

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.

ELEVENTH REPORT OF FTI CONSULTING CANADA INC., AS MONITOR

July 29, 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

**ELEVENTH 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 Holdings**”), BZAM Management Inc. (“**BZAM Management**”),¹ BZAM Cannabis Corp., Folium Life Science Inc. (“**Folium**”), 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, amongst other things, appointed FTI Consulting Canada Inc. (“**FTI**”) 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,² and their respective directors and officers until and including March 8, 2024.

¹ Since the date of the Initial Order, BZAM Management was removed as an Applicant in these CCAA proceedings and 1001028579 Ontario Inc. was added as an Applicant in these CCAA proceedings.

² 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, amongst other things, 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 May 15, 2025, until and including August 15, 2025.

B. PURPOSE OF THIS REPORT

3. The purpose of this Eleventh Report of the Monitor (the “**Eleventh Report**”) is to provide information to this Court with respect to the Applicants’ motion returnable July 30, 2025, seeking an Order, amongst other things:
 - (a) approving certain amendments to the amended and restated share subscription agreement dated May 9, 2025 (the “**First Amended Subscription Agreement**”) among BZAM and 1000816625 Ontario Inc. (the “**Stalking Horse Purchaser**”),³ as reflected in the second amended and restated share subscription agreement dated July 24, 2025 (the “**Second Amended Subscription Agreement**”) among BZAM and the Stalking Horse Purchaser;
 - (b) authorizing and approving, *nunc pro tunc*, BZAM’s execution of the Second Amended Subscription Agreement;
 - (c) amending certain provisions of the Approval and Reverse Vesting Order (as defined below) to, amongst other things, add Medican as a “Purchased Entity” (as defined in the Approval and Reverse Vesting Order) and remove Medican as an Applicant in these CCAA proceedings effective as of the “Closing Time” (as defined in the Approval and Reverse Vesting Order);
 - (d) extending the stay of proceedings until the earlier of: (i) October 15, 2025, and (ii) the CCAA Termination Time (as defined below) (the “**Stay Extension**”); and
 - (e) approving this Eleventh Report and the activities of the Monitor described herein.

³ 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.

4. This Eleventh 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 Eleventh Report, the Monitor has relied upon various sources of information including, amongst other things, 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 Eleventh 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 Eleventh 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 Eleventh 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 Eleventh 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 Eleventh Report in connection with the Applicants' motion seeking the relief set out in paragraph 3 above. This Eleventh 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 May 15, 2025 (which, amongst other things, sought an extension of the Stay Period to the earlier of (a) August 15, 2025; and (b) the CCAA Termination Time), the Monitor has, amongst other things:
 - (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 Applicants' debtor-in-possession credit facility (the "**DIP Loan**") from Cortland;
 - (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) engaged in matters related to the negotiation of the Second Amended Subscription Agreement and the implementation of the transaction contemplated thereby (the "**Stalking Horse Transaction**");
 - (e) acted as the trustee-in-bankruptcy for 9430-6347 Québec Inc. ("**9430 Québec**") in its assignment into bankruptcy;
 - (f) attended the first meeting of creditors and completed certain statutory obligations as the trustee-in-bankruptcy of 9430 Québec;

- (g) assisted the Applicants in dealing with the Canada Revenue Agency;
- (h) assisted the Applicants with preparations for the orderly termination of these CCAA proceedings;
- (i) managed the service list for these CCAA proceedings as well as the Monitor's Website;
- (j) continued to operate and monitor telephone hotlines and email accounts for stakeholder enquiries;
- (k) reviewed regulations under the Wage Earner Protection Program to understand its application in these CCAA proceedings;
- (l) prepared this Eleventh Report; and
- (m) engaged with the Monitor's legal counsel in connection with the foregoing activities.

E. THE STALKING HORSE TRANSACTION AND ITS DELAYED IMPLEMENTATION

Overview

11. As described in the Tenth Report of the Monitor dated May 13, 2025 (the "**Tenth Report**"), the Applicants intended to engage in a sale and investment solicitation process (the "**SISP**") since the commencement of these CCAA proceedings.
12. On March 8, 2024 (the Applicants' comeback hearing), the Court granted an order (the "**SISP Approval Order**") that, amongst other things, approved the SISP in which a share subscription agreement dated March 1, 2024, among BZAM and the Stalking Horse Purchaser (the "**Subscription Agreement**") would serve as a stalking horse bid. The SISP was structured in a flexible manner designed to maximize opportunities for the sale of, or investment in, all or part of the Applicants' assets and business.

