO

FIERA PRIVATE DEBT FUND V LP,
by its general partner, **FIERA PRIVATE DEBT
FUND GP INC.**

Per: _____
Name: Russell French
ASO

Per: _____
Name: Theresa Shutt
ASO

[FIERA PRIVATE DEBT LENDING INC., acting
on behalf of GENERAL PARTNER FIERA FP
BUSINESS FINANCING FUND INC., the general
partner of FIERA FP BUSINESS FINANCING FUND, L.P.](#)

[Per: _____
Name: Russell French
ASO](#)

[Per: _____
Name: Theresa Shutt
ASO](#)

THE HALIFAX HERALD LIMITED

Per: _____
Name: David Boyd
Title: CRO

TITAN SECURITY & INVESTIGATION INC.

Per: _____
Name: David Boyd
Title: CRO

**HEADLINE PROMOTIONAL PRODUCTS
LIMITED**

Per: _____
Name: David Boyd
Title: CRO

SALTWIRE NETWORK INC.

Per: _____
Name: David Boyd
Title: CRO

BRACE CAPITAL LIMITED

Per: _____
Name: David Boyd
Title: CRO

BRACE HOLDINGS LIMITED

Per: _____
Name: David Boyd
Title: CRO

SCHEDULE "A"

ADVANCE REQUEST CERTIFICATE

TO: **FIERA PRIVATE DEBT FUND III LP** ~~and~~ **FIERA PRIVATE DEBT FUND V LP and FIERA FP BUSINESS FINANCING FUND LP** (collectively, the "Interim Lender")

TO: **KSV RESTRUCTURING INC.**

FROM: **THE HALIFAX HERALD LIMITED** and **SALTWIRE NETWORK INC.**
(collectively, the "Borrowers")

DATE: **●**, 2024

1. This certificate is delivered to you, as Interim Lender, in connection with a request for an Advance pursuant to the Second Amended & Restated Interim Financing Term Sheet made as of ~~March~~ April **●**, 2024 between the Borrowers, the Interim Lender and the Guarantors with the intervention of the Monitor, as amended, supplemented, restated or replaced from time to time (the "**Term Sheet**"). All defined terms used, but not otherwise defined in this certificate shall have the respective meanings set forth in the Term Sheet, unless the context requires otherwise.

2. The Borrowers hereby request an Advance in an amount of \$ **●** to be made on **●**.

3. The representations and warranties set forth in the Term Sheet are and shall be true and accurate.

4. No event has occurred and is continuing which constitutes an Event of Default or which would constitute an Event of Default with the giving of notice or lapse of time or both.

5. All conditions precedent to the requested Advance pursuant to the Term Sheet have been satisfied and all supporting evidence required by the Interim Lender is attached hereto.

THE HALIFAX HERALD LIMITED

Name: David Boyd

Title: CRO

I have authority to bind the corporation.

SALTWIRE NETWORK INC.

Name: David Boyd

Title: CRO

I have authority to bind the corporation.

Appendix “J”



