HFX No. 531463

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 3306133 NOVA SCOTIA LIMITED, 1003940 NOVA SCOTIA LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, BRACE CAPITAL LIMITED, BRACE HOLDINGS LIMITED AND 4648767 NOVA SCOTIA 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-

3306133 Nova Scotia Limited, 1003940 Nova Scotia Limited, Headline Promotional Products Limited, Brace Capital Limited, Brace Holdings Limited and 4648767 Nova Scotia Limited

Respondents

EIGHTH REPORT OF KSV RESTRUCTURING INC. AS CCAA MONITOR

JUNE 13, 2025

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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**"), 1003940 Nova Scotia Limited ("**1003**", formerly known as The Halifax Herald Limited), 3306133 Nova Scotia Limited ("**3306**", formerly known as Saltwire Network Inc. and together with 1003, 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**").[1]

2. KSV is filing this report (the "**Eighth Report**") as Monitor.

3. 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 were guarantors of the debt owing to Fiera. The Court granted the Initial Order sought by Fiera, subject to certain amendments.

4. The principal purpose of these CCAA proceedings was to create a stabilized environment to enable the Companies to secure financing to continue to operate while the Media Companies and Titan pursued a restructuring or sale of their businesses and assets through Court-supervised sale and investment solicitation processes. As the Media Companies' and Titan's businesses have now been sold, the Monitor is presently realizing on the Media Companies' residual assets, primarily real estate.

5. 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., as Chief Restructuring Officer (the "**CRO**");

[1] On November 22, 2024, Titan ceased to be a debtor in the CCAA proceedings and 4648767 Nova Scotia Limited ("**4648**"), being a new corporate entity to which certain liabilities of Titan were transferred, was added as a debtor in the CCAA proceedings.

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; and

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 for advances made under the Interim Financing Facility (the "**Interim Lender's Charge**").

6. 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 approving a sale and investment solicitation process for the Media Companies and the retention by the Media Companies of FTI Capital Advisors-Canada ULC, 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, secured by a charge of $500,000 on the Property, which charge ranks *pari passu* with the Administration Charge and in priority to the D&O Charge and the Interim Lender's Charge; and

c) 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 in accordance with the *Wage Earner Protection Program Act*, S.C. 2005, c. 47 s. 1, as amended ("**WEPPA**").

7. Pursuant to an Order made on April 30, 2024, the Court, among other things:

   a) approved amendments to the Interim Financing Facility, including an increase in the limit from $1.5 million to $3 million that the Media Companies may borrow under that facility and added Fiera FP Business Financing Fund LP as an interim lender under the Interim Financing Facility;

   b) approved a sales process for Titan, including the retention of MC Advisory Group Inc. as sales advisor; and

   c) extended the Stay Period to June 28, 2024.

8. Pursuant to an Order made on June 28, 2024, the Court, among other things:

   a) approved amendments to the Interim Financing Facility, including an increase in the limit that the Media Companies may borrow under that facility from $3 million to $4.1 million;

   b) approved a key employee retention plan ("**KERP**") and a corresponding charge in the maximum amount of $135,000 as security for amounts payable to the employees participating in the KERP, ranking behind the Administration Charge and the SISP Agent Charge (which charges rank *pari passu)*; and

   c) extended the Stay Period to August 9, 2024.

9. Following a motion heard on August 8, 2024, the Court made the following Orders:

   a) an Order, which, among other things:

      i. approved a transaction (the "**Media Companies Transaction**") between the Media Companies and PNI Maritimes LP ("**PNI**") pursuant to an agreement of purchase and sale dated July 25, 2024 (the "**APA**"); and

      ii. vested the Purchased Assets (as defined in the APA) in PNI, free and clear of encumbrances, upon execution and delivery of a certificate by the Monitor confirming completion of the Media Companies Transaction; and

b) an Order, which, among other things:

i. approved amendments to the Interim Financing Facility, including an increase in the limit that the Media Companies may borrow under that facility from $4.1 million to $7 million;

ii. extended the Stay Period to December 13, 2024; and

iii. declared that the Media Companies meet the criteria prescribed by section 3.2 of the WEPP Regulations and that the Media Companies' former employees are eligible to receive payments in accordance with WEPPA.

