



Court File No. S-229292
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

113 ROYAL INVESTMENTS LTD.

PETITIONER

AND:

GEYSER BRANDS INC.

RESPONDENT

ORDER MADE AFTER APPLICATION

BEFORE) THE HONOURABLE) THE 16th DAY OF
) JUSTICE GRUCC) December, 2022

ON THE APPLICATION of the petitioner, coming on for hearing at the Courthouse at 800 Smithe Street, Vancouver, British Columbia on the 16th day of December, 2022 and on hearing Heather A. Frydenlund, counsel for 113 Royal Investments Ltd. and those other counsel listed on Schedule "A" hereto, AND UPON READING the materials filed herein; AND PURSUANT TO the *Bankruptcy and Insolvency Act*, R.S.C. 1983 C.8-3 (the "BIA") and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS that:

Approval of Sales Process

1. BDO is hereby authorized to take steps to market and sell the assets, undertakings and property of GBI (the "Property") and engage in a sales process substantially in the form as set out in Schedule "B" to this Order (the "Sale Process").
2. For the purpose of undertaking the Sales Process, BDO is hereby authorized to take all steps and actions as may be necessary to carry out the Sales Process, including without limitation the following:
 - a) execute, assign, issue and endorse documents of whatever nature in connection with the Sales Process;

- b) market any or all of the Property pursuant to and in accordance with the Sales Process, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate; and
- c) apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances.

and in each case where BDO takes any such actions or steps, it shall be authorized and empowered to do so.

3. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5 or Section 18(1)(0) of the *Personal Information Protection Act*, S.B.C. 2003, c.63, BDO may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors (collectively, "Potential Bidders"), but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to BDO, or in the alternative destroy all such information and provide proof of same. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by GBI, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed, and provide proof of same.
4. From and after the date of this Order, all communications and information requests made by Potential Bidders will be made to BDO.
5. Except upon request by, or with the consent of, BDO, no director, officer or employee of GBI shall engage in any communications with any Potential Bidder regarding the Sales Process, an actual or potential bid for the Property, or any other matter relating to the Sale Process.
6. BDO shall incur no liability or obligation as a result of it carrying out the Sales Process, save and except in the event of any gross negligence or willful misconduct on its part.

Service and Notice

7. BDO be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to any of GBI's creditors or other interested parties at their respective

addresses as last shown on the records of GBI and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

8. BDO, and any party who has filed an Application Response may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsel's email addresses as recorded on the Service List from time to time.


General

9. BDO may, from time to time, apply to this Honourable Court for advice and directions in connection with the Sales Process or the discharge of their powers and duties hereunder.
10. Endorsement of this Order by counsel appearing on this application, other than counsel for BDO, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Heather A. Frydenlund
Solicitor for 113 Royal Investments Ltd.

BY THE COURT


Registrar

SCHEDULE "A" - LIST OF COUNSEL APPEARING

Heather A. Frydenlund	Counsel for 113 Royal Investments Ltd.

SCHEDULE "B" SALES PROCESS

On _____, 2022, BDO Canada Limited ("BDO") was appointed as the receiver or receiver and manager (in such capacity, the "Receiver") of the assets, undertakings and property of Geyser Brands Inc. ("GBI" or the "Company").

The Sales Process Order and this Sales Process shall exclusively govern the process for soliciting and selecting one or more bids for the sale of all or substantially all of the assets or business of GBI, or such proportion of the assets or business of GBI in the discretion of the Receiver.

Unless otherwise indicated, any event occurring on a day that is not a Business Day shall be deemed to occur on the next Business Day.

Defined Terms

- a) "Bid Package" means the package of information to be provided by the Receiver to each Potential Bidder, which shall describe the opportunity to acquire all or substantially all of the Company Property or to invest in the Company;
- b) "Business Day" means any day other than (a) a Saturday or Sunday; or (b) a day that is a statutory holiday in Vancouver, British Columbia;
- c) "Company Business" means the business carried on by GBI;
- d) "Company Property" means the property, assets and undertakings of GBI;
- e) "Court" means the Supreme Court of British Columbia;
- f) "Investment Agreement" means any agreement entered into for the purposes of making a financial investment in GBI;
- g) "Purchase Agreement" means any agreement entered into for the purposes of purchasing of some or all of the Company Business or the Company Property;
- h) "Receiver" means BDO Canada Limited;
- i) "Sales Process" means this Sales Process;
- j) "Sales Process Order" means the Order of the Court pronounced ◆, 20◆ approving this Sales Process and making other related orders and directions;

Solicitation Process

1. This Sales Process describes, among other things, the GBI property, assets and undertakings available for sale, the manner in which prospective bidders may gain access to due diligence materials concerning GBI, the manner in which bids and

investment offers are to be submitted, the receipt and negotiation of bids and investment offers received, the ultimate selection of one or more successful bids, and the approval thereof by the Court (collectively, the "Sales Process").

