

**Court File No. CV-24-00715773-00CL**

**BZAM LTD., BZAM HOLDINGS INC., BZAM CANNABIS CORP., FOLIUM LIFE SCIENCE INC., 102172093 SASKATCHEWAN LTD., THE GREEN ORGANIC DUTCHMAN LTD., MEDICAN ORGANIC INC., HIGH ROAD HOLDING CORP., FINAL BELL CORP. AND 1001028579 ONTARIO INC.**

**EIGHTH REPORT OF FTI CONSULTING CANADA INC., AS MONITOR**

**January 9, 2025**

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**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  
BZAM LTD., BZAM HOLDINGS INC., BZAM CANNABIS CORP., FOLIUM LIFE  
SCIENCE INC., 102172093 SASKATCHEWAN LTD., THE GREEN ORGANIC  
DUTCHMAN LTD., MEDICAN ORGANIC INC., HIGH ROAD HOLDING CORP.,  
FINAL BELL CORP. AND 1001028579 ONTARIO INC.**

Applicants

**EIGHTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.,  
IN ITS CAPACITY AS MONITOR**

**A. INTRODUCTION**

1. On February 28, 2024, BZAM Ltd. (“**BZAM**”), BZAM Holdings Inc., BZAM Management Inc. (“**BZAM Management**”),<sup>1</sup> BZAM Cannabis Corp. (“**BZAM Cannabis**”), Folium Life Science Inc., 102172093 Saskatchewan Ltd., The Green Organic Dutchman Ltd. (“**TGOD**”), Medican Organic Inc. (“**Medican**”), High Road Holding Corp., and Final Bell Corp. doing business as BZAM Labs (collectively, the “**Applicants**”) sought and obtained an initial order (the “**Initial Order**”) under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The Initial Order, *inter alia*, appointed FTI Consulting Canada Inc. as the monitor (the “**Monitor**”) of the Applicants in these CCAA proceedings and granted an initial stay of proceedings in favour of the Applicants, the Non-Applicant Stay Parties,<sup>2</sup> and their respective directors and officers until and including March 8, 2024.

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<sup>1</sup> BZAM Management was removed as an Applicant in these CCAA proceedings as discussed in paragraph 40 below.

<sup>2</sup> The Non-Applicant Stay Parties are listed in the Initial Order at Schedule “A”: 9430-6347 Québec Inc., The Green Organic Beverage Corp., TGOD Europe B.V., and The Green Organic Dutchman Germany GmbH.

2. This Court granted an amended and restated Initial Order (the “**ARIO**”) on March 8, 2024, at a comeback hearing. The ARIO, *inter alia*, granted an extension of the stay period (the “**Stay Period**”) to and including May 25, 2024. The Stay Period has since been extended multiple times by order of this Court and was most recently extended on December 2, 2024, until and including January 13, 2025.

**B. PURPOSE OF THIS REPORT**

3. The purpose of this Eighth Report of the Monitor (the “**Eighth Report**”) is to provide information to this Court with respect to the Applicants’ motion returnable January 13, 2025, seeking:

(a) an Order of this Court (the “**Edmonton Property AVO**”), *inter alia*:

- (i) approving the agreement of purchase and sale dated January 6, 2025 (the “**Purchase Agreement**”) among BZAM Cannabis, as vendor, and 2627411 Alberta Ltd. (the “**Purchaser**”), as purchaser, *nunc pro tunc*, and the transaction contemplated thereby (the “**Edmonton Property Transaction**”), inclusive of minor amendments the Applicants and the Purchaser, with the consent of the Monitor, may deem necessary;
- (ii) authorizing and directing BZAM Cannabis to perform its obligations under the Purchase Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Edmonton Property Transaction; and
- (iii) vesting in the Purchaser all of BZAM Cannabis’ right, title and interest in and to the Edmonton Property (as defined below), including the lands and premises municipally described as 8770 24th Street, Sherwood Park, Alberta, and certain equipment and non-cannabis inventory located therein (collectively, the “**Edmonton Property**”); and
- (iv) authorizing and directing the Applicants to distribute the Proceeds (as defined below) to: (y) Avison Young, as full satisfaction of its Broker Fee

under the Listing Agreement (each as defined below), and (z) to Cortland Credit Lending Corporation (“**Cortland**”), as partial repayment of the indebtedness owing by the Applicants to Cortland, which shall be applied by Cortland to repay such indebtedness in accordance with the terms of the debtor-in-possession credit facility from Cortland (the “**DIP Loan**”); and

- (b) an Order of this Court, *inter alia*:
- (i) granting an extension of the Stay Period (as defined below) to and including March 31, 2025;
  - (ii) sealing the Settlement Agreement (as defined below), the Confidential Supplement to the Second Report of the Monitor dated April 16, 2024 (the “**Confidential Supplement**”) and the Confidential Appendix of this Eighth Report (the “**Confidential Appendix**”); and
  - (iii) approving the Confidential Supplement, the Supplement to the Monitor’s Seventh Report dated December 2, 2024 (the “**Supplemental Seventh Report**”), and this Eighth Report and the activities described therein and herein.

4. This Eighth Report is not intended to provide a comprehensive update on all aspects of these CCAA proceedings or all of the activities of the Monitor. Updates on these CCAA proceedings are posted periodically on the website established by the Monitor at <http://cfcanada.fticonsulting.com/bzam/> (the “**Monitor’s Website**”). Court materials filed in these CCAA proceedings are also posted on the Monitor’s Website.

#### C. **TERMS OF REFERENCE**

5. In preparing this Eighth Report, the Monitor has relied upon various sources of information including, *inter alia*, audited and unaudited financial information of the Applicants’ books and records, certain financial information and forecasts prepared by the Applicants, and discussions with various parties, including senior management (“**Management**”) of, and advisors to, the Applicants (collectively, the “**Information**”).