10. Following a motion heard on October 18, 2024, the Court made the following Orders:

a) an Order (the "**Former George Street AVO**"), which, among other things:

i. approved an agreement of purchase and sale dated August 6, 2024, as amended (the "**Former George Street APS**") between 1003 and V Aucoin Realty (the "**Former George Street Purchaser**") for the property located at 255 George Street, Sydney ("**George Street**") and authorized the Monitor, on behalf of 1003, to complete the transaction (the "**Former George Street Transaction**"); and

ii. vested the Property (as defined in the Former George Street AVO) in the Former George Street Purchaser, free and clear of all claims and encumbrances other than the Permitted Encumbrances (as defined in the Former George Street AVO), upon execution and delivery of a certificate by the Monitor confirming completion of the Former George Street Transaction;

b) a Reverse Vesting Order (the "**RVO**"), which, among other things:

i. approved a transaction (the "**Titan Transaction**") by and among Titan and the Titan Purchasers (as defined in the RVO) pursuant to a Subscription Agreement dated September 27, 2024 (as amended, the "**Subscription Agreement**");

ii. vested in the Titan Purchasers all right, title and interest in and to the Subscribed Shares (as defined in the Subscription Agreement) free and clear of all claims and encumbrances, other than the permitted encumbrances and vested in "Residual Co.", being a company formed by Brace Capital, all Excluded Assets and Excluded Liabilities (as defined in the Subscription Agreement); and

iii. added 4648 as a "debtor" in these CCAA proceedings;

c) a Distribution Order:

   i. authorizing and directing the Monitor to distribute to Fiera (Fund III and Fund V, as defined in the Subscription Agreement) the proceeds of sale from the Titan Transaction in the amount of $1 million on the Closing Date; and

d) an Ancillary Order, which, among other things:

   i. approved a liquidation services agreement between the Media Companies and Infinity Asset Solutions Inc. ("**Infinity**") dated September 30, 2024 pursuant to which Infinity marketed for sale the Media Companies' owned inventory and equipment; and

   ii. discharged the CRO and expanded the Monitor's powers.

11. Pursuant to an Order dated November 26, 2024, the Court approved an extension of the closing date under the Former George Street APS to February 17, 2025 (the "**Extension Order**").

12. Pursuant to an Order made on December 10, 2024, the Court, among other things, extended the Stay Period to March 28, 2025.

13. Pursuant to an Order made on March 24, 2025, the Court, among other things:

    a) extended the Stay Period to June 27, 2025; and

    b) approved amendments to the Interim Financing Facility permitting a further advance of up to $500,000.

14. 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 and Mr. French's Affidavit affirmed March 19, 2024 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.

15. Court materials filed in these proceedings, including the Affidavits of Mr. French and KSV's prior reports to Court issued in these proceedings are available on KSV's case website at https://www.ksvadvisory.com/experience/case/Herald-Saltwire.

1.1 Purposes of this Eighth Report

1. The purposes of this Eighth Report are to:

   a) update the Court on the status of the sale process for the Real Property (as defined below);

   b) report on the Companies' cash flow projection for the period June 1, 2025 to December 13, 2025 (the "**Cash Flow Forecast**");

c) provide the Court with an update on the Companies' and the Monitor's activities since the Monitor's Seventh Report to Court dated March 14, 2025 (the "**Seventh Report**"); and

d) discuss and provide the Monitor's recommendations in support of the following Order:

   i. extending the Stay Period to December 12, 2025 (the "**Stay Extension Date**"); and

   ii. approving the Eighth Report and the Monitor's activities described herein.

1.2 Restrictions

1. In preparing this Eighth 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, 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 Eighth 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.

1.3 Currency

1. All currency references in this Eighth 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 formerly published *The Chronicle Herald*, the *Cape Breton Post*, *The Telegram* (St. Johns) and *The Guardian* (Charlottetown), as well as several digital publications.

3. The Media Companies' names were changed to 3306 and 1003, being their original numbered companies, following completion of the Media Companies Transaction.