2. The Receiver, shall conduct the Sales Process. In addition, the closing of any sale transaction may involve additional intermediate steps or transactions to facilitate completion of such sale or investment, including additional Court filings.
3. In the event that there is a disagreement or clarification required as to the interpretation or application of this Sales Process, the Sales Process Order or the responsibilities of the Receiver, the Court will have the jurisdiction to hear such matters and provide advice and directions upon the application of the Receiver with a hearing on no less than two (2) Business Days' notice.

"As Is, Where Is"

4. The sale of the Company Property and/or the Company Business will be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature or description by GBI, the Receiver, or any of their agents, advisors, professionals or otherwise, except to the extent expressly set forth in any relevant Purchase Agreement or Investment Agreement.

"Free of any and all Claims and Interests"

5. In the event of a sale, all of the rights, titles and interests of GBI in and to the property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, royalties and interests thereon and there against (collectively, the "Claims and Interests") pursuant to approval and vesting orders made by the Court. Contemporaneously with such approval and vesting orders being made, all such Claims and Interests, to the extent valid and enforceable, shall attach to the net proceeds of the sale of such property (without prejudice to any claims or causes of action regarding priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder.

Solicitation of Interest

6. As soon as reasonably practicable, the Receiver will finalize a list of prospective purchaser and investor groups (the "Known Potential Bidders") for an investment in GBI or the purchase of some or all of the Company Business or the Company Property. Such list will include parties who, in the Receiver's reasonable business judgment, may be interested in acquiring the Company Business or the Company Property.
7. As soon as reasonably practicable, the Receiver shall deliver a Teaser Letter of the assets being offered for sale to the Known Potential Bidders, along with a copy of this Sales Process.

8. In addition, the Receiver may place advertising with such publications as it, in its reasonable business judgment, believes may assist in locating other interested parties.
9. Any prospective purchasers that contact the Receiver will be sent a blank confidentiality and non-disclosure agreement (the "NDA") in form and substance acceptable to the Receiver, which shall inure to the benefit of GBI and any purchaser of the Company Business or Company Property.

Participation Requirements

10. Unless otherwise ordered by the Court, in order to receive the Bid Package, conduct its due diligence and participate in the Sales Process, an interested party must deliver to the Receiver:
 - a) an executed NDA, and
 - b) reasonable proof of financial capacity, if requested by the Receiver,and upon doing so each such interested party shall be deemed to be a "Potential Bidder".

Due Diligence

11. The Receiver will provide to each Potential Bidder a Bid Package, including a Confidential Information Memorandum ("CIM") prepared in consultation with GBI, describing the opportunity to acquire all, or substantially all, of the Company Business or the Company Property, or to invest in the Company.
12. Each Potential Bidder shall have such access to materials and information relating to the Company Property and the Company Business for the purpose of conducting due diligence as the Receiver, in its reasonable business judgment, deems appropriate. GBI and the Receiver shall not be obligated to furnish any due diligence information after the Bid Deadline.
13. The Receiver (and their respective officers, directors, employees, agents, counsel and professionals) is not responsible for, and will have no liability with respect to, any information obtained by any Known Potential Bidder, Potential Bidder or Qualified Bidder in connection with the Company Business or the Company Property. GBI and the Receiver (and their respective officers, directors, employees, agents, counsel and professionals) do not make any representations or warranties whatsoever as to the information or the material provided, except in the case of GBI to the extent expressly provided.
14. Prior to the Bid Deadline, the Receiver may engage in discussions with any or all of the Potential Bidders to determine and explore the level of interest of any such Potential Bidder and may request from any such Potential Bidder such further information as GBI and the Receiver deem appropriate.