6. Except as otherwise described in this Eighth Report:
  - (a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook;
  - (b) the Monitor has not examined or reviewed the financial forecasts or projections referred to in this Eighth Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook; and
  - (c) the Monitor's understanding of factual matters expressed in this Eighth Report concerning the Applicants and their business is based on the Information, and not independent factual determinations made by the Monitor.
7. Future-oriented financial information referred to or relied on in this Eighth Report is based on Management's assumptions regarding future events. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
8. The Monitor has prepared this Eighth Report in connection with the Applicants' motion seeking the relief set out in paragraph 3 above. This Eighth Report should not be relied on for any other purpose.
9. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

**D. UPDATE ON THE MONITOR'S ACTIVITIES**

10. Since the Applicants' motion returnable December 2, 2024 (which, among other things, sought an extension of the Stay Period to January 13, 2025), the Monitor has, *inter alia*:
  - (a) regularly engaged in discussions and met with the Applicants' management team and their legal counsel regarding these CCAA proceedings;

- (b) monitored the Applicants' receipts and disbursements, including reviewing and commenting on the Applicants' cash flow reporting requirements under the DIP Loan;
- (c) participated in discussions with and assisted the Applicants in discussions with stakeholders, including suppliers and landlords, related to these CCAA proceedings and responded to requests for information from such parties;
- (d) assisted the Applicants in dealing with the Canada Revenue Agency;
- (e) participated in settlement discussions with the parties involved in the Final Bell Motion (as defined below);
- (f) engaged in matters related to the negotiation and potential consummation of an amended and restated share subscription agreement (the "**Stalking Horse Agreement**", and the transaction contemplated therein, the "**Stalking Horse Transaction**"), originally dated March 1, 2024, between 1000816625 Ontario Inc.<sup>3</sup> (in its capacity as a purchaser under the Stalking Horse Agreement, the "**Stalking Horse Purchaser**") and BZAM;
- (g) assisted with the closing of the transaction pursuant to the share purchase agreement dated August 23, 2024, among BZAM Holdings, as vendor, BZAM Management, as target, 1000912353 Ontario Inc., as purchaser, and Wyld Canada Inc. ("**Wyld**"), as an interested third-party (the "**Wyld Transaction**");
- (h) assisted in the negotiation of and prepared for the potential implementation of the Edmonton Property Transaction;
- (i) engaged in discussions and strategy related to the notice of motion served on June 25, 2024, by Mr. France Boisvert and Mr. Daniel Fontaine (the "**Disclaimer**");

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<sup>3</sup> 1000816625 Ontario Inc. is a corporation related to Bassam Alghanim, who is BZAM's largest shareholder, current chairman, and the individual that ultimately controls Stone Pine Capital Ltd., a secured creditor of BZAM.

**Motion**”) objecting to the Notice by Debtor Company to Disclaim or Resiliate an Agreement sent by Medican on May 29, 2024;

- (j) managed the service list for these CCAA proceedings as well as the Monitor’s Website;
- (k) continued to operate and monitor telephone hotlines and email accounts for stakeholder enquiries;
- (l) assisted in communications with Health Canada with respect to certain cannabis licences;
- (m) engaged in discussions with the bailiff hired by one of the Applicants’ former landlords, who was the counterparty to a lease that was disclaimed by the Applicants, regarding the distribution of the proceeds of the assets that the Applicants abandoned in the leased premises and which the bailiff is liquidating;
- (n) prepared this Eighth Report; and
- (o) engaged with the Monitor’s legal counsel in connection with the foregoing activities.

## **E. CONCLUSION OF THE FINAL BELL MOTION**

11. As previously reported to this Court by the Monitor (most extensively in the Second Report of the Monitor dated April 17, 2024 (the “**Second Report**”)), Final Bell Holdings International Ltd. (“**FBHI**”) served a motion on March 18, 2024,<sup>4</sup> in these CCAA proceedings, which related to BZAM’s acquisition of Final Bell Canada Inc. from FBHI pursuant to a share exchange agreement dated December 5, 2023 (such motion, the “**Final Bell Motion**”).

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<sup>4</sup> Counsel to FBHI served the notice of motion on counsel to the Monitor and counsel to BZAM on March 18, 2024. Counsel to FBHI subsequently served an aide mémoire appending the notice of motion on the Service List on March 18, 2024. Counsel to FBHI served a motion record on the Service List, which included the notice of motion at Tab A, on the Service List on March 19, 2024.



12. As set out in FBHI’s “Second Further Amended Notice of Motion (Order Re Share Exchange Agreement)” dated September 5, 2024, FBHI sought by means of the Final Bell Motion: (a) a declaration that BZAM and its affiliates are liable to FBHI for equitable damages in an amount to be determined by the Court; (b) a declaration that the equitable damages for which BZAM and its affiliates are liable to FBHI are subject to a constructive trust; (c) a declaration that Cortland knowingly received the proceeds of fraud committed by BZAM and its affiliates; and (d) costs of the Final Bell Motion.
13. The Final Bell Motion was scheduled to be heard by this Court on April 22 and 23, 2024, but an adjournment of the hearing was granted at FBHI’s request on April 19, 2024. The Honourable Justice Osborne re-scheduled the adjudication of the Final Bell Motion to be September 18 and 19, 2024.
14. On April 24, 2024, BZAM and Cortland each served motions seeking orders that FBHI immediately pay into this Court security for the costs of the Final Bell Motion. The Honourable Justice Osborne issued an endorsement dated June 30, 2024, that ordered FBHI to post security in the amounts of \$350,000 and \$147,000 in respect of the costs of BZAM and Cortland, respectively. FBHI was also ordered to pay to BZAM and Cortland costs in respect of the security for cost motions in the amounts of \$20,000 and \$8,500, respectively. On or around July 17, 2024, FBHI posted the aforesaid security and paid the cost awards.
15. On June 3, 2024, Cortland delivered an aide mémoire seeking to schedule a motion (the “**Threshold Motion**”) to determine whether FBHI’s constructive trust claim can take priority to the super-priority DIP Loan charge established in favour of Cortland by the ARIO. As set out in Cortland’s aide mémoire, Cortland asserts that the ARIO grants it a super-priority charge that ranks in priority to trusts, meaning that the relief sought by FBHI is, practically speaking, moot because the proceeds from the transaction contemplated by the Stalking Horse Agreement are not expected to be sufficient to pay any debts beyond the DIP Loan. On June 3, 2024, FBHI delivered an aide mémoire setting out its opposition to the Threshold Motion.
16. On August 12, 2024, the Honourable Justice Osborne issued an endorsement that scheduled the Threshold Motion for September 18, 2024. The adjudication of the Final Bell Motion,

which was originally scheduled to begin on September 18, 2024, was adjourned pending the outcome of the Threshold Motion.

