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April 2, 2026

The Honourable Justice John A. Keith
Supreme Court of Nova Scotia
The Law Courts
1815 Upper Water Street
Halifax NS B3J 1S7

My Lord:

Re: In the Matter of the *Companies' Creditors Arrangement Act* and in the Matter of CFFI Ventures Inc., Supreme Court of Nova Scotia (Halifax) Court File No. 511716

Scope of the Monitor's Work & Response to Further Correspondence

We are counsel for FTI Consulting Canada Inc. in its capacity as the court-appointed monitor (the "**Monitor**") of CFFI Ventures Inc. ("**CFFI**").

On March 27, 2026, we wrote to you in connection with your March 23, 2026, direction that the Monitor provide you with the Monitor's proposed scope of report and timeline for completing such report in connection with CFFI's proceeding under the *Companies' Creditors Arrangement Act* (the "**CCAA**") and its proposed restructuring path.

We are writing now to report back to the Court and stakeholders on further developments since our letter of March 27, 2026, as well as to respond to a letter dated March 31, 2026, from O'Keefe & Sullivan, counsel to SFPC Quantum LP (the "**Quantum Letter**"). For greater certainty, the proposed scope of the Monitor's report outlined below has been formulated following review and consideration of the issues raised in the Quantum Letter.

Capitalized terms used in this letter that are not otherwise defined have the meaning given to them in the First Report of the Monitor dated March 19, 2026 (a copy of that report is available on the Monitor's webpage at <https://cfcanada.fticonsulting.com/cffi/>).

1. SCOPE OF THE MONITOR'S REPORT

The Monitor has entered into an agreement with Ernst & Young LLP ("**EY**") establishing a framework pursuant to which EY will share with the Monitor its internal analyses (the "**EY Analyses**") prepared in connection with EY's fairness opinion dated March 5, 2026 (the "**Fairness Opinion**"). EY has further agreed to participate in discussions with the Monitor about the EY Analyses. The framework established between EY and the Monitor imposes certain confidentiality obligations on the Monitor. Amongst other things, the Monitor is generally restricted from circulating, quoting, disclosing, or distributing any of the EY Analyses, any information contained therein, any information communicated by EY in its discussions with the Monitor, or any summary or abstract of any thereof. Certain exceptions apply. A copy of the agreement between EY and the Monitor is attached as **Schedule "A"**.

On the basis of this development, the Monitor respectfully submits that the scope of its work and report should be directed towards the following efforts:

1. Reviewing the Fairness Opinion and:
 - (a) commenting on the methodology behind the Fairness Opinion;
 - (b) commenting on EY's conclusion that the fair market value of the assets proposed to be transferred from CFFI to AcquireCo under the *Companies Act* Plan is \$367 million; and
 - (c) conducting any additional analysis in respect of the fair market value of the assets proposed to be transferred from CFFI to AcquireCo, if needed.

The Fairness Opinion opined on the fair market value of the assets proposed to be transferred from CFFI to AcquireCo (the "**Transferred Assets**"). It did not comment on the value of the assets not proposed to be transferred to AcquireCo (the "**Remaining Assets**"). The Monitor intends to adopt a similar approach at this time. The Monitor has been advised by CFFI that the Remaining Assets have little to no value. The Monitor intends to confirm that such assets have little to no value in due course. Since the value of Remaining Assets will remain with CFFI's estate for distribution to creditors if the transaction with AcquireCo is implemented, review of such value at this time is less time sensitive as it will not impact the fairness of the proposed transaction. The Monitor will consider monetization strategies with respect to the Remaining Assets at a later date.

2. With respect to the Note Purchase Agreement, the CFFI Guarantee, and the FPR Promissory Note:
 - (a) opining on the validity of the security granted by CFFI; and
 - (b) commenting on the relative priority of each secured creditor.
3. Reviewing and commenting on the quantum of debt outstanding under the Note Purchase Agreement.

Limitations

The Monitor has been advised by CFFI that CFFI does not want the individual values of its equity investments made public. The Monitor understands that this is due to such values being commercially sensitive information. The Monitor has agreed to not publicly disclose the value of any individual equity investment unless (a) CFFI consents to such disclosure or (b) the Monitor is ordered to make such disclosure by the Court.

Expected Timeline

The Monitor has taken steps to begin the work set out in the proposed scope of work. Since its letter of March 27, 2026, the Monitor has started to receive information it requires to complete its proposed scope of work and intends to continue to work with CFFI and EY to gather the remaining required information.