**Approved Debtor-in-Possession Financing Facilities for Canadian Debtors
Current as at December 27, 2023**

Debtor	Lender	Proceeding Type	Trustee	Filing Date	Jurisdiction	Industry	Commitment (\$MM)	Fees	Interest Rate	Notes
Candesto Enterprises Corp. et al.	Durisol Ltd.	CCAA	A&M	20-Dec-23	Alberta	Professional Services	1.30		8.5%	
Duvaltex Inc.	Wells Fargo	CCAA	EY	14-Dec-23	Quebec	Manufacturing	14.00	Engagement fee of \$75,000	Basic rate plus 2.5%	
Mastermind GP Inc.	CIBC	CCAA		23-Nov-23	Ontario	Retail	36.25	Forbearance fee of 1.25% of the outstanding balance under the CIBC Revolving Loan Facility and the BCAP Loan	CIBC's prime interest rate plus 0.75%	CIBC was the company's existing lender and agreed to forbear and provide a DIP loan
Tergeo Mineraux Critiques Inc. et al.	Investissement Québec	CCAA	Raymond Chabot	10-Nov-23	Quebec	Mining	2.60	Commitment fee of 3%	18.0%	
MAV Beauty Brands Inc. et al.	RBC as administrative agent	CCAA	A&M	14-Nov-23	Ontario	Distribution	3.90	Reasonable fees and expenses of the DIP lender	SOFR plus 5.1%	
Simply Green Home Services Inc., Crown Crest Capital Management Corp., et al.	Peoples Trust Company	CCAA	KPMG	09-Nov-23	Ontario	Professional Services	15.00	Commitment fee of \$150,000	9.5%	
Harbour Grace Ocean Enterprises Ltd. and Laurenceton Holdings Ltd.	Gray Enterprise Ltd.	CCAA	PwC	02-Nov-23	Newfoundland	Construction	1.00	Commitment fee of 1.5%	13.0%	
South Shore Seafoods Ltd. et al.	TD Bank	CCAA	Deloitte	21-Sep-23	New Brunswick	Distribution	10.00	-	Prime rate or US base rate plus 1%	
Datatax Business Services Limited	BMO	NOI	KPMG	14-Aug-23	Alberta	Professional Services	16.25	-	Prime plus 1.15%	
Quebec Parmentier Inc. et al.	Caisse Desjardins de la RiveNord du Saguenay	CCAA	MNP	10-Oct-23	Quebec	Distribution	2.25	unclear	unclear	
Tacora Resources Inc.	Cargill, Incorporated	CCAA	FTI	10-Oct-23	Ontario	Mining	75.00	Exit fee of \$2,250,000 (3%)	10.0%	
Quality Sterling Group	Ironbridge Equity Partners	CCAA	RSM	17-Aug-23	Ontario	Other	7.00	Reasonable fees and expenses of the DIP lender	12.0%	
Aventura Phase VII Inc. et al.	TBD	CCAA	Raymond Chabot	28-Aug-23	Quebec	Real Estate / Construction	6.00	unclear	unclear	It appears the DIP loan was approved in advance, prior to locating a DIP lender
Ideal Protein Group	BMO & Caisse Desjardins as agents	CCAA	EY	15-Aug-23	Quebec	Manufacturing	4.00	-	same interest rate as existing term loan	
Aereus Technologies Inc.	1000608245 Ontario Inc.	NOI	Farber	31-Jul-23	Ontario	Manufacturing	0.78	Commitment fee of \$16,400 (2%)	15.0%	
Lighthouse Immersive Inc. and Lighthouse Immersive USA Inc.	SCS Finance, Inc.	CCAA	B. Riley Farber	27-Jul-23	Ontario	Entertainment	US 3.5	Reasonable fees and expenses of the DIP lender	10.0%	
NextPoint Financial Inc. et al.	BP Commercial Funding Trust and Drake Enterprises Ltd.	CCAA	FTI	25-Jul-23	British Columbia	Financial Services	25.00	Commitment fee of 1%	SOFR plus 6.5%	
Aleafia Health Inc. et al.	Red White & Bloom Brands Inc.	CCAA	KSV	25-Jul-23	Ontario	Cannabis	6.60	Commitment fee of \$198,000 (3%)	12.5%	
Bron Media Corp. et al.	Creative Wealth Media Lending LP 2016	CCAA	Grant Thornton	19-Jul-23	British Columbia	Media	6.20	Commitment fee of \$124,000 (2%)	15.0%	
Gesco Industries Inc., Gesco GP ULC and Tierra Sol Ceramic Tile Ltd.	BNS	CCAA	PwC	19-May-23	Ontario	Manufacturing & Distributio	8.60	Commitment fee of \$50,000; reasonable fees and expenses of DIP lender	Prime plus 6%	
Joseph Richard Hospitality Group Ltd. et al.	Canadian Western Bank	CCAA	EY	17-Jul-23	British Columbia	Food & Accommodation	0.50	-	Prime plus 5%; default interest rate of prime plus 10%	
OGEN Ltd. and OGEN Holdings Ltd.	Hawksworth Holdings Ltd. and G. Edwards Holdings Ltd.	NOI	KSV	26-Jun-23	Alberta	Cannabis	0.50	-	15.0%	