17. On September 18, 2024, the Honourable Justice Osborne heard the Threshold Motion. On December 2, 2024, the Honourable Justice Osborne released an endorsement that granted Cortland's Threshold Motion (the "**December 2 Endorsement**"). The December 2 Endorsement found that the position taken by FBHI was a "collateral attack" on the ARIO, and that FBHI's claim was an "equity claim within the meaning of the CCAA". As a result, even if FBHI's claim on the Final Bell Motion were successful, it would not rank in priority to Cortland's super priority charge securing the DIP Loan (the "**DIP Lender's Charge**"). The December 2 Endorsement did not make any determinations about the merits of FBHI's fraudulent misrepresentation claim against BZAM,<sup>5</sup> but it addressed the effect of this decision at paragraph 62:

I accept that the practical reality, resulting from the likely fact that there will be no assets available to unsecured creditors, that Final Bell may determine that it does not wish to pursue its fraudulent misrepresentation claim in those circumstances. Again, I am simply determining that even if such a claim succeeded, (or, put differently, assuming for the purposes of this motion that the claim was valid), Final Bell would not be entitled to a priority over Cortland by way of a constructive trust rather than damages.<sup>6</sup>

18. His Honour awarded costs in favour of Cortland and payable by FBHI in the amount of \$150,000 inclusive of fees, disbursements and HST.
19. Effective December 13, 2024, the Applicants, Cortland and FBHI entered into minutes of settlement (the "**Settlement Agreement**"). The terms of the Settlement Agreement are summarized in the Confidential Appendix to this report and, as described in greater detail below, are requested to be sealed.
20. The Settlement Agreement is a positive and favourable development in these proceedings. The alternative to the Settlement Agreement is the potential continued litigation of the Final Bell Motion. Such litigation would be a drain on the Applicants' limited financial,

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<sup>5</sup> Paragraph 61 of the December 2 Endorsement.

<sup>6</sup> Paragraph 62 of the December 2 Endorsement.

managerial and professional resources, as well as a cause of uncertainty with respect to consummation of the Stalking Horse Transaction and the Applicants' overall restructuring prospects. It is the Monitor's view that the potential benefits of continued litigation are not outweighed by its costs. The Settlement Agreement is believed to represent a better outcome for the Applicants' stakeholders than continuing to litigate the Final Bell Motion (even in a scenario where the Applicants prevailed in such litigation).

21. As expressly agreed by the parties to the Settlement Agreement, and as set out in the Settlement Agreement, (a) the terms of the Settlement Agreement are confidential; and (b) the Applicants are obligated to request from this Court an order sealing the Settlement Agreement. The Monitor understands that the parties' view is that the Settlement Agreement contains financial terms that are commercially sensitive. The Monitor is not aware of any stakeholder that would be materially prejudiced by sealing the Settlement Agreement.

#### **F. STANDALONE SALE OF THE EDMONTON PROPERTY**

22. BZAM Cannabis, one of the Applicants, operated out of a facility it owns at 8770 24th Street, Sherwood Park, Alberta (the "**Real Property**"). The Real Property was one of two cannabis cultivation and processing facilities that the Applicants own (the other owned facility is in Hamilton, Ontario).
23. BZAM Cannabis held a licence that permitted it to undertake standard cultivation activities, standard processing activities, and medical purpose activities at the Real Property. BZAM Cannabis' licence expired on February 4, 2024, and was not renewed. At present, BZAM Cannabis does not have any active operations or cannabis inventory at the Real Property. BZAM Cannabis filed: (a) a Notice of Cessation of Cannabis Activities with Health Canada on November 20, 2023; and (b) an update to the Notice requesting revocation of the licence on September 24, 2024.
24. The Real Property is subject to what appears to be a first-ranking charge (the "**Edmonton Property Charge**") that secures a loan (the "**Mortgage Loan**"). The principal amount of \$5,000,000 remains owing under the Mortgage Loan. The Mortgage Loan bears interest at 10% per annum and matures on May 31, 2026. All pre-filing amounts owing under the

Edmonton Property Charge rank above the DIP Lender's Charge and all other court-ordered charges except for the Administration Charge, as expressly provided and defined in the ARIO.

25. The Real Property was listed for sale at the time these CCAA proceedings commenced. Avison Young Commercial Real Estate Services, LP ("**Avison Young**") was acting as BZAM Cannabis' broker to sell the Edmonton Property and was engaged on August 15, 2023 pursuant to a listing agreement (the "**Listing Agreement**"). Avison Young's Listing Agreement provided that if the Edmonton Property was sold during the agreement's term, then Avison Young would be entitled to a 3.0% commission of the gross sale price plus tax (the "**Broker Fee**").
26. On March 8, 2024, the Court granted an order (the "**SISP Approval Order**"), that, *inter alia*, approved the sale and investment solicitation process (the "**SISP**") in which the Stalking Horse Agreement would serve as a stalking horse bid.
27. The Monitor and the Applicants received letters of intent from various prospective purchasers in the course of the SISP, but none of the prospective purchasers proposed purchasing the Applicants' entire business and operations. On April 16, 2024, the SISP was terminated after the Monitor, along with the Applicants, concluded that no letters of intent constituted a "Qualified LOI" for the purposes of the SISP.
28. The SISP Approval Order specifies that the Applicants, with the assistance of the Monitor, were to apply to this Court for an order (or orders) approving the Stalking Horse Transaction by no later than May 21, 2024, subject to Court availability. The Applicants have not yet sought such order due to, amongst other things, uncertainty caused by the Final Bell Motion and the Threshold Motion. Now that both have been resolved, the Applicants have started the process of (and made significant progress in) finalizing the terms of the Stalking Horse Transaction.
29. During the course of the SISP, JL Legacy Ltd. ("**JL Legacy**") submitted a letter of intent with respect to the Edmonton Property. This letter of intent was the only such letter received in the SISP in respect of the Edmonton Property. JL Legacy's letter of intent did

not constitute a “Qualified LOI” and did not satisfy the requirements to proceed to the second phase of the SISP. The consideration contemplated under JL Legacy’s letter of intent was considerably lower than the total consideration contemplated under the Stalking Horse Transaction, even when the JL Legacy proposal was combined with other proposals.