13. The Monitor commenced solicitation efforts on March 11, 2024, shortly after the SISP Approval Order was granted. The Monitor carried out the SISP with the Applicants and, where applicable, in consultation with Cortland in its capacity as DIP Loan lender.
14. The SISP was structured as a two-phase process. Under the first phase, parties had until April 8, 2024, at 5:00 p.m. (ET) to submit a non-binding letter of intent. The deadline for the Applicants and the Monitor to determine if any letters of intent constituted a “Qualified LOI” for the purposes of the SISP was by no later than April 11, 2024. The SISP would then transition to a second phase in which “Qualified Bidders” could submit a “Qualified Bid” (as those terms are defined in the SISP).
15. The Monitor received three non-binding letters of intent by the deadline on April 8, 2024. Each letter of intent was made in respect of a specific asset and/or entity, and no letter of intent contemplated the purchase of the entire business. The Monitor consulted with the Applicants to consider each bid, assessed each bid against a liquidation scenario, and discussed potential bid improvements with the three potential bidders. No bid, even after the bidders adjusted their bids following discussions with the Monitor, was superior to the Stalking Horse Transaction.
16. On April 16, 2024, the Monitor and the Applicants concluded that no letters of intent constituted a “Qualified LOI” for the purposes of the SISP and that the SISP ought to be terminated and the Stalking Horse Transaction pursued.
17. The SISP Approval Order provided 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. This milestone was extended on multiple occasions due primarily to the uncertainty caused by a motion brought by Final Bell Holdings International Ltd. (“**FBHI**”) in these CCAA proceedings relating 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**”). The Final Bell Motion was settled by minutes of settlement effective December 13, 2024.

18. The Stalking Horse Transaction was also delayed by outstanding tax matters with the Canada Revenue Agency. These matters were resolved on the terms set out in a memorandum of understanding dated May 9, 2025.

The First Amended Subscription Agreement⁴

19. On May 9, 2025, BZAM and the Stalking Horse Purchaser entered into the First Amended Subscription Agreement. The material terms of the First Amended Subscription Agreement were set out in the Affidavit of Matthew Milich sworn May 9, 2025, at paragraph 31, and described in the Tenth Report. In brief, the First Amended Subscription Agreement provided as follows:

- (a) the Stalking Horse Purchaser would subscribe for all the common shares of BZAM through a reverse vesting transaction pursuant to which all equity interest of BZAM would be cancelled without consideration, and the Stalking Horse Purchaser would be the sole shareholder of BZAM;
- (b) prior to the acquisition of the shares, all of the Excluded Assets, Excluded Contracts, and Excluded Liabilities would be transferred to ResidualCo (a newly incorporated entity);
- (c) the purchase price would be:
 - (i) the Cash Consideration, which consists of (A) amounts owing in respect of the DIP Loan; (B) all amounts owing to Cortland in respect of the DIP Loan and the Second Amended and Restated Credit Agreement dated January 8, 2024; and (C) amounts in respect of the Closing Payments;⁵ and
 - (ii) the assumption of various Assumed Liabilities;

⁴ Capitalized terms used in this subsection that are not otherwise defined have the meanings ascribed to them in the First Amended Subscription Agreement.

⁵ At the time of the Tenth Report, the balance under the DIP Loan as of the Target Closing Date of June 30, 2025, was forecasted to be \$31.8 million, meaning that the purchase price would be approximately \$31.8 million.

- (d) the Stalking Horse Purchaser, by nature of its ownership of BZAM, would retain the Assumed Liabilities of the Applicants, including:
 - (i) all trade payables and liabilities from the date of the Initial Order that remain outstanding as at the Closing Date (as set out in the Statement of Trade Payables);
 - (ii) all mortgages registered on title to the real property owned by the Surviving Entities as at the Closing Date;
 - (iii) the Applicants' obligations and liabilities owing under (A) the settlement agreement entered into among certain Applicants and Health Canada on April 25, 2025, and (B) the memorandum of understanding entered into among the Minister of National Revenue, Final Bell Corp. and TGOD dated May 9, 2025;
 - (iv) Liabilities under any Retained Contracts, Permits and Licenses or Permitted Encumbrances (in each case, to the extent forming part of the Retained Assets) arising out of events or circumstances that occur after the Closing; and
 - (v) any Tax Liabilities and Transaction Taxes;and
- (e) the Target Closing Date for the Subscription Agreement would be June 30, 2025, and the Outside Date would be August 15, 2025.

20. On May 15, 2025, this Court granted an approval and reverse vesting order (the “**Approval and Reverse Vesting Order**”), which, amongst other things:

- (a) approved the First Amended Subscription Agreement and the Stalking Horse Transaction; and

- (b) subject to the terms of the Termination Certificate (as defined below): (i) approved the addition of 1001105728 Ontario Inc. (“**ResidualCo**”) as an Applicant to these CCAA proceedings and vested all Excluded Assets, Excluded Contracts, and Excluded Liabilities (each as defined in the First Amended Subscription Agreement) out of BZAM and TGOD, and into ResidualCo; (ii) vested in the Stalking Horse Purchaser all of the title and interest in and to the Subscribed Shares and the Retained Assets (each as defined in the First Amended Subscription Agreement), free and clear of any Encumbrances (as defined in the Approval and Reverse Vesting Order); (iii) authorized and directed the Applicants to distribute the Cash Consideration (as defined in the First Amended Subscription Agreement) to Cortland, as full and final repayment of the indebtedness owing by the Applicants to Cortland; and (iv) authorized the removal of TGOD and BZAM as Applicants in these CCAA proceedings.