Dynaleo Inc. and Dynaleo Group Services Inc.	Travelers Capital Corp.	NOI	Harris & Partners	23-May-23	Alberta	Cannabis	0.15	(a) commitment fee of 4.25%; (b) standby charge on the unused portion of the Interim Loan Facility equal to 3.5% per annum multiplied by the difference between \$150,000 and the amounts outstanding under the Interim Loan Facility; and (c) break fee of 5.0% of \$150,000 if an alternative DIP loan is approved	1225.0%
Swarmio Inc. et al.	Triaccess Ltd.	CCAA	Grant Thornton	21-Jun-23	Ontario	Technology	1.50	Commitment fee of \$28,000 (2%); reasonable fees and expenses of DIP lender	12.0%
Fire & Flower Holding Corp.	2707031 Ontario Inc.	CCAA	FTI	05-Jun-23	Ontario	Cannabis	9.80	Exit fee of \$400,000; reasonable fees and expenses of the DIP lender	12.0%
Ébénisterie St-Urbain Ltée et Woodlore International Inc.	9414-0050 Québec inc.	CCAA	Raymond Chabot	12-May-23	Quebec	Manufacturing	0.70		Basic rate increased by 1% annually, payable monthly
Plant-Based Investment Corp.	1000492681 Ontario Inc.	CCAA	Spergel	01-May-23	Ontario	Financial Services	0.50	Commitment fee of \$10,000; reasonable fees and expenses of DIP lender	12.0%
Phoena Holdings Inc. et al	Cortland Credit Lending Corporation	CCAA	EY	04-Apr-23	Ontario	Cannabis	3.10	Commitment fee of \$62,000; reasonable fees and expenses of DIP lender	Prime plus 20%
J.W. Carr Holdings Ltd. et al.	MGB Investments Ltd.	CCAA	EY	20-Apr-23	Alberta	Real Estate	2.70	Closing fee of \$25,000; undrawn amount fee of 2% per annum on undrawn amounts	12.0%
GreenSpace Brands Inc.	Pivot Financial I Limited Partnership Inc.	CCAA	PwC	06-Apr-23	Ontario	Food & Accommodation	2.60	Upfront fee of \$10,000, reasonable fees and expenses of the DIP lender	14.0%
FlexiTY Solutions Inc. and FlexiTY Holdings Inc.	BHG-BC Holdings Ltd.	NOI	Farber	27-Mar-23	Ontario	Technology	1.10	Commitment fee of 2.5%	14.7%
Donmar Properties Ltd. and 10058984 Manitoba Ltd.	Morcourt Properties Ltd.	CCAA	EY	18-Apr-23	Manitoba	Real Estate	0.76		8.0%
Rambler Metals and Mining Canada Inc. and 1948565 Ontario Inc.	RMM Debt Limited Partnership	CCAA	Grant Thornton	27-Feb-23	Newfoundland	Mining	US 5	Standby fee of 2.5%	17.0%
B.S.K. Group Inc.	4300769 Canada Inc.	NOI	EY	03-Mar-23	Quebec	Retail	0.60		
LoyaltyOne Co. (dba AIR MILES®)	BMO	CCAA	KSV	10-Mar-23	Ontario	Other	US 70	Upfront fee of 2% and standby fee of 1.25%	Currently 14.25%, being the Base Rate (currently 8.25%) plus 6%
Dynamic Technologies Inc. et al.	Promising Experts Limited	CCAA	FTI	09-Mar-23	Alberta	Professional Services	2.60	Reasonable fees and expenses of the lender	12.0%
Polar Window of Canada Ltd. et al.	TD Bank	CCAA	Deloitte	10-Feb-23	Manitoba	Distribution	1.20	35,000 facility fee	
Tehama Inc.	14667913 Canada Inc.	CCAA	Deloitte	20-Jan-23	Ontario	Technology	0.50	Reasonable fees and expenses of the lender	5.0%
Groupe Vertendre	Immofinn SEC	CCAA	Raymond Chabot	20-Jan-23	Quebec	Real Estate	0.25		
Forex Inc. et al.	Les Placements AI-Vi Inc.	CCAA	PwC	07-Feb-23	Quebec	Manufacturing	10.63	Reasonable fees and expenses of the lender	10.0%
Acerus Pharmaceuticals Corporation et al.	First Generation Capital Inc.	CCAA	EY	26-Jan-23	Ontario	Healthcare	7.00	Reasonable fees and expenses of the lender	8.0%

Laboratoires Bodycad Inc.	Sante BB inc.	CCAA	Raymond Chabot	22-Dec-22	Quebec	Healthcare	2.16	Unclear - materials not available	Unclear - materials not available	
Payslate Inc.	Ayrshire Real Estate Management Inc.	NOI	Grant Thornton	05-Dec-22	British Columbia	Technology	1.20		15.0%	
DCL Corporation Galarneau	Wells Fargo Bank, National Association, as administrative agent	CCAA	A&M	20-Dec-22	Ontario	Distribution	55.00		SOFN Loan obligations and Letters of Credit: Adjusted Term SOFR or Canadian BA Rate, plus 4.00% Base Rate obligations and Swingline Loans: US Base Rate or Canadian Base Rate, plus 3.00% Unused line fee of 0.50% Additional default interest of 2.0%	
Groupe Sélection Inc.	National Bank, CIBC, Desjardins, TD, BMO, HSBC, Briva Finance and Fiera	CCAA	PwC	21-Nov-22	Quebec	Food & Accommodation	20.00			
Manitoba Clinic Medical Corporation and The Manitoba Clinic Holding Co. Ltd.	CIBC	CCAA	A&M	30-Nov-22	Manitoba	Healthcare	4.00	Reasonable fees and expenses of the lender	Prime plus 5%	
Trichome Financial Corp.	Cortland Credit Lending Corporation	CCAA	KSV	07-Nov-22	Ontario	Cannabis	4.88	Commitment fee of \$97,000	14.0%	
Digitcom Telecommunications Inc.	TD Bank	NOI	Grant Thornton	31-Oct-22	Alberta	Technology	0.45	Commitment fee of \$25,000; reasonable fees and expenses of the lender	Prime plus 5%	
Springer Aerospace Holdings Limited and 1138969 Ontario Inc.	Hillmount Capital Inc.	CCAA	MNP	23-Nov-22	Ontario	Professional Services	1.50	Commitment fee of \$60,000, Lender Legal Fees, Disbursements and HST – To be determined by Lender's solicitor	The greater of RBC Prime plus 7% or 12% per annum	
Pure Gold Mining Inc.	Sprott Private Resource Lending II (Collector), LP	CCAA	KSV	31-Oct-22	British Columbia	Mining	10.00		15.0%	
Cannapiece Group Inc. et al.	Cardinal Advisory Limited	CCAA	BDO	03-Nov-22	Ontario	Cannabis	0.50	Commitment fee of \$10,000	12%	
The Flowr Corporation et al.	1000343100 Ontario Inc.	CCAA	EY	20-Oct-22	Ontario	Cannabis	2.00	Commitment fee of \$40,000	Prime plus 12%	
Xebec Adsorption Inc. et al.	National Bank of Canada	CCAA	Deloitte	29-Sep-22	Quebec	Oil and Gas	3.60			
BR Capital	2443970 Alberta Inc.	NOI	KPMG	15-Sep-22	Alberta	Technology	0.43		9.0%	
i55 Communications Inc.	Phoenix Contact Venture Funds	NOI	Grant Thornton	05-Aug-22	Ontario	Technology	USD 1.1	Commitment fee of USD \$22,000, representing 2% of the total maximum amount available under the DIP Facility	14.0%	
SugarBud Craft Growers Crop. et al.	Connect First Credit Union Ltd.	NOI	A&M	26-Sep-22	Alberta	Cannabis	2.00	Commitment fee of 2%	12.0%	
Superette Inc. et al.	SNDL Inc.	CCAA	EY	30-Aug-22	Ontario	Cannabis	1.37		15.0%	
iSPAN Systems Ltd.	Paradigm Focus Product Development Inc., Walters Partners Inc., and Leder Investments Ltd.	NOI	Fuller Landau	11-Aug-22	Ontario	Manufacturing	1.50		3.0%	
Speakeasy Cannabis Club Ltd.	Travelers Capital Corp.	CCAA	Crowe MacKay	27-Jul-22	British Columbia	Cannabis	1.00	Commitment fee of 4.25%; standby fee of 2.5%; break fee of 5%	RBC prime rate (currently 4.7%) plus 725 basis points (currently 11.95%)	
North American Lamb Company et al.	BNS and/or FCC	NOI	EY	05-Aug-22	Alberta	Agriculture	1.80			

