

**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 NOYA
HOLDINGS INC. AND NOYA CANNABIS INC.**

(each an "Applicant" and collectively, the "Applicants")

**THIRD REPORT OF THE MONITOR
(Filed in connection with a Motion returnable April 1, 2025)**

March 28, 2025

LOOPSTRA NIXON LLP
130 Adelaide Street W., Suite 2800
Toronto, ON M5H 3P5

R. Graham Phoenix (LSO No.: 52650N)
Tel: (416) 748-4776
Email: gphoenix@LN.law

Shahrzad Hamraz (LSO No.: 85218H)
Tel: (416) 748-5116
Email: shamraz@LN.law

*Lawyers for the Monitor,
BDO Canada Limited*

TO: THE ATTACHED SERVICE LSIT

SERVICE LIST

TO:	<p>FOGLER, RUBINOFF LLP Lawyers Scotia Plaza 40 King Street West, Suite 2400 P.O. Box #215 Toronto, ON M5H 3Y2</p> <p>Vern W. DaRe Tel: 416.941.8842 Fax: 416.941.8852 Email: vdare@foglers.com</p> <p>Lawyers for the Applicants, Noya Holdings Inc. and 1001155163 Ontario Inc.</p>
AND TO:	<p>BDO CANADA LIMITED 51 Breithaupt Street, Suite 300 Kitchener, ON N2H 5G5</p> <p>Robyn Duwyn Email: rduwyn@bdo.ca Tel: (519) 578-6910</p> <p>Monitor</p>
AND TO:	<p>LOOPSTRA NIXON LLP 130 Adelaide Street West, Suite 2800 Toronto, ON M5H 3P5</p> <p>R. Graham Phoenix Tel: (416) 748-4776 / (416) 558-4492 Email: gphoenix@LN.Law</p> <p>Shahrazad Hamraz Tel: (416) 748-5116 Email: shamraz@LN.Law</p> <p>Counsel for the Monitor</p>

AND TO:	<p>DICKINSON WRIGHT LLP Commerce Court West 2200-199 Bay Street PO Box 447 Toronto, ON M5L 1G4</p> <p>John Leslie Tel: (416) 646-3801 / (519) 562-3209 Email: jleslie@dickinsonwright.com</p> <p>David Seifer Email: dseifer@dickinson-wright.com</p> <p>Counsel for Lending Stream Inc.</p>
AND TO:	<p>1955185 ONTARIO INC. also known as 1000593616 ONTARIO INC. 19 Thoroughbred Boulevard Hamilton, ON L9K 1L2</p> <p>Attention: Mohamed Reda Email: mikereda@hotmail.com</p>
AND TO:	<p>CASSELS BROCK & BLACKWELL LLP Suite 3200, Bay Adelaide Centre – North Tower 40 Temperance Street Toronto, ON M5H 0B4</p> <p>Jeremy Bornstein Tel: (416) 869-5386 Email: jbornstein@cassels.com</p> <p>Lawyers for TerrAscend Corp.</p>
AND TO:	<p>ALTERNA SAVINGS AND CREDIT UNION LIMITED 319 McRae Avenue Ottawa, ON K1Z 0B9</p>

AND TO:	<p>FARRIS LLP Barristers & Solicitors 2500 – 700 West Georgia St. Vancouver, BC V7Y 1B3</p> <p>Nicholas T. Hooge Tel: (604) 684-9151 Fax: (604) 661-9349 Email: nhooge@farris.com</p> <p>Lawyers for Pure Sunfarms Corp.</p>
AND TO:	<p>TYR LLP 488 Wellington Street West, Suite 300-302 Toronto, ON M5V 1E3 Fax: 416-987-2370</p> <p>James Bunting Tel: (647)519-6607 Email: jbunting@tyrllp.com</p> <p>Maria Naimark Tel: (437)225-5831 Email: mnaimark@tyrllp.com</p> <p>Lawyers for Ignite International Brands (Canada) Ltd.</p>
AND TO:	<p>BRAZEAU SELLER LLP 100 Queen Street, Suite 700 Ottawa, ON K1P 1J9</p> <p>Eric Dwyer Tel: (613)237-4000 Email: edwyer@brazeauseller.com</p> <p>Lawyers for 10805696 Canada Inc. o/a Mauve & Herbes</p>