The Monitor's current estimate to complete its proposed scope of work is **four to six weeks from the date of this letter i.e., by May 1, 2026 to May 15, 2026**. The Monitor will update the Court if its timeline changes. In the event the Monitor requires additional time to complete the proposed scope of work, it will request such indulgence from this Court.

2. RESPONSE TO THE QUANTUM LETTER

The Monitor is in receipt of the Quantum Letter which asserts that the Monitor’s proposed scope of work (as originally set out in the Monitor’s March 27, 2026 letter) is materially inadequate.

As the Monitor is an officer of this Court, it will undertake to prepare a report in accordance with whatever scope of work Your Lordship deems appropriate.

With that in mind, the Monitor makes the following observations which we hope will be of assistance to Your Lordship.

- The Monitor’s proposed scope focuses on resolving three issues: (a) the accuracy of the Fairness Opinion; (b) the validity and scope of the security interests granted by CFFI, particularly with respect to the Note Purchase Agreement and the CFFI Guarantee; and (c) the quantum of debt outstanding under the Note Purchase Agreement.
- In the Monitor’s opinion, these are gating issues to the question raised by a number of stakeholders as to whether or not CFFI ought to conduct a sales process to market its assets prior to being able to put forward a plan of arrangement to its creditors.
- Without commenting on the ability of a CCAA debtor to present a plan of arrangement to its creditors at any time, the Monitor notes that if the debt owed to HPS is, as asserted by CFFI and HPS, valid, secured (in priority to all other creditors except in respect of the Cormorant shares) and greatly exceeds the estimated value of the Transferred Assets, that will be a relevant consideration for CFFI and its stakeholders in determining whether a sales process is reasonably expected to yield any results better than the proposed transaction with AcquireCo.
- Resolution of these issues will likewise determine which of CFFI’s creditors hold claims with economic value and are, therefore, economically interested in these proceedings.
- While certain additional items for review raised in the Quantum Letter may be appropriate for the Monitor to review in the context of commenting on a plan of arrangement if one is presented by CFFI, they are not critical to determining the gating question of a need for a sales process at this time.

If the Monitor’s scope of work for this report is enlarged to include the various items raised in the Quantum Letter, then the time that it will take the Monitor to complete its scope of work will increase. The Monitor is sensitive to the fact that its current estimate of four to six weeks to complete its proposed scope of work is already a significant amount of time. The Monitor is of the view that if a work item can be deferred to a later date without causing material prejudice to the process and the CCAA proceedings, then such work item should be deferred so that the Monitor can first focus on the gating issues.

The following chart sets out the Monitor’s specific comments on matters raised in the Quantum Letter:

Pinpoint in Quantum Letter	Monitor’s Comments
1. Fairness Opinion Review: Adequacy of EY’s Engagement and Secured Creditor Access	As noted earlier in this letter, the Monitor has agreed to a framework with EY for accessing the EY Analyses. A condition to the Monitor accessing the EY Analyses is that it remains confidential. There are exceptions to this confidentiality, such as in circumstances where materials are subject to a request for a sealing order.