i55 Communications Inc.	Phoenix Contact Venture Funds GmbH	NOI	Grant Thornton	05-Aug-22	Ontario	Technology	USD 1.1	Commitment fee of 2%	14.0%	
Petrolama Energy Inc.	884304 Alberta Ltd.	NOI	A&M	27-Jul-22	Saskatchewan	Oil and Gas	0.30	Debtor responsible for interim lender's expenses	5.0%	
MPX International Corporation	Certain Debentureholders	CCAA	KSV	24-Jul-22	Ontario	Cannabis	2.67	Commitment fee of 2%	12.0%	
The Sanderson-Harold Company c.o.b. as Paris Kitchens	BMO	NOI	KSV	31-May-22	Ontario	Manufacturing	0.45		Prime commercial lending rate of BMO plus 1.5% per annum (currently, 5.2%).	
Medipure Pharmaceuticals Inc.	HFS Management Inc.	NOI	Deloitte	11-May-22	British Columbia	Healthcare	1.36	Debtor responsible for interim lender's expenses	6.0%	
Sproutly, Inc. and Toronto Herbal Remedies Inc.	0982244 B.C. Ltd. o/a Isle of Mann Property Group	CCAA	BDO	24-Jun-22	Ontario	Cannabis	0.75	Facility fee of 2%	1400.0%	
Revlon Inc. et al.	The BrandCo Lenders and certain Prepetition ABL Lenders	Foreign order recognition	KSV	20-Jun-22	Ontario	Manufacturing	by - \$1.025 billion; ABL DIP Facility	Term DIP Facility - 1% of the aggregate principal amount of each Term DIP Lender's Term DIP Commitment; ABL DIP Facility - 1% of the aggregate Tranche A DIP ABL Commitments as of the Petition Date	Term DIP Facility - SOFR + 775 basis points (with a 1% SOFR floor); LIFO ABL DIP Loans - ABR + 2.50% (with a 1.5% ABR floor); SISO ABL DIP Loans - ABR + 4.75% (with a 2.75% ABR floor)	
Canadian Dehua International Mines Group Inc.	Qubo Liu (a 50% shareholder)	CCAA	FTI	03-Jun-22	British Columbia	Mining	0.35		0	0.0%
MJardin Group Inc., Growforce Holdings Inc., 8586985 Canada Corporation and Highgrade MMJ Corporation	Bridging Finance	CCAA	KSV	02-Jun-22	Ontario	Cannabis	2.00	Upfront fee of \$50,000. Debtor responsible for DIP lender's expenses.	1000.0%	
Freshlocal Solutions Inc. et al.	Third Eye Asset Management Inc. / Ayal Capital Advisors EliteFund LP and Heidi S. Shippell Heiland 2008 Irrevocable Trust	CCAA	EY	16-May-22	British Columbia	Retail	1) TEC - 102) Ayal - 3	1) Closing fee of \$300,000; exit fee of \$300,000; extension fee of \$150,000 payable to extend the maturity date 2) Closing fee of \$90,000	1) Variable interest rate of the RBC Prime Rate + 8% (currently 12.7%) per annum 2) Variable interest rate of the RBC Prime Rate + 5% (currently 9.7%) per annum	The TEC loan was amended by order dated August 5, 2022. These are the amended terms. The Ayal loan was added on the same day.
Choom Holdings Inc.	1) Aurora Cannabis Inc. 2) Secured creditor other than Aurora	CCAA	EY	22-Apr-22	British Columbia	Cannabis	1) 0.82) 0.15	1) Borrower responsible for DIP lender's expenses.	1) 12 2) 12	
Hazelton Development Corporation	Triumph Eastern Investments Inc.	CCAA	Grant Thornton	20-Apr-22	Ontario	Real Estate	9.00	Commitment fee of \$180,000	1300.0%	
0989705 B.C. Ltd. et al.	Gatland, REV and South Street LP	CCAA	A&M	01-Apr-22	British Columbia	Real Estate	1.00	25000	1000.0%	
Eve & Co Incorporated, Natural Medco Ltd. and Eve & Co International Holdings Ltd.	Deans Knight Private Credit GP Inc., as General Partner of Deans Knight Private Credit Limited Partnership and DK Strategic Yield U.S. GP LLC, as General Partner of DK Strategic Yield Master Trust Limited Partnership	CCAA	BDO	25-Mar-22	Ontario	Cannabis	2.20	Facility fee of 60,000. Borrower responsible for DIP lender's expenses.	1200.0%	
Rising Phoenix International Inc.	Interim Financing - Gestion Levy inc. Junior Interim Financing - 6815464 Canada Ltd.	CCAA	Richter	06-Jan-22	Quebec	Education	ancing - 1.75Junior Interim Financing	Unclear - facilities granted under seal	Unclear - facilities granted under seal	