21. That same day, on May 15, 2025, this Court granted an order (the “**CCAA Termination Order**”), which, amongst other things:

- (a) extended the stay of proceedings until the earlier of: (i) August 15, 2025, and (ii) the CCAA Termination Time;
- (b) approved the termination of these CCAA proceedings and the discharge of the Monitor effective upon the Monitor serving a certificate on the service list certifying that, to the knowledge of the Monitor, all matters to be attended to in connection with these CCAA proceedings have been completed (such certificate, the “**Termination Certificate**”, and such time of service, the “**CCAA Termination Time**”); and
- (c) approved the fees and disbursements of the Monitor and its counsel, along with the proposed Fee Accrual (as defined below), to fund the completion of the remaining activities of the Monitor and its counsel up to the CCAA Termination Time.

Unsatisfied Conditions to Closing

22. The Stalking Horse Transaction has not yet closed. This is primarily due to Health Canada having not issued all required authorizations in connection with the Stalking Horse Transaction, despite the Applicants' efforts to expedite all Health Canada approvals.
23. The issuance of all authorizations from Health Canada in connection with the Stalking Horse Transaction is a condition to closing in the First Amended Subscription Agreement. The Stalking Horse Purchaser is not prepared to close the Stalking Horse Transaction without these approvals.
24. The Applicants require that the Stay Period be extended beyond August 15, 2025, so that they can continue to wait for Health Canada's approvals and subsequently implement the Stalking Horse Transaction.

Entry into the Second Amended Subscription Agreement

25. The Applicants have proposed four key amendments to the First Amended Subscription Agreement:
 - (a) extending the target closing date and the outside date under the First Amended Subscription Agreement to September 30, 2025, and October 15, 2025, respectively. These amendments are required due to, amongst other things, the delay in closing the Stalking Horse Transaction;
 - (b) including the shares of Medican as "Retained Assets", as discussed further below;
 - (c) updating Schedule "D" – Encumbrances to be Discharged (the "**Encumbrance Schedule**") to include certain registrations/writs of execution that were filed under BZAM's former legal name, "The Green Organic Dutchman Holdings Ltd.", to facilitate their discharge; and
 - (d) making certain corresponding ancillary revisions, such as amending the recitals and certain definitions and schedules,

each as defined and reflected in the Second Amended Subscription Agreement (collectively, the "**Amendments**").

26. The First Amended Subscription Agreement and the Approval and Reverse Vesting Order provide the Applicants and the Stalking Horse Purchaser with the ability to revise certain schedules and make other minor amendments to the First Amended Subscription Agreement with the consent of the Monitor; however, in this instance, the Applicants are seeking Court approval of the Amendments in part due to an abundance of caution.

The Inclusion of the Shares of Medican as “Retained Assets”

27. The First Amended Subscription Agreement provided for the transfer of the shares of Medican to ResidualCo (that is, the Stalking Horse Purchaser did not intend to acquire the shares of Medican as part of the First Amended Subscription Agreement).
28. The Monitor understands from discussions with Management that the Applicants received preliminary interest from a third-party regarding the potential acquisition of the shares of Medican. The Applicants advised the Monitor that they would be seeking to amend the First Amended Subscription Agreement to include the shares of Medican as “Retained Assets”.
29. The Monitor understands from discussions with Management that the third-party potential purchaser was interested in the shares of Medican due to, amongst other things, its tax losses. The Monitor was subsequently advised that the third-party potential purchaser has since received advice that, amongst other things, Medican’s tax losses could not be used in the manner it initially envisioned, and that it is no longer interested in acquiring the shares of Medican. The Monitor has not conducted an in-depth analysis of Medican’s tax loss situation, and the monetary value and utility of Medican’s tax losses is uncertain at this point. The Monitor understands that the ability to make use of tax losses depends on a variety of factors, including having a continuing business carried on for profit. The Monitor has not considered and is not opining on the ability of the Stalking Horse Purchaser to monetize Medican’s tax losses.
30. The Monitor was subsequently advised by the Applicants that they still wished to proceed with amending the First Amended Subscription Agreement to include the shares of Medican as “Retained Assets” in order to potentially resume Medican’s operations in Québec and elsewhere.

31. As reported by the Monitor in previous reports, including its Seventh Report dated November 29, 2024, Medican has no current material business operations; however, it had previously intended to acquire all of the issued and outstanding shares of 9430 Québec upon the close of the transaction contemplated by a share purchase agreement (the “SPA”) between Ms. France Boisvert, Mr. Daniel Fontaine, and Medican, and to which intervenes 9430 Québec, dated November 11, 2022. Medican ultimately planned to absorb and/or amalgamate with 9430 Québec to resume its previous operations in Quebec.
32. 9430 Québec is not an applicant in these CCAA proceedings, but pursuant to the ARIO, is a beneficiary of the stay of proceedings granted by this Court. 9430 Québec had a licence issued by Health Canada in accordance with the *Cannabis Act*, S.C. 2018, c. 16, and the *Cannabis Regulations*, S.O.R./2018-144, that authorized it to engage in standard cultivation and standard processing, which was revoked by Health Canada upon request on July 4, 2024. It operated out of a leased facility in Vaudreuil-Dorion, Québec. The Monitor understands that 9430 Québec does not have any material business operations and is not in possession of any cannabis.
33. The transaction contemplated by the SPA did not close. A condition precedent to the closing of that transaction was the release of a certain lease agreement from escrow, but that lease was not released because it, in turn, was conditional upon the receipt of a municipal permit that was outstanding.
34. On May 29, 2024, Medican sent the required notice to disclaim or resiliate the SPA. Ms. Boisvert and Mr. Fontaine served a notice of motion challenging Medican’s efforts to disclaim the SPA. 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 resolve the matter.
35. The parties reached a negotiated resolution, and 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. Under the terms of the negotiated resolution, that assignment could only happen once certain conditions had been satisfied by the Applicants, Ms. Boisvert, and Mr. Fontaine. The Monitor understands that those conditions were satisfied on May 13, 2025,

and that 9430 Québec was assigned into bankruptcy on May 13, 2025 (the certificate of assignment is dated May 14, 2025). The Monitor is the trustee-in-bankruptcy for 9430 Québec.