4. Titan is a full-service security and health care services company which had approximately 100 full and part-time employees as of the Filing Date. Titan ceased to be a debtor in these proceedings as a result of the Titan Transaction and 4848 (i.e. Residualco) was added as a debtor.

5. Headline is a promotional products company that sold branded novelty and other products to corporate buyers. As of the Filing Date, Headline had six employees. Headline discontinued operations earlier in these proceedings.

6. Brace Capital is the sole shareholder of Headline and, prior to the completion of the Titan Transaction, was the sole shareholder of Titan. Brace Holdings is the sole shareholder of the Media Companies and Brace Capital.

7. 1003's head office and principal address was located at 2717 Joseph Howe Drive, Halifax where it operated from leased premises (the "**Joseph Howe Premises**"). 3306 disclaimed the lease for the Joseph Howe Premises effective September 30, 2024.

8. The Media Companies own the following locations (the "**Real Properties**") from which they formerly operated, each of which is listed for sale:

   - 311 Bluewater Road, Bedford ("**Bluewater**");
   - 2 Second Street, Yarmouth ("**Second Street**");
   - George Street; and
   - 36 Austin Street, St. John's ("**Austin Street**").

9. As of the date of the ARIO, the Media Companies had approximately 390 employees and 800 independent contractors. As discussed in the Seventh Report, the Media Companies have no employees as all former employees were either terminated or hired by PNI or its affiliates. The Monitor has retained the Companies' former Chief Operating Officer (the "**Former COO**") as an independent contractor to assist with the wind-down of the Companies and the sale of the Real Properties.

3.0 Real Properties

1. The Real Properties were excluded from the Media Companies Transaction.

2. The status of the Real Properties is summarized below:

   a) Bluewater and Austin Street – as discussed in the Monitor's Fifth Report to Court dated September 30, 2024, CBRE Limited ("**CBRE**") was selected as the listing agent for Bluewater and Austin Street. CBRE commenced sale processes for both properties and has been canvassing the market, including developers, investors, financial parties and potential users.

   b) Bluewater: As discussed in the Seventh Report, the large printing press that was previously housed at Bluewater was in process of being removed. The removal process was complicated due to the size of the press and its integration with building systems. The removal process has taken much longer than anticipated but is nearly complete. CBRE has re-engaged to market Bluewater and activity is expected to increase now that the press removal process is nearly complete.

   c) Austin Street: CBRE listed the property on the Multiple Listing Service for $5.4 million on December 12, 2024. CBRE continues to market the property and has attended several showings. As of the date of this Eighth Report, no offers for this property have been accepted.

   d) George Street: As discussed in the Seventh Report, in February 2025, the Former George Street Purchaser elected to terminate the Former George Street

Transaction. The $50,000 deposit paid by the Former George Street Transaction was forfeited and paid to 3306.

On March 6, 2025, an offer to purchase the property was submitted to the Monitor, on behalf of 3306. Following discussions with Fiera, the Monitor entered into negotiations with the prospective purchaser (the "**Prospective George Street Purchaser**"), resulting in a signed agreement of purchase and sale dated March 16, 2025 (the "**George Street APS**"). A deposit of $100,000 was paid by the Prospective George Street Purchaser and is held in trust by the realtor, Coldwell Banker Boardwalk Realty ("**Coldwell**"). The George Street APS is subject to diligence, which presently consists of a Phase II Environmental Site Assessment. The George Street APS is subject to Court approval, has a deadline of July 4, 2025 to waive conditions and a closing date on or before July 25, 2025, if conditions are waived.

e) Second Street: As discussed in the Seventh Report, on December 16, 2024, the Companies and the Monitor executed a new listing agreement with ReMax Banner Real Estate (Yarmouth), setting the listing price at $350,000. No offers have been accepted to date. 3306 is currently generating revenue from the property through a one-year lease with a tenant, set to expire in February 2026.

4.0 Cash Flow Forecast

1. A comparison of the Companies' cash flow from February 23, 2025 to May 24, 2025 to the cash flow forecast in the Seventh Report (the "**Prior Forecast**") is provided below.