Canada Fluorspar (NL) Inc. and Canada Fluorspar Inc. (collectively "CFI")	(i) Bridging Finance Inc., a body corporate, existing pursuant to the laws of Canada, as agent for the Bridging Funds ("BFI") and (ii) Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology (as successor to the Minister of Tourism, Culture, Industry and Innovation)	CCAA	Grant Thornton	2022 Interim Receivership - I	Newfoundland	Mining	6.50	N/A	Prime plus 12%
Trinity Ravine Community Inc.	Nahid Corporation or an affiliate	CCAA	Deloitte	23-Feb-22	Ontario	Real Estate	0.85	1. one-time fee of \$20,000 payable from proceeds of the first Advance; 2. Advance Fee of \$500 plus HST in respect of each Advance; 3. Utilization Fee in respect of any unutilized portion of the DIP Facility at a rate of 0.35% per annum calculated and compounded monthly in arrears; 4. \$40,000 to be applied against the lender's legal fees and disbursements	The greater of 12% or the TD Bank Prime Rate (currently 2.45%) plus 9.55%
BC Craft Supply Co. Ltd.	Avro Capital Corp.	NOI	Crowe MacKay	24-Jan-22	British Columbia	Cannabis	0.42	\$5,000 documentation fee; Borrower responsible for DIP lender's expenses	11.5% per annum, with an additional 3% per annum in the event of a default
BlackRock Mining Inc. et al.	OMF Fund II H Ltd. and Investissement Québec	CCAA	Deloitte	23-Dec-21	Quebec	Mining	2.00		12% per annum
Behr Technologies Inc.	13486826 Canada Inc.	NOI	Farber	03-Dec-21	Ontario	Technology	0.80	\$8,000 commitment fee	12% per annum
Kaisen Energy Corp.	Durum Opportunities LP, an affiliate of Durum Capital Inc.	CCAA	EY	08-Dec-21	Alberta	Oil and Gas	1.00	\$50,000 commitment fee	ATB Financial Prime Rate + 5% per annum and is only payable on amounts advanced under the Interim Lender Facility;
Harte Gold Corp.	1000025833 Ontario Inc., a wholly owned subsidiary of Silver Lake Resources Limited.	CCAA	FTI	07-Dec-21	Ontario	Other	10.80	Borrower responsible for DIP lender's expenses	(a) in the case of the Balance in the Monitor's Account from time to time, 2% per annum; (b) in the case of any portion of the Loan Amount that has been advanced, 5% per annum from the date of the advance
Boreal Capital Partners	Halmart Properties Corporation	CCAA	EY	25-Nov-21	Ontario	Real Estate	10.00	Borrower responsible for DIP lender's expenses	750.0%
Junction Craft Brewing Inc.	100003509 Ontario Limited	NOI		15-Oct-21	Ontario	Food & Accommodation	0.65	0	0.0%
ChronoMetriq Inc. and Health Myself Innovations Inc.	CIBC	NOI	Richter	26-Oct-21	Quebec	Healthcare	1.00	Unclear - term sheet filed under seal.	Unclear - term sheet filed under seal.