36. Management has suggested that retaining Medican may have benefits in the future should certain products and their related formulae be developed and/or sold in Québec. The Monitor has not evaluated this claim. The Monitor notes the following in respect of the proposed Amendments:

- (a) the extension of the target closing date and the outside date are necessary given that Health Canada has not yet completed its review and issued the required approvals so that the Stalking Horse Transaction can close;
- (b) the First Amended Subscription Agreement gives the Stalking Horse Purchaser the right to include additional assets in the list of “Retained Assets”, which right the Stalking Horse Purchaser is exercising to include the shares of Medican;
- (c) during the SISP, no bidders expressed interest in the shares of Medican or Medican’s business;
- (d) the encumbrances that have now been added to the Encumbrance Schedule were inadvertently omitted and their inclusion reflects the intention of the Stalking Horse Transaction. The Monitor understands that the creditors with interests in the newly included encumbrances were served with the Applicants’ motion record on July 24, 2025;
- (e) the ancillary revisions, such as amendments to the recitals, definitions, and schedules, clean up the Second Amended Subscription Agreement and give effect to the other Amendments; and
- (f) Cortland supports the Amendments.

Amendments to the Approval and Reverse Vesting Order

37. The Applicants have requested that the Approval and Reverse Vesting Order be amended to provide certain relief to Medican, now that it is included as a “Retained Asset”. Amongst

other things, the proposed amendments to the Approval and Reverse Vesting Order include Medican in the definition of “Purchased Entities” and authorize the removal of Medican as an Applicant at the Closing Time.

38. The Monitor supports the proposed amendments to the Approval and Reverse Vesting Order.

Adjustment to the Fee Accrual and Wind-Up Reserve

39. The CCAA Termination Order approved the anticipated fees and disbursements of the Monitor and its counsel for the remainder of these CCAA proceeding in the total amount of \$130,000 (exclusive of HST) (the “**Fee Accrual**”). The Fee Accrual allowed the Monitor and its counsel to avoid the time and added costs associated with having their remaining fees approved by the Court in the lead up to the CCAA Termination Time.
40. The amount of the Fee Accrual was included in the \$430,000 (inclusive of sales tax) “Wind-Up Reserve”. The Wind-Up Reserve was established under the First Amended Subscription Agreement and is intended to fund professional fees incurred in connection with the wind-up of these CCAA proceedings and any further proceedings or wind-up costs, such as the costs of assigning into bankruptcy each of the Applicants other than the “Surviving Entities”. Under the First Amended Subscription Agreement, the Surviving Entities were BZAM and The Green Organic Dutchman Ltd.
41. At the time the CCAA Termination Order was granted, the “Target Closing Date” under the First Amended Subscription Agreement was June 30, 2025, and the “Outside Date” was August 15, 2025. The Stalking Horse Transaction did not, however, close by June 30, 2025, and these CCAA proceedings are now expected to continue after August 15, 2025 (provided that this Court approves the requested Stay Extension). Accordingly, the Fee Accrual is no longer sufficient.
42. The Monitor is seeking to increase the total Fee Accrual to \$175,000 (exclusive of HST) (the “**Revised Fee Accrual**”). The Monitor submits that the Fee Accrual is reasonable and appropriate in the circumstances.

43. The Wind-Up Reserve in the Second Amended Subscription Agreement needs to be increased by \$20,000, from \$430,000 to \$450,000 (all amounts inclusive of HST), to reflect the inclusion of the Revised Fee Accrual, which inclusion is offset in part by a \$25,000 reduction in anticipated wind-up costs. The anticipated wind-up costs are lower because Medican is now one of the “Surviving Entities” under the Second Amended Subscription Agreement and no longer needs to be assigned into bankruptcy. The Second Amended Subscription Agreement does not, at present, reflect the revised \$450,000 Wind-Up Reserve. The Monitor understands that the amount of the Wind-Up Reserve will be amended separately without the need for Court approval.