Sale Bidding Process

15. In order to qualify as a "Qualified Bidder", a Potential Bidder must deliver a Qualified Bid to the Receiver so as to be received by the Notice Parties no later than 4:00 p.m. PST on February 16, 2022 (the "Bid Deadline").
16. A bid will be considered a "Qualified Bid" only if it includes a Purchase Agreement (in a form to be delivered by the Receiver no later than 21 days prior to the Bid Deadline, executed by the Potential Bidder, which complies with or is accompanied by all of the following:
 - a) A letter stating that the Purchase Agreement is irrevocable until the earlier of (a) the approval by the Court of a Successful Bid, and (b) 30 days following the Bid Deadline; provided however that if such Purchase Agreement is selected as the Successful Bid it shall remain irrevocable until the closing of the Successful Bid;
 - b) It specifies the assets being purchased, the purchase price, how the purchase price is to be paid, and provides for a closing of the purchase transaction no later than 15 business days after court approval;
 - c) There is no request or entitlement to any break-fee, expense reimbursement or similar type of payment;
 - d) Evidence, satisfactory to the Receiver, to allow it to make a reasonable determination as to the Potential Bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Purchase Agreement;
 - e) It is not conditioned on (i) the outcome of unperformed due diligence by the Potential Bidder; and/or (ii) obtaining any financing and includes an acknowledgement and representation that the Potential Bidder has had an opportunity to conduct any and all required due diligence prior to executing the Purchase Agreement;
 - f) The identity of each entity that is bidding or otherwise that will be sponsoring or participating in the Purchase Agreement, including the identification of the Potential Bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
 - g) It includes a schedule of any executory contracts and unexpired leases proposed to be assigned; an acknowledgement and representation that the Potential Bidder will assume the obligations of the Company under those executory contracts and unexpired leases proposed to be assigned and, to the extent applicable, contains full details of the Potential Bidder's proposal for the treatment thereof; and it identifies with particularity any executory contract or unexpired leases the assumption and assignment of which is a condition to closing;

- h) It includes an acknowledgement and representation that the Potential Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents, information and other due diligence materials, and/or the assets to be acquired and liabilities to be assumed under the Purchase Agreement; (ii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, including by the Receiver (and its respective officers, directors, employees, agents, counsel and professionals), except as expressly stated in the Purchase Agreement submitted by it; (iii) is a sophisticated party capable of making its own assessments in respect of the Purchase Agreement; and (iv) has had the benefit of independent legal, tax, accounting and other relevant professional advice in connection with the Purchase Agreement;
 - i) It is accompanied by a refundable deposit (the "Deposit"), in a form and amount acceptable to the Receiver, to be held in accordance with paragraph 27;
 - j) It includes evidence, in form and substance reasonably satisfactory to the Receiver, of compliance or anticipated compliance with any and all applicable regulatory approvals or the anticipated time frame for such compliance and any outstanding conditions or anticipated impediments for obtaining such approvals; and
 - k) It contains any other information reasonably requested by the Receiver.
17. Notwithstanding paragraphs 15 and 16, the Receiver may waive compliance with any one or more of the Qualified Bid requirements specified above and deem such non-compliant bids to be Qualified Bids.

No Qualified Bids

18. The Receiver will assess the Qualified Bids received, if any, and will determine whether it is likely that the transactions contemplated by such Qualified Bids are likely to be consummated and whether proceeding with this Sales Process is in the best interests of the Company and its stakeholders. Such assessments will be made as promptly as practicable but no later than five (5) Business Days after the Bid Deadline.
19. If the Receiver determines that (a) no Qualified Bid was received, (b) at least one Qualified Bid was received but it is not likely that the transactions contemplated in any such Qualified Bids will be consummated; or (c) proceeding with this Sales Process is not in the best interests of the Company and its stakeholders, the Receiver shall forthwith (i) terminate this Sales Process; (ii) notify each Potential Bidder (including any Qualified Bidder(s)) that this Sales Process has been terminated; (iii) consult with the GBI's creditors regarding the Receiver's next steps; and (iv) report to the Court if it considers it appropriate to do so.

20. If the Receiver determines that (a) one or more Qualified Bids were received, (b) it is likely that the transactions contemplated by one or more of such Qualified Bids will be consummated, and (c) proceeding with this Sales Process is in the best interests of GBI and its creditors, this Sales Process will not be terminated and the Receiver will proceed to negotiate with one or more of the Qualified Bidders in an attempt to conclude a transaction.

Selection Criteria

21. In selecting any bid, the Receiver will review each Qualified Bid. In determining the highest and best offer among Qualified Bids, a single Qualified Bid for all or substantially all of the Company Property and/or Company Business generally will be viewed as preferable to a combination of Qualified Bids.
22. Evaluation criteria with respect to any Qualified Bid may include, but are not limited to, items such as (a) the purchase price and the net value, including assumed liabilities or other obligations to be performed or assumed by the bidder; (b) the claims likely to be created by such bid in relation to the other bids; (c) the counterparties to the transaction; (d) the terms of the proposed Purchase Agreement and other transaction documents; (e) other factors affecting the speed, certainty and value of the transaction, including conditions and any regulatory approvals required to close the transaction; (f) the assets included or excluded from the bid and the transaction costs and risks associated with closing multiple transactions versus a single transaction for all or substantially all of the Company Property and/or the Company Business; (g) the estimated number of employees of the Company that will be offered post-closing employment by the bidder and any proposed measures associated with their continued employment; (h) the transition services required post-closing and any related restructuring costs; and (i) the likelihood and timing of consummating the transaction.
23. Upon the conclusion of the bidding, the Receiver will identify the highest or otherwise best Qualified Bid received (such offer, the "Successful Bid", and the Qualified Bidder(s) who made the Successful Bid is the "Successful Bidder").
24. The Receiver shall finalize any further ancillary or definitive documents required to fulfil the obligations set out in the purchase agreement in respect of the Successful Bid, if any, conditional upon the approval of the Court.
25. All Qualified Bids (other than the Successful Bid) shall be deemed rejected by the Receiver on and as of the date of approval of the Successful Bid by the Court.