Pinpoint in Quantum Letter	Monitor's Comments
	<p>The Monitor does not comment on the propriety of Quantum's request for access to the EY Analyses as that is a legal issue. However, as noted above, the Monitor will be reporting in respect of its findings on the EY Analyses.</p>
<p>2. Non-Transferred CFFI Assets: Independent Confirmation Required</p>	<p>The Monitor understands that under the <i>Companies Act</i> Plan, the Remaining Assets were to be left behind. This means that they are not leaving CFFI's estate. The Monitor is therefore of the view that there is less urgency to valuing the Remaining Assets. Valuation is a time-intensive process, and the Monitor already expects to expend significant resources valuing the Transferred Assets. The Remaining Assets can be valued at a later date as they are not proposed to be leaving CFFI's estate.</p>
<p>3. Historical Asset Dispositions: Accounting for Proceeds</p>	<p>The Monitor intends to fulfill its statutory obligations with respect to scrutinizing transactions falling within the ambit of s. 95 to 101 of the <i>Bankruptcy and Insolvency Act</i>. The Monitor does not consider this to be a gating issue in respect of the need for a sales process at this time. The Monitor will consider this in due course.</p> <p>In assessing the validity of the asserted debt owing to HPS by CFFI, the Monitor intends to review the application of proceeds from dispositions of material assets in the last two years.</p>
<p>4. Quantum of Debt: Full Reconciliation Required</p>	<p>The Monitor's proposed scope of work expressly provides at point no. 3 that it will review and comment on the quantum of debt outstanding under the Note Purchase Agreement. Such a review necessarily requires that the Monitor take into account the applicable interest rates that resulted in the debt's growth from its original principal and whether such interest rates were appropriately applied.</p>
<p>5. Cormorant Shares: Dedicated Analysis Required</p>	<p>The Monitor's proposed scope of work expressly provides at point no. 2 that with respect to the CFFI Guarantee it will opine on the validity of that security and its priority relative to CFFI's other two secured creditors. Such an opinion necessarily includes a review of documents related to the guarantee such as any subordination agreement.</p> <p>The Monitor notes that it is not the appropriate party to comment or opine on various legal issues raised by Quantum, including ability to transfer the Cormorant shares without Quantum's consent. Rather, these are legal and contractual interpretation issues that will be commented on and determined by the Court if they ever become live issues.</p>
<p>6. Security Validity and Priority: Proceeds and Recovery Analysis</p>	<p>The Monitor's proposed scope of review focuses on gating issues. The Monitor considers it pre-mature to conduct a going-concern and liquidation analysis, and to project recoveries for secured creditors in "the proposed transaction". At this point in time, no CCAA plan of arrangement has been proposed. Similarly, it is pre-mature to consider FPR Financial Corporation's voting rights under s. 22(3) of the CCAA when CFFI has not proposed a CCAA plan of arrangement.</p>

Pinpoint in Quantum Letter	Monitor's Comments
	The Monitor intends to provide the reporting required of a Monitor if and when a plan is proposed.
7. Corporate Governance: HPS Influence and Management Independence	It is pre-mature to consider HPS's role in a plan of arrangement when CFFI has not proposed a CCAA plan of arrangement. The Monitor intends to provide the reporting required of a monitor if and when a plan is proposed.
8. HPS Security Documents and Date of Effective Control: Equitable Subordination	The Monitor's proposed scope of work expressly provides at point no. 2. that with respect to the Note Purchase Agreement, it will opine on the validity of that security. Such an opinion necessarily includes a review of security documents held by HPS. It is pre-mature to consider HPS's role in a plan of arrangement when CFFI has not proposed a CCAA plan of arrangement. The Monitor intends to provide the reporting required of a monitor if and when a plan is proposed. Further, it is not appropriate for the Monitor to decide if the doctrine of equitable subordination exists under Canadian law and/or ought to be applied by the Court.
9. Process Chronology: Companies Act Attempt, CCAA Filing, and Transaction Development	It is pre-mature to assess the fairness and integrity of "the proposed transaction" when CFFI has not proposed a CCAA plan of arrangement or other transaction. The Monitor intends to provide the reporting required of a monitor if and when a plan is proposed.
10. Sequencing: Further Process Steps Should Await Completion of the Monitor's Review	The Monitor is not aware of any steps proposed to be taken prior to the completion of its report.
11. Preservation of Quantum's Credit Administration Rights	The Monitor's proposed scope of work is not intended to prejudice Quantum's rights.

All of which is respectfully submitted.

Yours very truly,

STIKEMAN ELLIOTT LLP



Maria Konyukhova

cc: Service List

Schedule "A"

April 1, 2026

FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Dear Mr. Jeffrey Rosenberg:

Ernst & Young LLP ("EY") has been engaged by McInnes Cooper (our "Client" or "MC") to provide fairness opinion services (the "Services") to the CFFI Ventures Inc. ("CFFI") Board of Directors in connection with the proposed recapitalization transaction by way of a Plan of Arrangement under Section 130 of the Nova Scotia Companies Act. We understand that, on March 13, 2026, CFFI obtained an order (the "Initial Order") from the Supreme Court of Nova Scotia (the "Court") under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA"). Pursuant to the Initial Order, FTI Consulting Canada Inc. ("FTI") has been appointed as the Monitor. On March 23, 2026 the Court extended CFFI creditor protection until May 29, 2026.

In connection with the execution of its mandate as the Monitor, pursuant to the Initial Order, the Monitor has requested that EY provide the Monitor with EY internal analyses (the "EY Analyses") prepared in connection with the EY Fairness Opinion dated March 5, 2026. Further, the Monitor has requested that EY participate in discussions with the Monitor about the EY Analyses (the "Discussions").