***The First Purchase Agreement***

30. After the conclusion of the SISP, the Stalking Horse Purchaser advised the Monitor and the Applicants that it did not want to acquire and intended to sell the Edmonton Property. In an effort to maximize value, the Applicants re-engaged in discussions with JL Legacy and Avison Young with respect to the Edmonton Property. On June 13, 2024, BZAM Cannabis and JL Legacy entered into an agreement pursuant to which JL Legacy agreed to purchase and BZAM Cannabis agreed to sell the Edmonton Property.
31. The purchase agreement for the Edmonton Property was initially structured such that the Edmonton Property would be sold after the closing of the Stalking Horse Transaction and therefore outside of these CCAA proceedings. The Monitor understands that this sequencing was requested by JL Legacy, who did not want to engage insolvency counsel to effectuate the transaction pursuant to an approval and vesting order. JL Legacy has since changed its position and now wants to move forward with a sale inside these CCAA proceedings. The Monitor understands this change is due, in large part, to the parties not having originally anticipated how long it would take to seek approval of the Stalking Horse Transaction (and even if this Court approves the Stalking Horse Transaction, it is unclear how much additional time will be required to implement and close the Stalking Horse Transaction).
32. The Monitor understands that BZAM Cannabis incurs approximately \$50,000 of overhead costs per month in connection with the Edmonton Property. BZAM Cannabis is, therefore, motivated to close the sale of the Edmonton Property as expeditiously as possible. JL Legacy has agreed to cover these overhead costs as of January 1, 2025, provided that the Edmonton Property Transaction closes.

### *The Second Purchase Agreement*<sup>7</sup>

33. To effectuate the sale of the Edmonton Property in these CCAA proceedings, the June 13, 2024, purchase and sale agreement was abandoned and the Purchase Agreement was executed by BZAM Cannabis and the Purchaser on January 6, 2025. The Purchase Agreement includes the same economic terms as the June 13, 2024, purchase and sale agreement. The Purchase Agreement is between BZAM Cannabis and the Purchaser (as purchaser), being an entity related to JL Legacy.
34. The material terms of the Purchase Agreement are set out in paragraph 27 of the Affidavit of Matthew Milich sworn January 8, 2025. In brief:
- (a) the Purchaser will acquire the “Purchased Assets” for \$8,550,000, which will be satisfied by (i) crediting against the purchase price the deposit of \$3,300,000 already paid (the “**Proceeds**”), the remaining amount outstanding against the “Assumed Mortgage”, and the amount of the Vendor Mortgage, and (ii) as to the balance, as adjusted pursuant to the Purchase Agreement;
  - (b) the “Purchased Assets” are (i) the Property, (ii) all prepaid expenses or deposits relating to the Property, (iii) certain permits, and (iv) the “Assumed Liabilities”. The “Property” is defined to include the Real Property, the buildings constructed thereon, and all surplus non-cannabis inventory and non-fixed equipment located in the buildings;
  - (c) the Vendor Mortgage is a second charge against the Real Property in favour of TGOD and registered against the title to the Property. The Vendor Mortgage will be in the principal sum of \$250,000, carry interest of 5% per annum (paid monthly), and have a twelve-month term; and
  - (d) the closing date is the first business day ten days after the date on which this Court issues an approval and vesting order (or such other date as agreed in writing by the parties).

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<sup>7</sup> Capitalized terms used in this subsection that are not otherwise defined have the meanings ascribed to them in the Purchase Agreement.

35. The Purchaser will assume the Mortgage Loan on closing (as the new mortgagor).
36. The Monitor understands that the Edmonton Property is being sold during the term of the Listing Agreement with Avison Young, which agreement renewed automatically pursuant to its terms during the pendency of these CCAA proceedings. Avison Young was involved in the structuring and negotiation of the terms of the original purchase agreement dated June 13, 2024, which shares the same economic terms with the Purchase Agreement. The Edmonton Property Transaction is expected to close while the Avison Young Listing Agreement is still in effect. Based on a purchase price of \$8,550,000, the Broker Fee is approximately \$256,500 plus applicable tax.
37. The Monitor supports the sale of the Edmonton Property to the Purchaser. No other party has expressed an interest in acquiring the Edmonton Property (no prospective purchasers submitted letters of intent in the course of the SISF in respect of the Edmonton Property other than JL Legacy), and the Edmonton Property would otherwise be expected to be liquidated as part of the Stalking Horse Transaction. The existing Mortgage Loan will be assumed by the Purchaser and the lender thereunder is not expected to be prejudiced. The Monitor has been advised by counsel to BZAM Cannabis that the mortgagee under the Mortgage Loan is aware of the proposed Edmonton Property Transaction, including the Purchaser's assumption of the Mortgage Loan, and does not intend to object to it.
38. The Edmonton Property Transaction does not materially change the economic terms of the Stalking Horse Transaction. Cortland is still expected to be paid all of its obligations in full upon the closing of the Stalking Horse Transaction.

**G. UPDATE ON THE CLOSING OF THE WYLD TRANSACTION**

39. This Court entered an order on October 15, 2024, that, *inter alia*, approved the Wyld Transaction (such order, the “**Wyld RVO**”). The background to the Wyld Transaction is set out in more detail in Section G of the Sixth Report of the Monitor dated October 11, 2024 (the “**Sixth Report**”).
40. The Wyld Transaction is structured as a two-step transaction. The first step involved a sale of the business to an intermediary entity as part of a reverse vesting transaction. The first

step closed on December 13, 2024, when the Monitor issued its certificate in accordance with the Wyld RVO. Pursuant to the Wyld RVO, 1001028579 Ontario Inc. (the “ResidualCo.” for the purposes of that reverse vesting transaction) was added as an Applicant in these proceedings. BZAM Management was removed as an Applicant (these CCAA proceedings continue to apply in all respects of the remaining Applicants, including 1001028579 Ontario Inc.). The sale proceeds from this first phase have been distributed to Cortland in accordance with the Wyld RVO.