Approval Hearing

26. As soon as reasonably practicable, the Receiver shall seek a hearing (the "Approval Hearing") to authorize the Receiver to enter into an agreement with the Qualified Bidder or in respect to the Successful Bid (the "Approval Order"). The Approval Hearing may be adjourned or rescheduled by the Receiver, without further notice, by notice to the service list maintained by the Receiver.

Deposits

27. All Deposits shall be retained by the Receiver and invested in a non-interest-bearing trust account in a Schedule I Bank in Canada. Upon closing of the transaction with the Successful Bidder, the Deposit (plus accrued interest) paid by the Successful Bidder shall be applied to the purchase price to be paid by the Successful Bidder. The Deposits (plus applicable interest) of all Qualified Bidders not selected as the Successful Bidder shall be returned to such bidders within five Business Days of the date upon which the Successful Bid is approved by the Court. If the Sales Process is terminated in accordance with the terms in this document, all Deposits shall be returned to the bidders within five Business Days of the date upon which it is determined that this Sales Process is terminated.
28. If the Successful Bidder breaches its obligations to close, it shall forfeit its Deposit to the Receiver, provided however that the forfeit of such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Receiver has against such breaching entity, and the party holding the deposit shall be obligated to release the funds to the Receiver, subject to the claims of the Receiver and GBI's creditors.

Approvals

29. For greater certainty, the approvals required pursuant to the terms of this Sales Process are in addition to and not in substitution for any other approvals required by the BIA or any other statute or are otherwise required at law in order to implement a definitive agreement with a Successful Bidder, as the case may be.

Notice Parties

30. As used herein, the "Notice Party" is the Receiver. The address to be used for delivering documents to the Notice Party is as follows:

BDO Canada Limited
Attention: Chris Bowra
Email: cbowra@bdo.ca

Attention: Martin Chan
Email: mchan@bdo.ca

31. A bid shall be delivered to all Notice Parties at the same time by electronic mail, personal delivery or courier.

Reservation of Rights

32. The Receiver, in its sole discretion:
 - a) may reject, at any time, any bid that is (i) inadequate or insufficient; (ii) not in conformity with the requirements of the BIA, this Sales Process or any

orders of the Court applicable to GBI; and/or (iii) contrary to the interests of GBI, its estate or creditors, as determined by the Receiver;

- b) in accordance with the terms hereof, may impose additional terms and conditions and otherwise seek to modify this Sales Process at any time in order to maximize the results obtained;
 - c) in accordance with the terms hereof, may accept bids not in conformity with this Sales Process to the extent that the Receiver determines, in its business judgment, that doing so will benefit GBI, its estate and its creditors;
 - d) extend the deadlines contained in this Sales Process, provided that the Bid Deadline shall not be extended beyond April 28, 2022; and
 - e) may terminate or abandon this Sales Process if the Receiver determines, in its business judgment, that doing so is in accordance with its duties as Receiver of the assets, business, and undertakings of GBI.
33. At or before the Approval Hearing, the Receiver may impose such other terms and conditions in the negotiation of a Purchase Agreement, as applicable, as the Receiver may determine to be in the best interest of GBI, its estate and its creditors, provided that such terms and conditions are not inconsistent with this Sales Process.
34. This Sales Process does not, and shall not be interpreted to, create any contractual or other legal relationship between the Receiver and any other party, other than as specifically set forth in definitive agreements that may be executed by the Receiver.

No Amendment

35. Except as provided herein, there shall be no amendments to this Sales Process, including for greater certainty the process and procedures set out in this document, without the prior written consent of the Receiver unless otherwise ordered by the Court upon application and appropriate notice.

Further Orders

At any time during this Sales Process, the Receiver may apply to the Court for advice and directions with respect to the discharge of their powers and duties hereunder.

No. S-229292
Vancouver Registry

In the Supreme Court of British Columbia

Between

113 ROYAL INVESTMENTS LTD.

Petitioner

and

GEYSER BRANDS INC.

Respondent

RECEIVERSHIP ORDER

OWEN BIRD LAW CORPORATION
P.O. Box 49130
Three Bentall Centre
2900 - 595 Burrard Street
Vancouver, BC V7X 1J5

File No. 40057/0000