(unaudited; CAD; $000s)	Actuals	Forecast	Variance
Media Companies			
Receipts			
Forfeited deposit from Former George Street Transaction	50	50	-
Reimbursement of TSA expenses from PNI	34	25	9
Refund of insurance premium	48	30	18
Yarmouth rent	6	4	2
Other	25	-	25
HST collected	2	1	1
	164	110	54
Disbursements			
Payroll	216	145	(71)
Occupancy, repairs and utilities	167	180	13
Restructuring fees	132	151	19
Operational, office and administration	40	15	(25)
Insurance	17	17	-
HST paid on disbursements	78	64	(14)
Other	6	-	(6)
	656	572	(84)
Net Cash Flow	(493)	(463)	(30)
Opening Cash Balance	240	240	-
Net Cash Flow	(493)	(463)	(30)
DIP Financing	360	400	(40)
DIP Fee	(10)	-	(10)
Ending Cash Balance	97	177	(80)

2. As reflected above, as of May 24, 2025, the Companies had approximately $97,000 on hand, being approximately $80,000 lower than the amount projected in the Prior Forecast (of which $40,000 represents lower than projected draws under the DIP Facility).

3. The Monitor prepared a cash flow forecast from June 1, 2025 to December 13, 2025 (the "**Cash Flow Forecast**"). The Cash Flow Forecast and the Monitor's statutory report thereon pursuant to Section 23(1)(b) of the CCAA are attached as **Appendix "A"**.

4. The Cash Flow Forecast does not contemplate proceeds from the George Street APS as the transaction remains conditional and subject to Court approval. Assuming the George Street transaction is completed, the Companies are projected to have sufficient liquidity through the forecast period. The Companies may require a further amendment to the Third Amended Interim Financing Facility if the George Street property does not close or the closing is delayed. If that is the case, the Monitor will bring a motion for such relief.

5.0 Bill C-18

1. Bill C-18 was passed by the Canadian government in 2023. The legislation requires major online companies, such as Google, to compensate Canadian news organizations for sharing or repurposing their news content. Under Bill C-18, Google agreed to contribute $100 million annually, which is to be distributed to eligible Canadian news businesses.

2. The Canadian Journalism Collective ("**CJC**") was formed in 2024 to serve as the designated administrator of the funds provided by Google under Bill C-18. The CJC is responsible for determining which news organizations are eligible to receive funding and for overseeing the distribution of those funds.

3. Since the closing of the Media Companies Transactions, the Monitor has worked closely with the Former COO and PNI to pursue potential recoveries for the Media Companies from the CJC under Bill C-18, including the submission of all required applications. The Monitor and PNI are continuing to work to collect these monies on behalf of the Companies.

6.0 Monitor's Activities since the Initial Order

1. Since the date of the Seventh Report, the Monitor, with the assistance of the Former COO, has, among other things:

   a) worked with CBRE regarding the sale processes for the Real Properties;

   b) corresponded with Coldwell with regards to the George Street APS;

   c) worked with Infinity and the Former COO to deal with the removal of the printing press at Bluewater;

   d) coordinated the filing of corporate income tax returns for 2024 for each of the Media Companies;

e) corresponded with Canada Revenue Agency ("**CRA**") regarding the Media Companies' corporate income tax returns for 2024;

f) coordinated the Media Companies' HST return filings and corresponded with CRA regarding same;

g) monitored the Companies' receipts and disbursements and reported to Fiera as required under the Interim Financing Facility;

h) worked with the Former COO to extend the Companies' insurance policies related to the Real Properties; and

i) prepared this Eighth Report.

7.0 Stay Extension

1. The Stay Period currently expires on June 27, 2025.

2. The Monitor recommends that the Stay Period be extended to December 12, 2025 for the following reasons, among others:

   a) in CCAA cases as in these proceedings where the Court has granted enhanced powers to the CCAA monitor, the monitor is held to the good faith standard otherwise applicable to the CCAA debtor(s). In that capacity, the Monitor believes it is discharging its duties and obligations under the CCAA and other orders made in these proceedings in good faith and with due diligence;

   b) the Stay Extension will allow for the continued marketing of the Real Properties so that recoveries can be maximized in these proceedings;

   c) the Stay Extension will allow for time to deal with the remaining wind-down activities;

   d) the Monitor does not believe that any creditor will be prejudiced if the extension is granted as the Companies will either complete, with Court approval, a transaction for George Street or seek Court approval to provide for a further advance under the DIP Facility such that they will be able to meet their obligations; and

   e) as of the date of this Eighth Report, the Monitor is not aware of any party opposed to the requested extension.