41. The Monitor understands that the second step of the Wyld Transaction, which involves a sale to Wyld as the ultimate acquiror of the business, has not yet closed but is expected to close in the near term. The Monitor has a limited role in the second step of the transaction because it is being conducted outside of these CCAA proceedings with non-Applicant parties.
42. The Monitor observed in its Sixth Report that, due to how the joint venture between BZAM Management and Northwest Confections Canada Inc. (an entity related to Wyld) managed its cash flows, the Applicants and Wyld would need to reconcile all amounts owing between them prior to the closing of the second stage of the Wyld Transaction. The Applicants have informed the Monitor this reconciliation process has been completed, and that net payments of \$780,691.60 were made by the Applicants to Wyld. No further amounts are owing between the Applicants and Wyld.
43. As part of the Wyld Transaction, Wyld entered into an indemnity and costs agreement (the “**Indemnity Agreement**”) with BZAM Management and BZAM Holdings on May 31, 2024, pursuant to which Wyld agreed to, among other things, assume all obligations, costs, liabilities, duties and expenses of BZAM Management from and after May 31, 2024, as well as cover certain transaction costs until the Wyld Transaction closes and/or is terminated. The Monitor understands that BZAM Management and/or BZAM Holdings sought payment under the Indemnity Agreement following the closing of the first step of the Wyld Transaction. Wyld made payments totalling approximately \$300,000 under the Indemnity Agreement.



## **H. UPDATE ON THE DISCLAIMER MOTION**

44. As set out in the Monitor's Seventh Report dated November 29, 2024, the Applicant Medican was party to certain agreements with Ms. France Boisvert and Mr. Daniel Fontaine, and to which 9430 Québec intervened. On May 29, 2024, Medican provided notice to these counterparties that it was disclaiming their agreements.
45. Ms. Boisvert and Mr. Fontaine served a notice of motion challenging Medican's efforts to disclaim their agreements. The Monitor engaged with Ms. Boisvert and Mr. Fontaine's counsel, on the one hand, and the Applicants' counsel, on the other hand, in an effort to consensually, economically, and efficiently resolve the matter. As reported in the Supplemental Seventh Report, the parties reached a negotiated resolution.
46. On December 2, 2024, this Court granted an order authorizing either the Monitor or 9430 Québec to file an assignment in bankruptcy for 9430 Québec. That assignment will only be made once certain conditions forming the negotiated resolution between the Applicants, Ms. Boisvert, and Mr. Fontaine have been satisfied. The Monitor understands that the Applicants are in the process of satisfying those conditions.

## **I. RECEIPTS AND DISBURSEMENTS FOR THE SEVEN-WEEK PERIOD ENDED DECEMBER 28, 2024**

47. BZAM's actual net cash flow from operations on a consolidated basis for the seven-week period ended December 28, 2024, was approximately \$2.2 million. This is compared to a forecasted net cash flow of approximately \$0.9 million as noted in the cash flow projection attached as Appendix "A" to the Seventh Report, representing a positive variance of approximately \$1.3 million as summarized in the following chart:

(\$CAD in thousands)	7 Weeks Ending December 28, 2024			
	Actual	Forecast	Variance (\$)	Variance (%)
Receipts				
Receipts from Operations	\$ 15,660	\$ 15,576	\$ 84	0.5%
Miscellaneous Receipts	1,000	-	1,000	0.0%
<b>Total Receipts</b>	<b>\$ 16,660</b>	<b>\$ 15,576</b>	<b>\$ 1,084</b>	<b>7.0%</b>
Disbursements				
<i>Operating Disbursements</i>				
Production Costs	(5,037)	(5,719)	682	11.9%
Insurance	(293)	(435)	142	32.6%
Payroll	(3,301)	(3,414)	113	3.3%
Rent	-	-	-	0.0%
Taxes	(4,097)	(4,200)	103	2.5%
Other Operating Expenses	(1,691)	(890)	(801)	-90.0%
<b>Total Operating Disbursements</b>	<b>\$ (14,419)</b>	<b>\$ (14,658)</b>	<b>\$ 239</b>	<b>1.6%</b>
<b>Net Cash from Operations</b>	<b>\$ 2,241</b>	<b>\$ 918</b>	<b>\$ 1,323</b>	<b>144.2%</b>
<i>Financing Disbursements</i>				
Loan Advances (Repayments)	-	-	-	0.0%
Interest Expenses & Fees	(42)	(42)	-	0.0%
<i>Restructuring Disbursements</i>				
Restructuring Legal and Professional Costs	(354)	(654)	300	45.9%
<b>Net Cash Flows</b>	<b>\$ 1,845</b>	<b>\$ 222</b>	<b>\$ 1,623</b>	<b>731.1%</b>
Beginning Balance	1,081	\$ 1,081	0	0.0%
Net Receipts/ (Disbursements)	1,845	222	1,623	731.1%
DIP Advances/ (Repayments)	(1,510)	77	(1,588)	2061.1%
DIP Fees & Interest Payment	(381)	(380)	(1)	-0.2%
<b>Ending Balance</b>	<b>\$ 1,035</b>	<b>\$ 1,000</b>	<b>\$ 35</b>	<b>3.5%</b>

48. Explanations for key variances are as follows:

- (a) positive variance in *Miscellaneous Receipts* of approximately \$1.0 million is attributable to the Wyld Transaction, which closed on December 13, 2024. The purchaser paid the proceeds on closing to BZAM, which subsequently repaid obligations outstanding under the DIP Loan to Cortland;
- (b) *Production Costs* and *Other Operating Expenses* should be viewed together as the expenditures are incurred in the production and cultivation of cannabis. The combined negative variance of approximately \$(0.1) million is due to prepayments made to suppliers along with greater than forecast input costs to support increased

sale volumes. A portion of this variance may reverse in future weeks as prepaid purchases are delivered;

- (c) positive variance in *Insurance* of approximately \$0.1 million is due to the timing of insurance instalment payments. A significant portion of this variance is expected to reverse in future weeks as insurance instalments are paid;
- (d) positive variance in *Payroll* of approximately \$0.1 million is primarily due to the timing of payroll tax payments. A significant portion of this variance is expected to reverse in future weeks as payroll taxes are remitted;
- (e) positive variance in *Taxes* of approximately \$0.1 million is primarily due to lower than forecasted outflows of excise taxes, as a greater portion of BZAM's sales were business-to-business over the forecast period than had been initially anticipated. A portion of this variance is expected to reverse in the coming weeks as tax payments are remitted to the relevant taxation authorities;
- (f) positive variance in *Restructuring Legal and Professional Costs* of approximately \$0.3 million is primarily due to lower than forecasted outflows. This variance is expected to reverse in future weeks as invoices are issued and paid; and
- (g) variance in *DIP Advances (Repayments)* of approximately \$(1.6) million is primarily due to lower than forecasted cash outflows due to proactive cash management resulting in lower financing needs than initially anticipated.