Medifocus Inc. (TSX-v:MFS)	Asset Profits Limited	CCAA	Spergel	sep-21 (NOI)7-Oct-21 (CCAA)	Ontario	Biotech	0.70	Borrower responsible for DIP lender's expenses	900.0%	
Drexler Construction Limited, Folmur Construction (2004) Ltd. and Down Under Pipe and Cable Locating Ltd.	Corwin Mortgage Capital Inc.	NOI	Albert Gelman	23-Mar-21	Ontario	Construction	Loan 1 - 1.5 Loan 2 - 1	Loan 1 - \$15,000 brokerage fee and \$1,200 administration fee, plus lender's legal fees Loan 2 - \$10,000 brokerage fee, plus lender's legal fees	Loan 1 - 6.99 Loan 2 - 10, interest only	
Coalspur Mines (Operations) Ltd.	Cline Trust Company LLC	CCAA	FTI	26-Apr-21	Alberta	Mining	26.00	Closing fee of US\$50,000. Undrawn amount fee of 2% on any undrawn amounts. The Borrower must also pay for the Lender and Monitor's reasonable expenses in connection with the loan.	1200.0%	
International Fitness Holdings Inc., International Fitness Holdings LP and World Health North LP	First Canadian Cardio-Fitness Clinics Ltd.	NOI	KPMG	23-Apr-21	Alberta	Other	10.00	The Borrower is responsible for the Lender's reasonable expenses in connection with the DIP loan, the term sheet and the NOI proceedings.	1000.0%	
BioEnergie AE Cote-Nord Canada Inc.	Biogaz SP snc	CCAA	Raymond Chabot	06-May-21	Quebec	Biotech	0.30			
CannTrust	Cortland Credit Lending Corporation	CCAA	EY	06-May-21	Ontario	Cannabis	22.50	Confidential	Confidential	
Spartan Bioscience Inc.	Casa-Dea Financing Ltd.	NOI continued as CCAA	EY	04-May-21	Ontario	Biotech	0.60	Facility fee of \$6,000. The Borrower is responsible for the Lender's reasonable expenses incurred in connection with the interim financing.	10.0%	
Ardenton Capital Corporation	RCM Capital Management Ltd.	CCAA	KSV	05-Mar-21	British Columbia	Financial Services	5.00	n/a	10.0%	
Just Energy Group Inc. (TSX:JE)	LVS III SPE XV LP, TOCU XVII LLC, HVS XVI LLC and OC II LVS XIV LP	CCAA	FTI	09-Mar-21	Ontario	Oil and Gas	125.00	Commitment fee of \$1.25 million and origination fee of \$1.25 million. The Borrower will be responsible for all of the DIP Lenders' reasonable legal fees incurred in respect of the DIP Financing.	13.0%	
Change of Scandinavia Canada Retail Inc.	Change of Scandinavia Holding A/S and Change of Scandinavia A/S	NOI	Richter	02-Mar-21	Quebec	Retail	2.00		15.0%	
Atis Group	BNS	CCAA	Raymond Chabot	24-Feb-21	Quebec	Manufacturing	6.25	Facility fee of \$112,500	Prime plus 3.75%	
TGF Acquisition Parent Ltd., Sun Rich Fresh Foods Inc. and Tiffany Gate Foods Inc.	Cortland Capital Market Services Ltd.	CCAA	EY	17-Feb-21	British Columbia	Food & Accommodation	13.40	Commitment fee of \$516,000.	Either 15% or 12.5%, pursuant to the terms of the Term Sheet	
Rockshield Engineered Wood Products	Hillmount Capital Inc.	NOI	Dodick & Associates	08-Feb-21	Ontario	Manufacturing	1.50	Commitment fee of \$30,000.	11.0%	

Appendix “K”

April 2, 2024

Mr. David Boyd
c/o Saltwire Group of Companies
2717 Joseph Howe Dr
Halifax, NS B3L 4T9

Dear David:

Re: Statement of Work – Project Bravo

This Statement of Work, dated April 2, 2024 (this "**SOW**"), is made by MC Advisory Group Inc. ("**MCA**") and Saltwire Group of Companies, ("**You**", "**Client**", "**Companies**" or "**SGOC**"). Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Terms & Conditions in Schedule A.

Background

On March 13, 2024, the SaltWire Network Inc. ("**SaltWire**") and Halifax Herald Limited ("**The Herald**") collectively the ("**Media Business**") and various related entities, inclusive of Titan Security and Investigations Inc., (the "**Companies**") filed and obtained creditor protection under the Companies' Creditors Arrangement Act R.S.C. 1985, c. C-36, as amended (the "**CCAA Proceedings**") Pursuant to the initial order, KSV Restructuring Inc. ("**KSV**") was appointed as the monitor of the Companies the "**Monitor**"). On March 25, 2024, the Companies obtained Court Approval for the sales and marketing of the Media Business with FTI Capital Advisors - Canada ULC ("**FTICA**") as the Financial Advisors in respect of this mandate. We understand that as part of the CCAA process, the Companies, on the scheduled May 3, 2024, Court Hearing would be seeking Court Approval for the sale and marketing of Titan Security and Investigations Inc. ("**TSI**"), on a stand-alone basis.

This letter provides the terms pursuant to which MCA would act as financial advisors to the Companies in respect of the sale and marketing of TSI. This letter of engagement and the attached Standard Terms & Conditions in Schedule A constitute the engagement contract (together, the "**Engagement Contract**") pursuant to which the Services will be provided.

For purposes of maintaining confidentiality, we will refer to this assignment as "**Project Bravo**".

