

IN THE MATTER OF THE BANKRUPTCY OF

1001105728 ONTARIO INC., BZAM HOLDINGS INC., BZAM CANNABIS
CORP., FOLIUM LIFE SCIENCE INC., 102172093 SASKATCHEWAN
LTD., HIGH ROAD HOLDING CORP., FINAL BELL CORP., AND
1001028579 ONTARIO INC.
OF THE CITY OF TORONTO
IN THE PROVINCE OF ONTARIO

REPORT OF THE TRUSTEE ON PRELIMINARY ADMINISTRATION
FOR THE FIRST MEETING OF CREDITORS
October 31, 2025

INTRODUCTION

1. On February 28, 2024, BZAM Ltd., BZAM Holdings Inc., BZAM Management Inc. (“**BMI**”), BZAM Cannabis Corp., 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. (together, the “**CCAA Applicants**”)¹ sought and obtained an order (as amended from time to time, the “**Initial Order**”) from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”).

¹ During the course of the CCAA proceedings, certain of the CCAA Applicants were removed as applicants in the CCAA proceedings, as more fully described in this report. The term “CCAA Applicants” as used in this report should be understood to mean the CCAA Applicants subject to the CCAA proceedings at the applicable time.



2. Pursuant to the Initial Order, FTI Consulting Canada Inc. (“**FTI**”) was appointed as monitor (the “**Monitor**”). FTI posted materials related to the CCAA proceedings, including a copy of the Initial Order, on its case webpage: <http://cfcanada.fticonsulting.com/BZAM/>.
3. On March 8, 2024, the CCAA Applicants obtained an amended and restated Initial Order from the Court extending the period of the Court-ordered stay of proceedings against the CCAA Applicants under the CCAA until and including May 25, 2024.
4. On December 13, 2024, in accordance with the approval and vesting order granted on October 15, 2024, BMI ceased to be an applicant in the CCAA proceedings and BMI’s right, title and interest in and to the excluded liabilities and excluded assets were transferred and vested to and in 1001028579 Ontario Inc., which was added as an applicant to the CCAA proceedings.
5. On May 15, 2025, the Court granted an order (the “**Approval and Reverse Vesting Order**”), which among other things, approved an amended and restated share subscription agreement dated May 9, 2025 (as may be further amended and restated, the “**Subscription Agreement**”) among BZAM Ltd. and 1000816625 Ontario Inc. (the “**Stalking Horse Purchaser**”), nunc pro tunc, and the transaction contemplated thereby (the “**Stalking Horse Transaction**”), inclusive of minor amendments the CCAA Applicants and the Stalking Horse Purchaser, with the consent of the Monitor, may deem necessary. The Subscription Agreement, among other things, provided that TGOD and BZAM Ltd. were “Purchased Subsidiary” that would continue as a going-concern business outside of the CCAA proceedings, and the Approval and Reverse Vesting Order, in turn, provided that TGOD and BZAM Ltd. would cease to be CCAA Applicants upon closing of the Stalking Horse Transaction. 1001105728 Ontario Inc. (“**Residual Co.**”) was added as an applicant to the CCAA proceedings.

6. An order was issued on May 15, 2025 (the “**CCAA Termination Order**”) granting each of the CCAA Applicants the authority to make an assignment in bankruptcy pursuant to the *Bankruptcy and Insolvency Act, RSC 1985, c. B-3* (“**BIA**”). Specifically, paragraphs 14 through 17 set out certain authorities granted by the Court as it relates to potential assignments in bankruptcy.
7. On July 30, 2025, the Court granted an order (the “**Amending Order**”), which among other things, (a) approved an amended and restated Subscription Agreement dated July 24, 2025; and (b) amended the Approval and Reverse Vesting Order. The amended and restated Subscription Agreement had the effect of, among other things, adding Medican as a “Purchased Subsidiary” (in addition to TGOD and BZAM Ltd.) that would continue as a going-concern business outside of these CCAA proceedings, and the Amending Order, in turn, provided that Medican (in addition to TGOD and BZAM Ltd.) would cease to be a CCAA Applicant upon closing of the Stalking Horse Transaction.
8. On October 10, 2025, the Monitor delivered its certificate certifying that it had received written confirmation from the Stalking Horse Purchaser and BZAM Ltd. in form and substance satisfactory to the Monitor that all conditions to closing the Stalking Horse Transaction were satisfied or waived by the parties to the Subscription Agreement. As a result, BZAM Ltd., TGOD, and Medican ceased to be applicants in the CCAA proceedings and Residual Co. was added as an applicant.
9. On October 16, 2025, 1001105728 Ontario Inc., and on October 17, 2025, BZAM Holdings Inc., BZAM Cannabis Corp., Folium Life Science Inc., 102172093 Saskatchewan Ltd., High Road Holding Corp., Final Bell Corp., and 1001028579 Ontario Inc. (together, the “**Debtors**”) each made an assignment in bankruptcy pursuant to the BIA.