F. OTHER MATTERS

Application of the Wage Earner Protection Program

44. Several former employees of the Applicants have contacted the Monitor to enquire about their eligibility for payment under the wage earner protection program established by *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s 1 (“WEPPA”).
45. Subsection 5(1) of WEPPA provides that an individual is eligible to receive payment if, amongst other things: (a) the individual is owed eligible wages by a former employer; (b) the former employer is subject to proceedings under the CCAA; and (c) a court determines under subsection 5(5) of WEPPA that the criteria prescribed by the *Wage Earner Protection Program Regulations*, S.O.R./2008-222 are met. Section 3.2 of the relevant regulations gives the court the discretion to determine “whether the former employer is the former employer all of whose employees in Canada have been terminated other than any retained to wind down its business operations.”
46. In some CCAA proceedings involving reverse vesting transactions similar to the Stalking Horse Transaction (including some where many employees continue in their roles after the implementation of a transaction), the court issued declarations that employees terminated during or around the period of the CCAA proceeding were eligible for the protections established by WEPPA. In these cases, the court issued declarations that deemed ResidualCo to be the former employer of any terminated employees solely for the purposes

of WEPPA.⁶ Without such declaration, a reverse vesting transaction could result in there being no triggering event under WEPPA.

47. The Applicants have decided not to seek a declaration that former employees are eligible for benefits under WEPPA. The Monitor understands from discussions with Management that this is due to, amongst other things, the cost that would be imposed on the Applicants to comply with the administrative requirements of WEPPA. If the Applicants were to seek a WEPPA declaration, then it is the Monitor's opinion that certain of the Applicants' employees who were terminated in and around the CCAA proceeding may be eligible for benefits under WEPPA.

Status of the Wyld Transaction

48. The Applicants implemented two discrete transactions outside the purview of the Stalking Horse Transaction to sell certain assets that the Stalking Horse Purchaser did not intend to acquire as part of its stalking horse bid. One of these transactions was 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., as an interested third-party (the "**Wyld Transaction**"). The Wyld Transaction was approved by this Court pursuant to an order entered on October 15, 2024 (such order, the "**Wyld RVO**").⁷ 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.
49. The Wyld Transaction was 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

⁶ See e.g. *Re Contract Pharmaceuticals Limited et al.* (17 April 2024), Toronto CV-23-00711401-00CL (Ont Sup Ct [Comm List]), [Ancillary Relief Order](#) at para. 4; *Re Phoena Holdings Inc. et al.* (21 March 2024), Toronto CV-23-00697285-00CL (Ont Sup Ct [Comm List]), [WEPPA Order](#) at para. 2; *Re 1001065113 Ontario Inc.* (11 February 2025), Toronto CV-24-00726584-00CL (Ont Sup Ct [Comm List]), [WEPPA Order](#) at para. 1.

⁷ The other transaction was the sale of certain assets to 2627411 Alberta Ltd., which was approved by this Court pursuant to an order dated January 13, 2025. That transaction closed on February 4, 2025.

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.

50. The second step of the Wyld Transaction involved a sale to Wyld Canada Inc., the ultimate acquiror of the business. Because this second step is being conducted outside of these CCAA proceedings with non-Applicant parties, the Monitor has a limited role in its completion. The Monitor understands that as of the date of this Eleventh Report, this transaction has not closed yet as it is awaiting Health Canada's approval.

Status of the Bailiff's Liquidation

51. As reported in the Ninth Report of the Monitor dated March 25, 2025, Folium was previously a party to a lease agreement for a commercial rental unit in Sannichton, British Columbia. On April 30, 2024, the Applicants disclaimed this lease agreement in accordance with s. 32(1) of the CCAA. When the Applicants vacated the rental unit, they left behind certain assets. The Applicants' former landlord, with the consent of the Applicants and the Monitor, retained a bailiff to assist with the process of removing and selling all of the Applicants' remaining property.
52. The bailiff began to remove and sell the Applicants' property in or around mid-September 2024. On or around February 6, 2025, the bailiff advised the Monitor that it had sold the vast majority of the Applicants' assets. The bailiff provided the Monitor with a cheque for \$25,754.54, being the net proceeds of the sale of the Applicants' property after deducting its reasonable and customary fees.
53. The Monitor is assessing the landlord's entitlements to the sale proceeds. The Monitor expects to reach a settlement with the landlord, which will result in the landlord receiving a portion of the sale proceeds and the balance being applied to the funds distributable to Cortland.
54. The Monitor understands that some assets from the Sannichton rental unit have yet to be sold. The Monitor understands that the unsold assets have a nominal value and that they

may not be monetized prior to the CCAA Termination Time. The Applicants, in consultation with the Monitor, intend to abandon these assets.

G. RECEIPTS AND DISBURSEMENTS FOR THE TWELVE-WEEK PERIOD ENDED JULY 19, 2025

55. BZAM's actual net cash flow from operations on a consolidated basis for the twelve-week period ended July 19, 2025, was approximately \$0.2 million. This is compared to a forecasted negative net cash flow of approximately \$(1.0) million as noted in the cash flow projection attached as Appendix "B" to the Tenth Report, representing a positive variance of approximately \$1.2 million as summarized in the following chart:

| (\$CAD in thousands) | 12 Weeks Ending July 19, 2025 | | | |
|--|-------------------------------|-------------------|-----------------|---------------|
| | Actual | Forecast | Variance (\$) | Variance (%) |
| Receipts | | | | |
| Receipts from Operations | \$ 20,155 | \$ 19,150 | \$ 1,005 | 5.2% |
| Total Receipts | \$ 20,155 | \$ 19,150 | \$ 1,005 | 5.2% |
| Disbursements | | | | |
| <i>Operating Disbursements</i> | | | | |
| Production Costs | (6,313) | (7,029) | 716 | 10.2% |
| Insurance | (384) | (408) | 24 | 5.9% |
| Payroll | (4,091) | (4,698) | 607 | 12.9% |
| Taxes | (7,963) | (6,857) | (1,106) | -16.1% |
| Other Operating Expenses | (1,200) | (1,200) | - | 0.0% |
| Total Operating Disbursements | \$ (19,951) | \$ (20,192) | \$ 241 | 1.2% |
| Net Cash from Operations | \$ 204 | \$ (1,042) | \$ 1,246 | 119.6% |
| <i>Restructuring Disbursements</i> | | | | |
| Restructuring Legal and Professional Costs | (397) | (550) | 153 | 27.8% |
| Net Cash Flows | \$ (193) | \$ (1,592) | \$ 1,399 | 87.9% |
| Beginning Balance | 826 | \$ 826 | - | 0.0% |
| Net Receipts/ (Disbursements) | (193) | (1,592) | 1,399 | 87.9% |
| DIP Advances/ (Repayments) | 1,072 | 2,790 | (1,718) | 61.6% |
| DIP Fees & Interest Payment | (957) | (1,024) | 67 | 6.5% |
| Ending Balance | \$ 748 | \$ 1,000 | \$ (252) | -25.2% |

56. Explanations for key variances are as follows:

- (a) positive variance in *Receipts from Operations* of approximately \$1.0 million is mainly attributable to faster collections than anticipated. A portion of this variance is temporary in nature and expected to reverse in future weeks;

- (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 positive variance of approximately \$0.7 million is due to proactive cash flow management. A portion of this variance may reverse in future weeks as previously prepaid amounts are used;
- (c) positive variance in *Payroll* of approximately \$0.6 million is primarily due to the timing of payroll tax payments and managing labour utilization. A significant portion of this variance is expected to reverse in future weeks as payroll taxes are remitted;
- (d) negative variance in *Taxes* of approximately \$(1.1) million is primarily due to higher excise taxes from higher sales than initially anticipated;
- (e) positive variance in *Restructuring Legal and Professional Costs* of approximately \$0.2 million is primarily due to lower than forecasted outflows. A portion of this variance expected to reverse in future weeks as invoices are issued and paid; and
- (f) variance in DIP Advances (Repayments) of approximately \$(1.7) million is primarily due to lower than forecasted cash outflows due to proactive cash management resulting in lower financing needs than initially anticipated.

H. THE STAY EXTENSION AND TERMINATION OF THESE CCAA PROCEEDINGS

- 57. The Stay Period is set to expire on August 15, 2025.
- 58. As is demonstrated in the cash flow projection attached to this Eleventh 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 Stay Extension by accessing the DIP Loan.
- 59. The DIP Loan is presently set to mature on August 15, 2025. Cortland and the Applicants have agreed to extend its maturity date to October 15, 2025. A copy of the executed extension agreement is attached to this Eleventh Report as **Appendix “B”**.

60. The Revised and Extended Cash Flow Projections for the 13-week period from July 20, 2025, through October 18, 2025, are summarized below:

| <i>(\$CAD in thousands)</i> | 13 Weeks |
|--|-----------------|
| | Total |
| Receipts | |
| Receipts from Operations | \$ 21,638 |
| Total Receipts | \$ 21,638 |
| Disbursements | |
| <i>Operating Disbursements</i> | |
| Production Costs | (7,350) |
| Insurance | (397) |
| Payroll | (4,900) |
| Taxes | (7,820) |
| Other Operating Expenses | (1,300) |
| Total Operating Disbursements | \$ (21,767) |
| Net Cash from Operations | \$ (129) |
| <i>Restructuring Disbursements</i> | |
| Restructuring Legal and Professional Costs | (150) |
| Net Cash Flows | \$ (279) |
| Cash | |
| Beginning Balance | \$ 748 |
| Net Receipts/ (Disbursements) | (279) |
| DIP Advances/ (Repayments) | 1,244 |
| DIP Fees & Interest Payment | (1,013) |
| Ending Cash Balance | \$ 700 |

61. The Monitor recommends that the Stay Period be extended to the earlier of (i) October 15, 2025, and (ii) the CCAA Termination Time, for the following reasons, amongst other things:
- (a) the Monitor does not believe that any creditor will be materially prejudiced by the Stay Extension;
 - (b) the Applicants have acted and continue to act in good faith and with due diligence to advance their restructuring;
 - (c) the Stay Extension allows the Applicants to:
 - (i) work with Health Canada to obtain the required approvals;

- (ii) consummate the Stalking Horse Transaction; and
 - (iii) prepare for the termination of and actually terminate these CCAA proceedings;
 - and
 - (d) as of the date of this Eleventh Report, the Monitor is not aware of any party opposed to the requested extension of the Stay Period.
62. The CCAA Termination Order provided, amongst other things, that the CCAA proceedings would be terminated and FTI would be discharged as Monitor effective upon the Monitor serving the Termination Certificate.
63. As reported in the Tenth Report, the matters that remain to be completed in these CCAA proceedings before the Monitor can serve the Termination Certificate, which would have the effect of terminating these CCAA proceedings and discharging FTI as Monitor, include the following:
- (a) completion of certain statutory and administrative duties and filings, including completion of the Applicants' tax filings;
 - (b) the closure of the Applicants' remaining bank accounts;
 - (c) final distributions to Cortland; and
 - (d) payment in full of all amounts owing to the beneficiaries of the Administration Charge (as defined in the ARIO).
64. The CCAA Termination Order provides that from and after the CCAA Termination Time, the Applicants may make an assignment in bankruptcy, the Monitor may file any such assignment in bankruptcy for and on their behalf, and FTI is authorized but not required to act as trustee in bankruptcy in respect of any of the Applicants.