8.0 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)(d) above.

* * *

All of which is respectfully submitted,

KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS CCAA MONITOR OF 3306133 NOVA SCOTIA LIMITED, 1003940 NOVA SCOTIA LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, BRACE CAPITAL LIMITED, BRACE HOLDINGS LIMITED AND 648767 NOVA SCOTIA LIMITED AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

PER: BOBBY KOFMAN, PRESIDENT

Appendix “A”

3306133 Nova Scotia Limited and 1003940 Nova Scotia Limited
29 Week Cash Flow Projection
Beginning the Week Ending May 31, 2025

	Notes	31-May Week 64	7-Jun Week 65	14-Jun Week 66	21-Jun Week 67	28-Jun Week 68	5-Jul Week 69	12-Jul Week 70	19-Jul Week 71	26-Jul Week 72	2-Aug Week 73	9-Aug Week 74	16-Aug Week 75	23-Aug Week 76	30-Aug Week 77	6-Sep Week 78
3306133 Nova Scotia Limited and 1003940 Nova Scotia Limited	1															
Cash Receipts																
Net proceeds from CRA for CJTC and HST refunds	2	-	-	102,058	-	-	-	101,985	-	-	-	20,000	-	-	-	-
Yarmouth Rent	3	-	1,160	-	-	-	1,160	-	-	-	1,160	-	-	-	-	1,160
Insurance refund		-	-	-	-	-	-	-	-	-	-	-	-	2,745	-	-
HST collected		-	174	-	-	-	174	-	-	-	174	-	-	-	-	174
Total Cash Receipts		**-**	**1,334**	**102,058**	**-**	**-**	**1,334**	**101,985**	**-**	**-**	**1,334**	**20,000**	**-**	**2,745**	**-**	**1,334**
Cash Disbursements - Operational																
Payroll	4	-	25,000	-	20,000	-	15,000	-	10,000	-	10,000	-	10,000	-	10,000	-
Occupancy, repairs and utilities	5	-	3,000	3,000	60,000	13,000	10,000	10,000	10,000	60,000	3,000	3,000	3,000	60,000	3,000	3,000
Operational, office and administration		-	-	-	5,000	-	-	5,000	-	-	-	5,000	-	-	-	5,000
Insurance		-	-	35,000	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges		-	100	-	-	2,000	100	-	-	2,000	100	-	-	-	2,000	100
HST paid on disbursements		-	3,865	4,425	10,713	1,583	3,317	10,226	2,617	7,304	1,765	974	10,165	7,304	1,765	974
Total Operational Disbursements		**-**	**31,965**	**42,425**	**95,713**	**16,583**	**28,417**	**25,226**	**22,617**	**69,304**	**14,865**	**8,974**	**23,165**	**67,304**	**16,765**	**9,074**
Net Cash from Operations		**-**	**(30,632)**	**59,633**	**(95,713)**	**(16,583)**	**(27,084)**	**76,759**	**(22,617)**	**(69,304)**	**(13,532)**	**11,026**	**(23,165)**	**(64,559)**	**(16,765)**	**(7,740)**
Restructuring & Other Fees																
Monitor and Monitor's counsel fees		-	-	25,000	-	-	-	40,000	-	-	-	-	40,000	-	-	-
DIP Lender's fees and DIP Lender's counsel fees		-	-	2,000	-	-	-	10,000	-	-	-	-	10,000	-	-	-
Company counsel fees		-	-	2,000	-	-	-	10,000	-	-	-	-	10,000	-	-	-
Total Restructuring Fees		**-**	**-**	**29,000**	**-**	**-**	**-**	**60,000**	**-**	**-**	**-**	**-**	**60,000**	**-**	**-**	**-**
Opening Cash Balance		**97,204**	**97,204**	**66,573**	**97,206**	**141,493**	**124,910**	**97,826**	**114,585**	**91,968**	**22,664**	**9,132**	**20,158**	**(63,007)**	**(127,566)**	**(144,332)**
Total Net Cash Flow		-	(30,632)	30,633	(95,713)	(16,583)	(27,084)	16,759	(22,617)	(69,304)	(13,532)	11,026	(83,165)	(64,559)	(16,765)	(7,740)
Debtor-in-Possession Financing/Repayment		-	-	-	140,000	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance		**97,204**	**66,573**	**97,206**	**141,493**	**124,910**	**97,826**	**114,585**	**91,968**	**22,664**	**9,132**	**20,158**	**(63,007)**	**(127,566)**	**(144,332)**	**(152,072)**