10. FTI was appointed as trustee in bankruptcy (in such capacity, the “**Trustee**”) of each of the Debtors pursuant to certificates of appointment issued by the Office of the Superintendent of Bankruptcy Canada on October 16, 2025, for 1001105728 Ontario Inc. and on October 17, 2025, for the other Debtors.
11. In accordance with paragraph 15 of the CCAA Termination Order, the Trustee is authorized to administer the bankruptcy estates of the Debtors as if such estates were in respect of a single bankrupt for the purposes of carrying out its duties and responsibilities as trustee under the BIA. As such, the bankruptcy estates of the Debtors are being administered as one consolidated proceeding (the “**Consolidated Proceedings**”). The Consolidated Proceedings are not a substantive consolidation of the bankrupt estates of the Debtors and do not:
 - (a) affect the separate legal status of the corporate structure of the Debtors;
 - (b) cause any of the bankrupt estates of the Debtors to be liable for any claim for which it is otherwise not liable, or cause any of the Debtors to have any interest in any asset which it otherwise would not have; or
 - (c) affect the bankrupt estates of the Debtors filing obligations under the BIA.

CAUSES OF FINANCIAL DIFFICULTY

12. The CCAA Applicants struggled with cash flows since January 31, 2024, as a result of, among other things, the acquisition of Final Bell Corp., significant arrears of excise tax, and large amounts of unpaid accounts payable. The CCAA filing stemmed from the CCAA Applicants’ need for additional capital to address an imminent liquidity shortfall as well as the maturity and payment due dates of various debt obligations.

13. Subsequent to the closing of the Stalking Horse Transaction, the Debtors no longer own any assets. The Debtors are neither able to meet their obligations generally as they become due, nor do they have sufficient assets to pay its liabilities. Accordingly, the Debtors are insolvent.

CONSERVATORY AND PROTECTIVE MEASURES

14. The Trustee has made arrangements for electronic storage of the Debtors' books and records.
15. The Debtors have no assets for which conservatory and protective measures could be taken.

ASSETS AND LIABILITIES

16. The following is a summary of the assets and liabilities of the Debtors, as reflected in the Statement of Affairs prepared on October 15, 2025:

	1001105728 Ontario Inc.	BZAM Holdings Inc.	BZAM Cannabis Corp.	Folium Life Science Inc.	102172093 Saskatchewan Ltd.	High Road Holding Corp.	Final Bell Corp.	1001028579 Ontario Inc.
Assets								
Cash	\$ 10.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assets	\$ 10.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Liabilities								
Secured Creditors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unsecured Creditors	\$ 25,550,797.06	\$ 257,604.96	\$ 1,161,222.20	\$ 59,244.30	\$ 86,447.34	\$ 8,000,000.00	\$ 6,837,241.84	\$ 8,088,125.35
Total Liabilities	\$ 25,550,797.06	\$ 257,604.96	\$ 1,161,222.20	\$ 59,244.30	\$ 86,447.34	\$ 8,000,000.00	\$ 6,837,241.84	\$ 8,088,125.35
Deficiency	\$ 25,550,787.06	\$ 257,604.96	\$ 1,161,222.20	\$ 59,244.30	\$ 86,447.34	\$ 8,000,000.00	\$ 6,837,241.84	\$ 8,088,125.35

17. 1001105728 Ontario Inc. holds \$10.00 in cash, which represents the amounts paid by the Stalking Horse Purchaser on the date of closing of the Stalking Horse Transaction to satisfy the Excluded Liability Promissory Note and Excluded Assets and Contracts Promissory Note, each as defined in the Subscription Agreement. The remaining Debtors do not hold any assets.

PREFERENCES AND TRANSFERS AT UNDERVALUE

18. The Trustee is not aware of any transactions involving the Debtors that may constitute preferences or transfers at undervalue in accordance with the BIA.
19. The Trustee notes that in the course of the CCAA proceedings, the Debtors engaged in the following transactions:
 - (a) a sale transaction pursuant to a share purchase agreement dated August 23, 2024, among BZAM Holdings Inc., as vendor, BMI, as target, 1000912353 Ontario Inc. as purchaser, and Wyld Canada Inc. as an interested third-party, which was approved by the Court pursuant to an Approval and Vesting Order dated October 15, 2024 (the “**First AVO**”);
 - (b) a sale transaction pursuant to an agreement of purchase and sale between BZAM Cannabis Corp., as vendor, and 2627411 Alberta Ltd., as purchaser, dated January 6, 2025, nunc pro tunc, which was approved by the Court pursuant to an Approval and Vesting Order dated January 13, 2025 (the “**Second AVO**”); and
 - (c) the Stalking Horse Transaction, which was approved by the Court pursuant to the Approval and Reverse Vesting Order and the Amending Order.
20. The First AVO (at paragraph 21), the Second AVO (at paragraph 15), and the Approval and Reverse Vesting Order (at paragraph 29) each explicitly state, in similar terms, that the three aforementioned transactions are not preferences or transfers at undervalue. For convenience, the Trustee has excerpted below paragraph 29 from the Approval and Reverse Vesting Order:

29. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these CCAA proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B- BIA respect of

- any of the [CCAA Applicants] and any bankruptcy or receivership order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any of the [CCAA Applicants],

the Subscription Agreement and the implementation of the [Stalking Horse] Transaction (including without limitation: (i) the assignment of the Assigned Contract, and (ii) the transfer and vesting of the Excluded Assets, Excluded Contracts and Excluded Liabilities in and to ResidualCo and the issuance and vesting of the Subscribed Shares in and to the Purchaser) and any payments by or to the Purchaser or the Monitor authorized herein shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the [CCAA Applicants] and shall not be void or voidable by creditors of any [CCAA Applicant], as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

LEGAL PROCEEDINGS

21. In addition to the Debtors' CCAA proceedings, the Trustee understands, based on the CCAA Applicants' disclosure in the course of the CCAA proceedings, that the Debtors are involved in the following legal proceedings (certain of these legal proceedings were transferred to the Debtors as an "Excluded Liability" pursuant to the Approval and Reverse Vesting Order and the Amending Order):

- (a) *1613240 Ontario Ltd. and Amy Stephenson v. The Green Organic Dutchman Holdings Ltd.* (the prior name of BZAM Ltd.), Ontario Superior Court of Justice file no. CV-18-605781;

- (b) BZAM Management Inc. has filed an appeal from assessments by the Ministry of Finance (British Columbia)'s tax appeals division to recover approximately \$1.05 million in British Columbian property transfer taxes paid by it in connection with its acquisition of three properties in British Columbia;
- (c) On February 1, 2021, a former BZAM Cannabis Corp. employee filed a human rights complaint with the Alberta Human Rights Commission with respect to their termination for refusal to be vaccinated for Covid-19 pursuant to the business's vaccination policy;
- (d) *Jason Glenn c.o.b.a Frostmec Services v. BZAM Management Inc.*, British Columbia Small Claims Court file no. VICP-C-220188. In this proceeding, a former employee filed a notice of claim alleging non-payment of invoices and is seeking \$28,082.00;
- (e) *Freyja Jorgensen v. Final Bell Canada*, Human Rights Tribunal of Ontario file no. 2023-53071, commenced May 31, 2023. In this proceeding, a former employee of Final Bell Corp. claimed \$123,201; and
- (f) *Thanasi Tambakos, Silvia Vassileva, Christian Tambakos, by his Litigation Guardian, Silvia Vassileva, and Gabriella Tambakos by her Litigation Guardian Silvia Vassileva v. Spectrum Cannabis Canada Ltd. (F.K.A. Mettrum Ltd.), Final Bell Corp. (F.K.A. Starseed Medicinal Inc., and Mettrum (Bennett North) Ltd.), Agripharm Corp., and Canopy Growth Corporation*, Ontario Superior Court of Justice File No. CV-23-00695168-0000, issued February 23, 2023. In this proceeding, the defendants are alleged to be negligent in the cultivation, production, testing, processing, manufacture, distribution, marketing and sale of the medical marijuana products affected by a recall of products produced, marketed and sold by the defendant, Mettrum Ltd. The claim is for approximately \$475,000.

22. The Trustee has not verified whether the legal proceedings in the aforementioned list are a complete list of active legal proceedings involving the Debtors, nor has the Trustee verified the current status of the aforementioned legal proceedings.

FUNDING OF THE BANKRUPTCY

23. In accordance with the Approval and Reverse Vesting Order, CCAA Termination Order, and Amending Order, the costs and expenses associated with the bankruptcy of the Debtors will be funded from the Wind-Up Reserve, as defined in the Subscription Agreement. The funds have been transferred to the Monitor in trust as a part of the Wind-Up Reserve, pursuant to paragraph 14 of the CCAA Termination Order. The Wind-Up Reserve is not considered estate funds and, to the extent there are any funds remaining in the Wind-Up Reserve following payment of all fees and disbursements of the Monitor and Monitor's counsel, including the costs of the bankruptcy, the excess funds shall be returned to Stalking Horse Purchaser pursuant to the CCAA Termination Order.

ANTICIPATED DISTRIBUTION TO CREDITORS

24. The Trustee does not anticipate any distributions to creditors.

DATED at the City of Toronto, in the Province of Ontario this 31st day of October,
2025.

FTI Consulting Canada Inc.

Trustee of the Estates of

1001105728 Ontario Inc., BZAM Holdings Inc., BZAM Cannabis Corp., Folium Life
Science Inc., 102172093 Saskatchewan Ltd., High Road Holding Corp., Final Bell Corp.,
and 1001028579 Ontario Inc., each a Bankrupt



Per: Jeffrey Rosenberg, LIT
Senior Managing Director