MC|AD /ISORY

Scope of Services

The Companies, hereby agree to engage MCA as its exclusive financial advisor to provide financial advisory services in connection with the proposed sale and investment solicitation process (“SISP”), which engagement shall be subject to Court Approval. It is understood that the Companies, with the approval of the Chief Restructuring Officer (“CRO”) and the Monitor, have requested MCA’s services to assist the Company in discussions with potential purchasers and investors. Any sale or financing transaction (as defined below) will be done on a best-efforts basis.

The Services for the engagement, to be performed at your direction, are expected to include the following:

- i. Work closely with purchasers and investors, the CRO, the Monitor and the Companies’ various stakeholders during each stage of the SISP process;
- ii. Facilitate information flow between purchases and investors on the one hand, and the Companies, the Monitor and various stakeholders, on the other;
- iii. Implement a SISP in respect for TSI which is designed to maintain competitive tension and drive value for all stakeholders:
 - o Identify, and discuss with the Monitor and the CRO, a group of suitable purchasers and investors;
 - o Prepare appropriate information to be provided to potential purchasers and investors;
 - o Obtain NDAs from purchasers and investors;
 - o Maintain and run a virtual data room on behalf of the Companies;
 - o Obtain term sheets/letters of intent and evaluate the terms of the offers received in accordance with the SISP procedures;
 - o Prepare management for and facilitate meetings between the TSI and purchasers and investors;
 - o Manage due diligence and negotiation processes with select parties, working together with counsel and the Monitor; and
 - o Provide advice through execution of definitive transaction agreements and sale approval.
- iv. Render such other financial advisory as mutually agreed upon by MCA, the Companies and the Monitor.

The Companies, CRO and the Monitor agree to promptly inform MCA of any inquiry they receive regarding a transaction so that MCA can evaluate such party and its interest in a transaction.

To the extent that any member of management is participating in a competing bid, it would be precluded from attending meetings with such purchaser/investor, unless appropriate arrangements are put in place, on such terms as required by the Financial Advisor and the Monitor, as more fully detailed in the Monitor’s First Report to the Court.

MC|AD /ISORY

Engagement Team

The cornerstone of our relationship with SGOC is our people. We have assembled a team with the experience, credentials, assets, and approach that aligns with SGOC's priorities of selling your business. Our value starts with delivering the right people with the right focus on the objectives, the right knowledge to deliver value, and the right chemistry to understand SGOC's needs while working collaboratively with you and your prospective purchasers to achieve the outlined responsibilities.

Steve Bragg, FCPA, CA, CBV: Steve is a passionate executive and leader committed to helping clients with growth, succession planning and transition. With Steve's focus on results and track record as a highly respected M&A advisor, and a forward-thinking leader, he will be part of the deal team throughout the engagement.

Garrett Vincent, CPA, CBV: Garrett is an experienced financial advisor with a strong track record supporting clients through M&A processes including both the sell-side and buy-side of transactions. Garrett will be a member of the deal team and MCA's primary point of contact for this engagement.

Drew Barbour: Drew is a transformational global business executive committed to helping clients deliver success over the long term. With a strong track record in business leadership, sales and marketing, and operational excellence, Drew will be part of the deal team throughout the engagement.

Your Client Service Advisors



Steve Bragg FCPA, CA, CBV

Practice Leader – Transaction Advisory

St. John's, NL

709.727.8512

steve.bragg@mcadvisory.com

Steve is a senior executive who has 25 years of experience in professional services serving clients and developing market presence. As the Practice Leader for Transaction Advisory, Steve is looking forward to working with clients on their growth and transition strategies.

Steve's most recent experience included working as the Chief Operating Officer for one of Atlantic Canada's largest law firms for almost 4 years. Prior to that, Steve worked for over 20 years in public accounting where he was last a Partner with Deloitte. Steve has over 15 years of experience in valuations and M&A consulting and he has negotiated business transitions for buyers and sellers, valued hundreds of companies, analyzed investment opportunities, settled shareholder disputes and prepared cash flow projections for financings.

Steve was born and raised in St. John's, is proud to call Newfoundland and Labrador home and deeply believes in giving back to his community. Steve has been awarded the Renata E. Withers Community Support Award in 2019 for his outstanding contributions to the Eating Disorder Foundation of NL. In 2018, he was named a Paul Harris Fellow for his contributions and commitment to the Rotary Club of St. John's East. Steve is also currently serving his third three-year term as a Director on the Board of Chartered Professional Accountants Newfoundland and Labrador (CPANL), is the Chair of the CPANL Education Foundation and is on the Finance Committee of St. Bonaventure's College. In 2021, Steve was named a Fellow of Chartered Professional Accountants of Newfoundland and Labrador for his outstanding contributions to the profession and the community.

Steve is an avid golfer and curler, and he enjoys BBQing, music and most importantly, spending time with his wife and young daughter.