	13-Sep Week 79	20-Sep Week 80	27-Sep Week 81	4-Oct Week 82	11-Oct Week 83	18-Oct Week 84	25-Oct Week 85	1-Nov Week 86	8-Nov Week 87	15-Nov Week 88	22-Nov Week 89	29-Nov Week 90	6-Dec Week 91	13-Dec Week 92	Total Weeks 64-92
3306133 Nova Scotia Limited and 1003940 Nova Scotia Limited															
Cash Receipts															
Net proceeds from CRA for CJTC and HST refunds	20,000	-	-	-	20,000	-	-	-	15,000	-	-	-	-	15,000	294,043
Yarmouth Rent	-	-	-	1,160	-	-	-	-	1,160	-	-	-	1,160	-	8,118
Insurance refund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,745
HST collected	-	-	-	174	-	-	-	-	174	-	-	-	174	-	1,218
Total Cash Receipts	**20,000**	**-**	**-**	**1,334**	**20,000**	**-**	**-**	**-**	**16,334**	**-**	**-**	**-**	**1,334**	**15,000**	**306,124**
Cash Disbursements - Operational															
Payroll	10,000	-	10,000	-	10,000	-	10,000	-	10,000	-	10,000	-	10,000	-	170,000
Occupancy, repairs and utilities	3,000	55,000	3,000	3,000	3,000	3,000	55,000	3,000	3,000	3,000	55,000	3,000	3,000	3,000	442,000
Operational, office and administration	-	-	-	-	5,000	-	-	-	5,000	-	-	-	5,000	-	35,000
Insurance	-	-	-	-	-	-	-	-	-	-	-	32,000	-	-	67,000
Bank charges	-	-	2,000	100	-	-	-	2,000	100	-	-	2,000	100	-	12,700
HST paid on disbursements	5,825	6,696	1,765	365	6,434	365	8,096	365	6,434	365	8,096	365	2,374	4,425	118,970
Total Operational Disbursements	**18,825**	**61,696**	**16,765**	**3,465**	**24,434**	**3,365**	**73,096**	**5,365**	**24,534**	**3,365**	**73,096**	**37,365**	**20,474**	**7,425**	**845,670**
Net Cash from Operations	**1,175**	**(61,696)**	**(16,765)**	**(2,132)**	**(4,434)**	**(3,365)**	**(73,096)**	**(5,365)**	**(8,200)**	**(3,365)**	**(73,096)**	**(37,365)**	**(19,140)**	**7,575**	**(317,562)**
Restructuring & Other Fees															
Monitor and Monitor's counsel fees	25,000	-	-	-	25,000	-	-	-	25,000	-	-	-	-	25,000	205,000
DIP Lender's fees and DIP Lender's counsel fees	2,000	-	-	-	2,000	-	-	-	2,000	-	-	-	-	2,000	30,000
Company counsel fees	2,000	-	-	-	2,000	-	-	-	2,000	-	-	-	-	2,000	30,000
Total Restructuring Fees	**29,000**	**-**	**-**	**-**	**29,000**	**-**	**-**	**-**	**29,000**	**-**	**-**	**-**	**-**	**29,000**	**265,000**
Opening Cash Balance	**(152,072)**	**(179,897)**	**(241,593)**	**(258,358)**	**(260,489)**	**(293,923)**	**(297,289)**	**(370,384)**	**(375,749)**	**(412,950)**	**(416,315)**	**(489,411)**	**(526,776)**	**(545,916)**	**97,204**
Total Net Cash Flow	(27,825)	(61,696)	(16,765)	(2,132)	(33,434)	(3,365)	(73,096)	(5,365)	(37,200)	(3,365)	(73,096)	(37,365)	(19,140)	(21,425)	(804,546)
Debtor-in-Possession Financing/Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	140,000
Ending Cash Balance	**(179,897)**	**(241,593)**	**(258,358)**	**(260,489)**	**(293,923)**	**(297,289)**	**(370,384)**	**(375,749)**	**(412,950)**	**(416,315)**	**(489,411)**	**(526,776)**	**(545,916)**	**(567,341)**	**(567,341)**