## **J. PROPOSED DISTRIBUTIONS**

49. The proposed Edmonton Property AVO authorizes and directs the Applicants to distribute the Proceeds from the Edmonton Property Transaction:
- (a) first, to Avison Young as satisfaction of the Broker Fee; and
  - (b) second, to the remainder to Cortland as partial satisfaction of the indebtedness owing to Cortland under the DIP Loan.

50. The distribution to Cortland is intended to act as a pre-payment of the cash consideration required to be paid by the Stalking Horse Purchaser under the Stalking Horse Agreement, i.e. any proceeds distributed to Cortland will reduce the indebtedness owing to Cortland, and therefore reduce the consideration required to be paid by the Stalking Horse Purchaser upon the closing of the Stalking Horse Transaction. When considering the Edmonton Property Transaction and the Stalking Horse Transaction together, the total amount of consideration to be paid to Cortland will be equal and consistent with the terms of the Stalking Horse Agreement.
51. As described in greater detail in the Pre-filing Report of the Proposed Monitor dated February 28, 2024, the Monitor’s counsel has conducted a review of Cortland’s security and concluded that subject to the customary assumptions and qualifications contained therein, the personal property security granted to Cortland is valid and enforceable and ranks in priority to other claims with respect to the personal property secured, against the Applicants or a trustee-in- bankruptcy in respect thereof. Therefore, the Monitor supports the proposed distribution to Cortland.

**K. THE STAY EXTENSION**

52. The Stay Period is set to expire on January 13, 2025.
53. As is demonstrated in the cash flow projection attached to this Eighth Report as **Appendix “A”** (the “**Revised and Extended Cash Flow Projections**”), the Applicants are forecasted to have sufficient liquidity to fund their obligations and the costs of these CCAA proceedings through to the end of the extended Stay Period on March 31, 2025, by accessing the DIP Loan.
54. The DIP Loan is presently set to mature on January 13, 2025. Cortland and the Applicants have agreed to extend its maturity date to and including March 31, 2025. A copy of the executed extension agreement is attached to this Eighth Report as **Appendix “B”**.
55. The Revised and Extended Cash Flow Projections for the 14-week period from December 29, 2024, through March 30, 2025, are summarized below:

(\$CAD in thousands)	14 Weeks
	Total
Receipts	
Receipts from Operations	\$ 26,999
<b>Total Receipts</b>	<b>\$ 26,999</b>
Disbursements	
<i>Operating Disbursements</i>	
Production Costs	(9,265)
Insurance	(628)
Payroll	(6,235)
Taxes	(12,078)
Other Operating Expenses	(1,367)
<b>Total Operating Disbursements</b>	<b>\$ (29,573)</b>
<b>Net Cash from Operations</b>	<b>\$ (2,574)</b>
<i>Financing Disbursements</i>	
Loan Advances (Repayments)	-
Interest Expenses & Fees	(84)
<i>Restructuring Disbursements</i>	
Restructuring Legal and Professional Costs	(1,193)
<b>Net Receipts/ (Disbursements)</b>	<b>\$ (3,851)</b>
Cash	
Beginning Balance	\$ 1,035
Net Receipts/ (Disbursements)	(3,851)
DIP Advances/ (Repayments)	4,942
DIP Fees & Interest Payment	(1,126)
<b>Ending Cash Balance</b>	<b>\$ 1,000</b>

56. The Monitor recommends that the Stay Period be extended to March 31, 2025, for the following reasons, *inter alia*:

- (a) the Monitor does not believe that any creditor will be materially prejudiced by the extension of the Stay Period;

- (b) the Applicants have acted and continue to act in good faith and with due diligence to advance their restructuring;
- (c) extending the Stay Period to March 31, 2025, allows the Applicants to:
  - (i) consummate the Edmonton Property Transactions (provided that this Court approves the Edmonton Property Transaction);
  - (ii) prepare for and potentially seek approval of the Stalking Horse Transaction, which in the Monitor's view is in the best interests of the Applicants and their stakeholders;
  - (iii) assign 9430 Québec into bankruptcy (subject to the completion of certain conditions precedent) and otherwise resolve the Disclaimer Motion; and
  - (iv) continue the process of restructuring their business;and
- (d) as of the date of this Eighth Report, the Monitor is not aware of any party opposed to the requested extension of the Stay Period.

## **L. SEALING**

57. The Applicants are seeking to seal the Settlement Agreement, the Confidential Supplement, and the Confidential Appendix. The Monitor supports this relief:
- (a) as set out above, the Settlement Agreement contains financial terms that are commercially sensitive to the settling parties;
  - (b) the Confidential Appendix includes commentary on the Settlement Agreement and discusses certain terms contained therein; and
  - (c) the Confidential Supplement contains information such as the economic terms of the letters of intent submitted as part of the SISP. This is information that is commercially sensitive and ought not form part of the public record, especially given that the Stalking Horse Transaction has not yet been implemented. If the

Stalking Horse Transaction does not close, then the disclosure of the letters of intent could prejudice the Applicants' ability to sell their business for the best possible price.

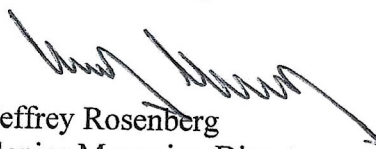
**M. CONCLUSION**

58. Based on the foregoing, the Monitor respectfully recommends that this Court grant the relief set out in paragraph 3 above.

All of which is respectfully submitted this 9th day of January, 2025.

FTI Consulting Canada Inc.

In its capacity as Monitor of BZAM Ltd., BZAM Holdings Inc., BZAM Cannabis Corp., Folium Life Science Inc., 102172093 Saskatchewan Ltd., The Green Organic Dutchman Ltd., Medican Organic Inc., High Road Holding Corp., Final Bell Corp. and 1001028579 Ontario Inc.