MC has advised and authorized EY to provide the EY Analyses directly to the Monitor and to hold discussions, without MC's attendance, thereon. MC has communicated this via email to the Monitor and EY.

In accordance with paragraph 27 of the Initial Order, the EY Analyses are to be treated as confidential and the Monitor shall not provide this information to creditors unless otherwise directed by the Court or on such terms as the Monitor and CFFI may agree.

EY did not audit the financial statements of CFFI, nor did it perform any procedures with respect to the financial information, or otherwise for or relating to any period subsequent to the date of the Fairness Opinion. EY prepared the Fairness Opinion solely for MC and CFFI. The Fairness Opinion is subject to many limitations and does not provide any form of assurance with respect to any of the information referred to therein. The Monitor understands and accepts the scope and limitations of the Fairness Opinion.

The Monitor will not circulate, quote, disclose, or distribute any of the EY Analyses, any information contained therein, any information communicated by EY in the Discussions, or any summary or abstract of any thereof (collectively, the "Materials"), or make any reference to the Materials unless

(a) compelled by legal process, of which the Monitor will immediately notify EY and tender to EY, if it so elects, its response thereto; (b) subject to EY's prior written consent; or (c) such circulation, quotation, disclosure, distribution of or reference to the Materials is made by the Monitor alongside a request for a sealing order from the Court, or is otherwise confidential, sealed, or in-camera, and in all cases in connection with CFFI's proceeding under the CCAA. Notwithstanding the foregoing, the Monitor may disclose without any restriction: (a) this agreement; (b) the fact that it has obtained and reviewed the Materials; (c) the Monitor's opinion of the Fairness Opinion; and (d) any portion of the Materials that the Monitor can reasonably demonstrate is already known by the Monitor free of any restriction at the time it is obtained from EY, publicly available through no breach of this agreement, learned by the Monitor on a non-confidential basis from a third-party free of any restriction and without breach of this agreement, or independently developed by the Monitor without reference to the Materials. For greater certainty, the Monitor may make any reference to the Materials in the course of its reporting to the Court in CFFI's proceeding under the CCAA that it deems appropriate in fulfilling its duties as a Court officer, but shall not circulate, quote, disclosure, or distribute the EY Analyses except as explicitly permitted above.

In any instance where the Monitor circulates, quotes, discloses or distributes any of the Materials, the Monitor shall expressly state that: (a) the Materials were prepared solely for EY's and CFFI's internal use in connection with EY's preparation of its fairness opinion; (b) EY does not assume any responsibility or liability to any person arising from the disclosure or use of the Materials.

In no event shall the Monitor use the EY Analyses or any information communicated by EY in the Discussions to solicit financing for any proposed transaction, or disclose them or any portion thereof, or refer to EY, in connection with any such effort.

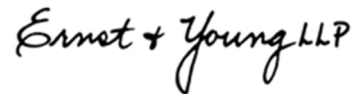
The Monitor further agrees that it will not, and will instruct its employees and agents not to, quote or refer to the EY Analyses, any portion, summary or abstract thereof, or to EY, in any document filed or distributed in connection with (a) a purchase or sale of securities outside of CFFI's CCAA proceedings or (b) periodic or continuous reporting obligations under any applicable securities laws. The Monitor will not contend that any provisions of any applicable securities laws could invalidate any provision of this agreement.

In further consideration of EY allowing the Monitor access to the EY Analyses and participating in any Discussions, the Monitor agrees that:

1. It does not acquire any rights against EY, and EY does not assume any duties or obligations to the Monitor or otherwise, as a result of such access or the Discussions.
2. Its reliance on the EY Analyses, any information communicated by EY in the Discussions, or any portion thereof is at the Monitor's sole risk, and the Monitor will make no claim to the contrary.
3. It will make no claim against EY, its partners, employees or affiliates, or other members of the global Ernst & Young network (collectively, the "EY Parties") that relates in any way to the EY Analyses, the Discussions, any information contained or communicated by EY therein, or the Monitor's access to the EY Analyses.

Please confirm your agreement with the foregoing by signing a copy of this letter and returning it to EY.

Very truly yours,



Ernst & Young LLP

per Steven Goodfellow, Associate Partner

Agreed:

FTI Consulting Canada Inc. in its capacity as the
Court-appointed Monitor of CFFI Ventures Inc. and
not in its personal or corporate capacity

By: 

Name: Jeffrey Rosenberg

Title: Senior Managing Director