Qualifications

- Chartered Business Valuator (CBV)
- Fellow of Chartered Professional Accountants of Newfoundland and Labrador, Chartered Accountant (FCPA, CA)
- Bachelor of Commerce Honours (Co-op), Memorial University of Newfoundland



Garrett Vincent, CPA, CBV

Advisor – Transaction Advisory
Halifax, NS
709.697.5683
garrett.vincent@mcadvisory.com

Garrett is an Advisor in the Transaction Advisory practice at MC Advisory with over 6 years of professional experience. Previously, he was part of the Strategy & Transactions group in the Ernst & Young (EY) Halifax and Toronto offices. Garrett has assisted with valuation and financial analyzes for several clients. His responsibilities included researching and analyzing relevant information, contributing to formulation of valuation approach, developing valuation and other business models, drafting valuation reports for a variety of purposes such as financial reporting, transactions, tax, and litigation. Prior to this, he worked on large complex infrastructure transactions and other engagements within the financial institutions, media and entertainment, healthcare, construction, and power and utilities sectors.

Before joining the Strategy & Transactions group, Garrett worked in both the Assurance and Advisory practices at EY, where he gained experience in financial reporting and internal controls. Garrett holds a Bachelor of Commerce, Graduate Diploma in Professional Accountancy, a Chartered Professional Accountant (CPA) designation, and a Chartered Business Valuator (CBV) designation.

Garrett is originally from St. John's, Newfoundland and is happy to return to the East Coast after spending several years in Toronto, Ontario. In his spare time, he enjoys socializing with friends, spending time with family, and playing sports.

Qualifications

- Registered Student of the Chartered Business Valuator (CBV) program
- Chartered Professional Accountant (CPA)
- Graduate Diploma in Professional Accountancy, University of Toronto
- Bachelor of Commerce Co-operative (Accounting), Memorial University of Newfoundland

MC|AD /ISORY



Drew Barbour

Managing Director
Rothesay, New Brunswick
506.654.6156
drew.barbour@mcadvisory.com

Drew joined MC Advisory in January 2021 as Managing Director, leading the launch of the firm with a vision to accelerate growth and development in Atlantic Canada. As a transformational global business leader, he has successfully led multiple million- and billion-dollar business units for a world-leading firm in consulting, technology services, and digital transformation. He has led teams and worked with Fortune 500 companies in more than 50 countries, earning a strong reputation for building new global businesses and turning around challenging operations in difficult environments.

Drew is known for helping organizations identify and unlock their unique value, developing future-proof strategies designed to deliver success over the long term. Under his leadership, MC Advisory has a sharp focus on a select set of relevant service offerings, aimed at helping entrepreneurs build and execute for long-term growth, supporting both private and public sector leaders to pursue transformation and advancement, and guiding leaders to build engaged and inclusive workforces while optimizing organizational effectiveness.

Prior to joining MC Advisory, Drew led his own advisory firm focused on helping tech startups to successfully scale their operations. A leader in strategy and transformation, he has previously worked with Ernst & Young in Toronto as an equity partner and spent over 18 years with Paris-based Capgemini where, as Global Chief Operating Officer, he designed, launched, and led the firm's first Global Practice, a 2.5-billion-dollar business of over 15,000 professionals.

Excited to return home to Atlantic Canada, Drew now proudly lives in New Brunswick, where he enjoys family time and outdoor pursuits such as fly fishing and golfing, along with cooking, painting, and music.

Qualifications

- Bachelor of Engineering, Industrial, Dalhousie University
- Certificate in Applied Sciences, Acadia University

Fees and Expenses

The Terms and Conditions in Schedule A address our fees and expenses generally.

The proposed fee structure for this SOW is in two components including a monthly work fee and a contingent fee.

1. The first component is a monthly work fee of \$12,500, plus HST, for a 3-month period (total of \$37,500 plus HST). After three months, we will assess the progress and we will plan the subsequent months of work together.
2. The second component consists of a contingent fee, calculated at 5.0% of the closing sale price of TSI. The final payment upon closure is calculated as 5% of the sale price (and the sale price includes any deferred compensation in the form of vendor holdbacks or earn-outs). If the contingent fee is below \$100,000, we will invoice a minimum flat fee of \$62,500 plus HST. Conversely, if the contingent fee exceeds \$100,000, we will invoice the actual amount plus HST, subtracting the initial \$37,500 work fee plus HST. For greater clarity, this contingent fee component will be the greater of (1) \$62,500 or (2) 5% of the sale price less the work fee of \$37,500 (and this is before HST). Therefore, when this contingent fee component is combined with the work fee component, the total fee on this file will be a minimum of \$100,000 plus HST.

Any travel or reasonable out of pocket expenses related to delivering the scope of this contract would be an additional expense not included in the fee as described above. However, we do believe this transaction can be managed with extremely minimal travel costs (if any).

The above fees do not include legal fees related to this transaction.

MC|AD /ISORY

Contacts


You have identified David Boyd as your contact with whom we should communicate about these services. Your contact at MCA for these services will be Garrett Vincent, CPA, CBV.

Yours very truly,


Per: _____
Name: Drew Barbour
Title: Managing Director, MC Advisory

Agreed:

SALTWIRE GROUP OF COMPANIES


per: _____
Name: David Boyd
Title: Chief Restructuring Officer