Jeffrey Rosenberg  
Senior Managing Director

**APPENDIX “A”**

**[ATTACHED]**



## BZAM Ltd.

### Consolidated Cash Flow Forecast

(SCAD in thousands)

Forecast Week Starting (Sunday)	29-Dec-24	05-Jan-25	12-Jan-25	19-Jan-25	26-Jan-25	02-Feb-25	09-Feb-25	16-Feb-25	23-Feb-25	02-Mar-25	09-Mar-25	16-Mar-25	23-Mar-25	30-Mar-25	14 Weeks	
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	11	12	13	14	Total
<b>Receipts</b>																
Receipts from Operations	[2]	\$ 507	\$ 2,134	\$ 2,190	\$ 1,780	\$ 2,297	\$ 2,589	\$ 2,354	\$ 1,536	\$ 2,636	\$ 1,169	\$ 1,646	\$ 1,697	\$ 2,345	\$ 2,119	\$ 26,999
<b>Total Receipts</b>		\$ 507	\$ 2,134	\$ 2,190	\$ 1,780	\$ 2,297	\$ 2,589	\$ 2,354	\$ 1,536	\$ 2,636	\$ 1,169	\$ 1,646	\$ 1,697	\$ 2,345	\$ 2,119	\$ 26,999
<b>Disbursements</b>																
<i>Operating Disbursements</i>																
Production Costs	[3]	(165)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(9,265)
Insurance		(57)	(100)	-	-	(157)	-	-	-	(157)	-	-	-	-	-	(628)
Payroll	[4]	(125)	(470)	(470)	(470)	(470)	(470)	(470)	(470)	(470)	(470)	(470)	(470)	(470)	(470)	(6,235)
Taxes	[5]	(2,878)	-	-	-	(3,000)	-	-	-	(3,200)	-	-	-	-	(3,000)	(12,078)
Other Operating Expenses	[6]	(67)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(1,367)
<b>Total Operating Disbursements</b>		\$ (3,292)	\$ (1,370)	\$ (1,270)	\$ (1,270)	\$ (4,427)	\$ (1,270)	\$ (1,270)	\$ (1,270)	\$ (4,627)	\$ (1,270)	\$ (1,270)	\$ (1,270)	\$ (1,270)	\$ (4,427)	\$ (29,573)
<b>Net Cash from Operations</b>		\$ (2,785)	\$ 764	\$ 920	\$ 510	\$ (2,130)	\$ 1,319	\$ 1,084	\$ 266	\$ (1,991)	\$ (101)	\$ 376	\$ 427	\$ 1,075	\$ (2,308)	\$ (2,574)
<i>Financing Disbursements</i>																
Interest Expenses & Fees	[7]	(42)	-	-	-	(42)	-	-	-	-	-	-	-	-	-	(84)
<i>Restructuring Disbursements</i>																
Restructuring Legal and Professional Costs	[8]	(218)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(1,193)
<b>Net Receipts/ (Disbursements)</b>		\$ (3,045)	\$ 689	\$ 845	\$ 435	\$ (2,247)	\$ 1,244	\$ 1,009	\$ 191	\$ (2,066)	\$ (176)	\$ 301	\$ 352	\$ 1,000	\$ (2,383)	\$ (3,851)
<b>Cash</b>																
Beginning Balance		\$ 1,035	\$ 983	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,035
Net Receipts/ (Disbursements)		(3,045)	689	845	435	(2,247)	1,244	1,009	191	(2,066)	(176)	301	352	1,000	(2,383)	(3,851)
DIP Advances/ (Repayments)	[9]	2,993	(267)	(845)	(435)	2,247	(884)	(1,009)	(191)	2,066	536	(301)	(352)	(1,000)	2,383	4,942
DIP Fees & Interest Payment	[10]	-	(406)	-	-	-	(360)	-	-	-	(360)	-	-	-	-	(1,126)
<b>Ending Balance</b>		\$ 983	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b>DIP Facility</b>																
Opening Balance		\$ 31,169	\$ 34,254	\$ 33,673	\$ 32,915	\$ 32,568	\$ 34,908	\$ 33,755	\$ 32,834	\$ 32,731	\$ 34,890	\$ 35,161	\$ 34,954	\$ 34,695	\$ 33,786	\$ 31,169
(+) Additional DIP Draws (Repayments)		2,993	(267)	(845)	(435)	2,247	(884)	(1,009)	(191)	2,066	536	(301)	(352)	(1,000)	2,383	4,942
(+) Accrued Interest		92	91	88	87	93	91	88	88	93	95	94	93	90	97	1,281
(-) Fees & Interest Payment		-	(406)	-	-	-	(360)	-	-	-	(360)	-	-	-	-	(1,126)
<b>Closing Balance (DIP &amp; Interest)</b>		\$ 34,254	\$ 33,673	\$ 32,915	\$ 32,568	\$ 34,908	\$ 33,755	\$ 32,834	\$ 32,731	\$ 34,890	\$ 35,161	\$ 34,954	\$ 34,695	\$ 33,786	\$ 36,266	\$ 36,266

#### Notes to the Consolidated Cash Flow Forecast:

[1] The purpose of the Cash Flow Forecast is to estimate the liquidity requirements of BZAM Ltd. and its subsidiaries ("BZAM" or the "Company"). The forecast above is presented in Canadian Dollars. The forecast 14-week Cash Flow Forecast is on a cash-basis only and does not include timing differences for cash in transit.

[2] Receipts from Operations are based on management's current expectations regarding sales and collections. Receipts from operations have been forecast based on current payment terms, historical trends in collections, and expected demand.

[3] Production Costs includes the cost of operating the growing facilities as well as the purchase of cannabis from other Licensed Producers ("LPs").

[4] Payroll is based on historical payroll amounts and future forecast amounts based on planned headcount reductions.

[5] Taxes include payments for sales tax (GST, HST, and QST) to various taxing authorities across Canada as well as the post-filing Excise Tax in accordance with the Excise Tax Act.

[6] Other Operating Expenses include selling, general, and administrative payments

[7] Interest Expenses & Fees include an interest-only payment on a mortgaged property.

[8] Restructuring Legal and Professional Costs include legal and professional fees associated with the CCAA proceedings and are based on estimates provided by the advisors.

[9] DIP Advances/Repayments are based on funding requirements and maintaining a minimum cash balance of around \$1.0 million.

[10] DIP Accrued Interest reflects interest of 14.0% accrued on the DIP Advances under the DIP Facility during the forecast period. Interest is payable on the first of the month.