I. CONCLUSION

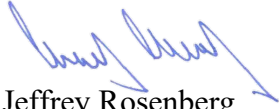
65. Based on the foregoing, the Monitor respectfully recommends that this Court grant the

relief set out in paragraph 3 above.

All of which is respectfully submitted this 29th day of July, 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) | | 20-Jul-25 | 27-Jul-25 | 03-Aug-25 | 10-Aug-25 | 17-Aug-25 | 24-Aug-25 | 31-Aug-25 | 07-Sep-25 | 14-Sep-25 | 21-Sep-25 | 28-Sep-25 | 05-Oct-25 | 12-Oct-25 | 13 Weeks |
|---|-----|------------------|-------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|
| Forecast Week | [1] | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | Total |
| Receipts | | | | | | | | | | | | | | | |
| Receipts from Operations | [2] | \$ 2,478 | \$ 2,118 | \$ 1,786 | \$ 1,948 | \$ 2,114 | \$ 1,084 | \$ 1,114 | \$ 1,804 | \$ 1,310 | \$ 1,460 | \$ 1,310 | \$ 1,804 | \$ 1,310 | \$ 21,638 |
| Total Receipts | | \$ 2,478 | \$ 2,118 | \$ 1,786 | \$ 1,948 | \$ 2,114 | \$ 1,084 | \$ 1,114 | \$ 1,804 | \$ 1,310 | \$ 1,460 | \$ 1,310 | \$ 1,804 | \$ 1,310 | \$ 21,638 |
| Disbursements | | | | | | | | | | | | | | | |
| <i>Operating Disbursements</i> | | | | | | | | | | | | | | | |
| Production Costs | [3] | (600) | (600) | (600) | (600) | (550) | (550) | (550) | (550) | (550) | (550) | (550) | (550) | (550) | (7,350) |
| Insurance | | - | (161) | - | (8) | - | (106) | - | - | (8) | - | (106) | - | (8) | (397) |
| Payroll | [4] | (400) | (375) | (375) | (375) | (375) | (375) | (375) | (375) | (375) | (375) | (375) | (375) | (375) | (4,900) |
| Taxes | [5] | - | (2,920) | - | - | - | (2,500) | - | - | - | - | (2,400) | - | - | (7,820) |
| Other Operating Expenses | [6] | (100) | (100) | (100) | (100) | (100) | (100) | (100) | (100) | (100) | (100) | (100) | (100) | (100) | (1,300) |
| Total Operating Disbursements | | \$ (1,100) | \$ (4,156) | \$ (1,075) | \$ (1,083) | \$ (1,025) | \$ (3,631) | \$ (1,025) | \$ (1,025) | \$ (1,033) | \$ (1,025) | \$ (3,531) | \$ (1,025) | \$ (1,033) | \$ (21,767) |
| Net Cash from Operations | | \$ 1,378 | \$ (2,038) | \$ 711 | \$ 865 | \$ 1,089 | \$ (2,547) | \$ 89 | \$ 779 | \$ 277 | \$ 435 | \$ (2,221) | \$ 779 | \$ 277 | \$ (129) |
| <i>Restructuring Disbursements</i> | | | | | | | | | | | | | | | |
| Restructuring Legal and Professional Costs | [7] | - | (50) | - | - | - | - | (50) | - | - | - | (50) | - | - | (150) |
| Net Cash Flows | | \$ 1,378 | \$ (2,088) | \$ 711 | \$ 865 | \$ 1,089 | \$ (2,547) | \$ 39 | \$ 779 | \$ 277 | \$ 435 | \$ (2,271) | \$ 779 | \$ 277 | \$ (279) |
| Cash | | | | | | | | | | | | | | | |
| Beginning Balance | | \$ 748 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 748 |
| Net Receipts/ (Disbursements) | | 1,378 | (2,088) | 711 | 865 | 1,089 | (2,547) | 39 | 779 | 277 | 435 | (2,271) | 779 | 277 | (279) |
| DIP Advances/ (Repayments) | [8] | (1,426) | 2,088 | (361) | (865) | (1,089) | 2,547 | (39) | (414) | (277) | (435) | 2,271 | (481) | (277) | 1,244 |
| DIP Fees & Interest Payment | [9] | - | - | (350) | - | - | - | - | (365) | - | - | - | (298) | - | (1,013) |
| Ending Balance | | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 | \$ 700 |
| DIP Facility | | | | | | | | | | | | | | | |
| Opening Balance | | \$ 29,338 | \$ 27,982 | \$ 30,144 | \$ 29,508 | \$ 28,714 | \$ 27,694 | \$ 30,317 | \$ 30,354 | \$ 29,649 | \$ 29,446 | \$ 29,083 | \$ 31,433 | \$ 30,731 | \$ 29,338 |
| (+) Additional DIP Draws (Repayments) | | (1,426) | 2,088 | (361) | (865) | (1,089) | 2,547 | (39) | (414) | (277) | (435) | 2,271 | (481) | (277) | 1,244 |
| (+) Accrued Interest | | 70 | 75 | 74 | 71 | 69 | 75 | 75 | 75 | 73 | 72 | 78 | 77 | 76 | 961 |
| (-) Fees & Interest Payment | | - | - | (350) | - | - | - | - | (365) | - | - | - | (298) | - | (1,013) |
| Closing Balance (DIP & Interest) | | \$ 27,982 | \$ 30,144 | \$ 29,508 | \$ 28,714 | \$ 27,694 | \$ 30,317 | \$ 30,354 | \$ 29,649 | \$ 29,446 | \$ 29,083 | \$ 31,433 | \$ 30,731 | \$ 30,530 | \$ 30,530 |