Notes to Cash Flow Forecast:

Purpose:

This statement of projected cash flow has been prepared on a consolidated basis in respect of 3306133 Nova Scotia Limited (formerly known as Saltwire Network Inc.), 1003940 Nova Scotia Limited (formerly known as The Halifax Herald Limited), Brace Holdings Limited, Brace Capital Limited, and Headline Promotional Products Limited (collectively, the "**Companies**") in accordance with s. 23(1)(b) of the Companies Creditors' Arrangement Act for the period May 25, 2025 to December 13, 2025.

Notes:

1. 3306133 Nova Scotia Limited (formerly known as Saltwire Network Inc.) and 1003940 Nova Scotia Limited (formerly known as The Halifax Herald Limited) are the Companies' main operating entities. The Forecast excludes any recoveries associated with the Canadian Journalism Collective under Bill C-18 and the George Street Transaction, which has an outside condition waiver date of July 4, 2025 and subject to Court approval.
2. Represents amounts received from CRA for (1) the Companies' Canadian Journalism Tax Credits ("**CJTC**"); and (2) HST refunds. This is net of amounts owing to CRA and PNI for their respective portions of the CJTC. CRA is owed the portion of the CJTC earned during the pre-filing period (January 1 to March 12, 2024), while PNI is entitled to a share of the CJTC earned during the TSA period.
3. Represents monthly rent collected on a lease agreement signed on February 21, 2025 for the Companies' property located at 2 Second Street, Yarmouth, Nova Scotia ("**Yarmouth**").
4. Represents payments to contractors hired to assist with the wind-up of the Companies.
5. Includes the estimated net cost of $15K to remove the press at Bluewater.

HFX NO.: 531463

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 OR ARRANGEMENT OF 3306133 NOVA SCOTIA LIMITED, 1003940 NOVA SCOTIA LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, BRACE CAPITAL LIMITED, BRACE HOLDINGS LIMITED AND 4648767 NOVA SCOTIA LIMITED

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

The attached consolidated statement of projected cash-flow of 3306133 Nova Scotia Limited, 1003940 Nova Scotia Limited, Headline Promotional Products Limited, Brace Capital Limited, Brace Holdings Limited and 4648767 Nova Scotia Limited (collectively, the "Applicants") as of the 13th day June, 2025, consisting of a weekly projected cash flow statement for the period May 25, 2025 to December 13, 2025 (the "Cash Flow Forecast") has been prepared by KSV Restructuring Inc., in its capacity as monitor of the Applicants (the "Monitor") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, for the purpose described in the Cash Flow set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to the Cash flow Forecast. We have reviewed the support 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 are not suitably supported or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or

c) the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

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

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

Dated at Toronto, ON this 13th day of June, 2025.

KSV Restructuring Inc.

KSV RESTRUCTURING INC.
IN ITS CAPACITY AS CCAA MONITOR OF
3306133 NOVA SCOTIA LIMITED, 1003940 NOVA SCOTIA LIMITED,
HEADLINE PROMOTIONAL PRODUCTS LIMITED, BRACE CAPITAL LIMITED,
BRACE HOLDINGS LIMITED AND 4648767 NOVA SCOTIA LIMITED
AND NOT IN ITS PERSONAL CAPACITY