**APPENDIX “B”**

**[ATTACHED]**

**FIFTH AMENDMENT**  
**dated as of January 9, 2025**  
**to**  
**DIP FACILITY AGREEMENT**

**THIS FIFTH AMENDMENT** dated as of January 9, 2025 (this “**Amendment**”) is entered into among The Green Organic Dutchman Ltd. (the “**Borrower**”), each of the other signatories party hereto (collectively, the “**Guarantors**” and together with the Borrower, collectively, the “**Credit Parties**”), and Cortland Credit Lending Corporation, in its capacity as administrative agent for and on behalf of certain lenders (the “**DIP Lender**”).

**WHEREAS** the Credit Parties and the DIP Lender are parties to a DIP facility agreement dated February 28, 2024, made effective pursuant to the Initial Order, as amended pursuant to the first amendment dated July 12, 2024, the second amendment dated August 21, 2024, the third amendment dated October 11, 2024, and the fourth amendment dated November 27, 2024 (as it may be further amended, restated, supplemented or otherwise modified from time to time, the “**DIP Facility Agreement**”).

**AND WHEREAS** capitalized terms used herein but not otherwise defined shall have the meanings given to such terms in the DIP Facility Agreement.

**AND WHEREAS** the litigation brought by Final Bell Holdings International Ltd. against the Credit Parties before the Court (the “**FBC Litigation**”) constitutes an Event of Default under the DIP Facility Agreement.

**AND WHEREAS** pursuant to the Minutes of Settlement effective as of December 13, 2024, the parties thereto consented to, among other things, an order dismissing the FBC Litigation.

**AND WHEREAS** the Credit Parties and the DIP Lender have agreed to amend the DIP Facility Agreement, from and after the Amendment Effective Date (as hereinafter defined), on the terms and conditions more particularly described herein.

**NOW THEREFORE**, in consideration of the premises and mutual agreements contained herein and in the DIP Facility Agreement, the parties hereto agree as follows:

**ARTICLE 1 – AMENDMENTS**

- 1.1 As of the Amendment Effective Date, Section 3.18 of the DIP Facility Agreement is hereby amended by replacing the date “January 13, 2025” with the date “March 31, 2025”.
- 1.2 As of the Amendment Effective Date, Item 8 within Schedule “E” of the DIP Facility Agreement referencing the FBC Litigation is hereby amended as follows:  
“8. [Reserved.]”

**ARTICLE 2 – REPRESENTATIONS AND WARRANTIES**

- 2.1 Each Credit Party hereby represents and warrants that:
  - (a) the representations and warranties made by it in the DIP Facility Agreement and any other Transaction Document to which it is a party, other than those expressly stated to be made as of a specific date, are true and correct in all material respects as of the date

hereof with the same effect as if such representations and warranties had been made on and as of the date hereof; and

- (b) no Event of Default has occurred which is continuing (other than the other actions, suits and/or proceedings identified in item numbers 9 and 10 of Schedule “E” of the DIP Facility Agreement) on the date hereof or will occur as a result of entering into this Amendment or the observance or performance of its obligations hereunder.

### ARTICLE 3 – MISCELLANEOUS

- 3.1 Effectiveness. Article 1 of this Amendment shall become effective on the date this Amendment is executed by all parties to the Amendment (the “**Amendment Effective Date**”).
- 3.2 References to DIP Facility Agreement. Upon the effectiveness of this Amendment, each reference in the DIP Facility Agreement to “this Agreement”, “hereunder”, “hereof”, “herein” or words of like import shall mean and be a reference to the DIP Facility Agreement as amended by this Amendment, and each reference to the DIP Facility Agreement in any other document, instrument or agreement executed and/or delivered in connection with the DIP Facility Agreement shall mean and be a reference to the DIP Facility Agreement as amended by this Amendment.
- 3.3 Effect on DIP Facility Agreement. The DIP Facility Agreement, as amended and modified hereby, and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.
- 3.4 No Waiver. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the DIP Lender under the DIP Facility Agreement or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein, except as specifically set forth herein. Without limiting the foregoing, the Credit Parties acknowledge and agree that the DIP Lender has not waived any Event of Default that may exist under the DIP Facility Agreement, including any Event of Default arising from or relating to the other actions, suits and/or proceedings identified in item numbers 9 and 10 of Schedule “E” of the DIP Facility Agreement.
- 3.5 Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 3.6 Successors and Assigns. This Amendment shall enure to the benefit of the parties hereto and their respective successors and assigns and be binding upon the parties hereto and their respective successors and assigns in accordance with the DIP Facility Agreement.
- 3.7 Headings. The section headings in this Amendment are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Amendment or any provision hereof.
- 3.8 Counterparts. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. Delivery by email of an executed signature page of this Amendment shall be as effective as delivery of an original executed counterpart thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed this Amendment.

**BORROWER:**

**THE GREEN ORGANIC DUTCHMAN LTD.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**GUARANTORS:**

**BZAM LTD.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**1001028579 ONTARIO INC.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**FOLIUM LIFE SCIENCE INC.**

By:   
Name: Matt Milich  
Title: Authorized Signatory


**MEDICAN ORGANIC INC.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**FINAL BELL CORP.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**BZAM HOLDINGS INC.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**BZAM CANNABIS CORP.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**102172093 SASKATCHEWAN LTD.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**HIGH ROAD HOLDING CORP.**

By:   
Name: Matt Milich  
Title: Authorized Signatory

**DIP LENDER:**

**CORTLAND CREDIT LENDING  
CORPORATION**

By: Sean R. Register

Name: Sean Register

Title: Chief Executive Officer

**CONFIDENTIAL APPENDIX**

**[SUBJECT TO A REQUEST FOR A SEALING ORDER]**

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

Court File No: CV-24-00715773-00CL

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BZAM  
LTD., BZAM HOLDINGS INC., BZAM CANNABIS CORP., FOLIUM LIFE SCIENCE INC.,  
102172093 SASKATCHEWAN LTD., THE GREEN ORGANIC DUTCHMAN LTD.,  
MEDICAN ORGANIC INC., HIGH ROAD HOLDING CORP., FINAL BELL CORP. and  
1001028579 ONTARIO INC.**

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**EIGHTH REPORT OF  
THE MONITOR  
(January 9, 2025)**

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**Lawyers for the Monitor**