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 13-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.

[4] Forecast Payroll is based on historical payroll amounts.

[5] Forecast 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] Forecast Other Operating Expenses include selling, general, and administrative payments.

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

[8] Forecast DIP Advances/Repayments are based on funding requirements and maintaining a minimum cash balance of \$700,000.

[9] Forecast DIP Accrued Interest reflects the greater of: (i) the TD Prime Rate plus 8.05% per annum; and (ii) 12% per annum.

APPENDIX “B”

[ATTACHED]

EIGHTH AMENDMENT
dated as of July 28, 2025
to
DIP FACILITY AGREEMENT

THIS EIGHTH AMENDMENT dated as of July 28, 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, the fourth amendment dated November 27, 2024, the fifth amendment dated January 9, 2025, the sixth amendment dated March 20, 2025 and the seventh amendment dated May 12, 2025 (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 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 “August 15, 2025” with the date “October 15, 2025”.
- 1.2 As of the Amendment Effective Date, Schedule E of the DIP Facility Agreement is hereby deleted in its entirety and replaced with Schedule E attached hereto.

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 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.
- 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: Matthew Milich
Title: Director

GUARANTORS:


BZAM LTD.

By: 
Name: Matthew Milich
Title: Director


1001028579 ONTARIO INC.

By: 
Name: Matthew Milich
Title: Director


FOLIUM LIFE SCIENCE INC.

By: 
Name: Matthew Milich
Title: Director


MEDICAN ORGANIC INC.

By: 
Name: Matthew Milich
Title: Director


FINAL BELL CORP.

By: 
Name: Matthew Milich
Title: Director


BZAM HOLDINGS INC.

By: 
Name: Matthew Milich
Title: Director


BZAM CANNABIS CORP.

By: 
Name: Matthew Milich
Title: Director

102172093 SASKATCHEWAN LTD.

By: 
Name: Matthew Milich
Title: Director

HIGH ROAD HOLDING CORP.

By: 
Name: Matthew Milich
Title: Director

DIP LENDER:

**CORTLAND CREDIT LENDING
CORPORATION**

Authorized Signatory:

By:



Name: Sean Register

Title: Chief Executive Officer

SCHEDULE “E”
ACTIONS, SUITS AND/OR PROCEEDINGS

1. *1613240 Ontario Ltd. and Amy Stephenson v. The Green Organic Dutchman Holdings Ltd.* (the prior name of BZAM), Ontario Superior Court of Justice File No. CV-18- 605781.
2. BZAM Cannabis Corp. commenced a claim, by arbitration, against GO Drywall Ltd. for breach of a construction contract for failure to provide services. BZAM Cannabis Corp.’s claim is for \$248,936.25. Go Drywall Ltd. commenced a cross claim for wrongful termination of the contract seeking \$746,805.89. A final arbitration was awarded in favor of BZAM Cannabis Corp.’s for the full amount of the claim, plus legal costs.
3. 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 BZAM’s Vaccination Policy.
4. *Freyja Jorgensen v. Final Bell Canada*, HRTO File No. 2023-53071, commenced May 31, 2023. Freyja Jorgensen, a former employee of Final Bell Corp., commenced a proceeding at the Human Rights Tribunal of Canada in the amount of CAD \$123,201.
5. *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*, CV-23-00695168-0000, issued February 23, 2023. This action claims that the defendants were 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 CAD \$475,000.
6. *Jacquelyn Simpson v. BZAM Ltd.*, a former BZAM Ltd. employee filed a notice of application on May 24, 2024 with the Human Rights Tribunal of Ontario in respect to her termination, File No. 2024-56823-I. The exposure for this matter is approximately \$105,000.
7. *BZAM Holdings Ltd. et al. ats. Trane Canada ULC*, Court File No. VLS-S-S-249033 commenced in Vancouver on December 23, 2024 in the Supreme Civil Vancouver Law Courts. This matter relates to a contractor that provided certain installation services to BZAM Holdings Ltd. at the Airport Way facility in British Columbia. BZAM Holdings Ltd. paid the contractor, but Trane Canada ULC claims it never received payment from the contractor for some of the equipment used. The approximate value of this matter is around \$80,000.

**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

**ELEVENTH REPORT OF
THE MONITOR
(July 29, 2025)**

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