AND TO:	DEPARTMENT OF JUSTICE (CANADA) Ontario Regional Office, Tax Law Section 120 Adelaide Street West, Suite 400 Toronto, Ontario M5H 1T1 Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca Lawyers for Canada Revenue Agency
AND TO:	ATTORNEY GENERAL OF CANADA Department of Justice Canada Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1 Fax: 416-973-0942 Per: Kelly Smith Wayland Tel: 647-533-7183 E-mail: kelly.smithwayland@justice.gc.ca LSO: 40290A Lawyers for His Majesty the King in Right of Canada as represented by the Minister of National Revenue
AND TO:	HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE Insolvency Unit 6 th Floor, 33 King Street West Oshawa, Ontario L1H 8H5 Insolvency Unit Email: insolvency.unit@ontario.ca Tel: (905) 433-5657 Fax: (905) 436-4510

AND TO:	CRA – TAX – ONTARIO Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd. Shawinigan-Sud, QC G9P 5H9
AND TO:	2138825 ONTARIO INC 1818 Burlington St. East Hamilton, ON L8H 3L4
AND TO:	OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY 25 St. Clair Avenue – East (6th Floor) Toronto, ON M4T 1M2 Tel: (416) 973-6441 Fax: (416) 973-7440 Email: osbservice-bsfservice@ised-isde.gc.ca
AND TO:	HEALTH CANADA Controlled Substances and Cannabis Branch 150 Tunney's Pasture Driveway Ottawa, ON K1A 0K9 Email: licensing-cannabis-licences@hc-sc.gc.ca
AND TO:	CHOKEY REAL ESTATE LIMITED 1818 Burlington St. East Hamilton, ON L8H 3L4
AND TO:	DENTONS CANADA LLP 77 King Street West Suite 400 Toronto, ON M5K 0A1 John Salmas Tel: (416) 864-4737 Email: john.salmas@dentons.com Lawyers for Kronos Capital Partners Inc.

AND TO:	REVENU QUÉBEC 1265, boul. Charest Ouest Québec (Québec), secteur C65-9K, G1N 4V5 Adil Rifai Email: Adil.Rifai@revenuquebec.ca Tel: (418) 577-0047
AND TO:	ALAM LAW FIRM PC 5100 Dixie Road Mississauga, ON L4W 1C9 Muhammad M. Alam Email: malam@thealamlaw.com Tel: (905) 564-5953 Lawyers for Selvira Peckovic
AND TO:	ANDREW HEALEY Barrister & Solicitor 4 Robert Speck Parkway, Ste. 100 Mississauga, ON L4Z 1S1 Tel: (905) 285-9963 ext. 41685 Fax: (905) 285-0110 Email: andrew.healey@intact.net Lawyers for 2138825 Ontario Inc. and Chockey Real Estate Limited

**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 NOYA
HOLDINGS INC. AND NOYA CANNABIS INC.**

(each an "Applicant" and collectively, the "Applicants")

INDEX

TAB	DOCUMENT	PDF PAGE #
1	Third Report of the Monitor, dated March 28, 2025	10
A	Appendix "A" – Reverse Approval and Vesting Order dated March 5, 2025	23
B	Appendix "B" – First Report of the Monitor dated November 13, 2025 (without appendices)	48
C	Appendix "C" – Second Report of the Monitor dated February 26, 2025 (without appendices)	66
D	Appendix "D" – Affidavit of Robyn Duwyn sworn March 26, 2025	87
E	Appendix "E" – Affidavit of Shahrzad Hamraz sworn March 26, 2025	94

TAB 1

Court File Number CV-24-00730120-00CL

**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
NOYA HOLDINGS INC. AND 1001155163 ONTARIO INC.**

(each an “Applicant” and collectively, the “Applicants”)

**THIRD REPORT OF THE MONITOR
MARCH 28, 2025**

TABLE OF CONTENTS

INTRODUCTION.....	4
PURPOSE.....	5
TERMS OF REFERENCE.....	6
BACKGROUND	7
APPLICANTS’ OPERATIONS SINCE THE APPROVAL AND REVERSE VESTING ORDER.....	7
MONITOR’S ACTIVITIES SINCE THE APPROVAL AND REVERSE VESTING ORDER.....	7
Canada Revenue Agency and the Department of Justice.....	8
APPLICANTS’ RECEIPTS AND DISBURSEMENTS TO DATE	8
THE TRANSACTION.....	9
EXTENSION OF STAY PERIOD AND CCAA TERMINATION.....	10
APPROVAL OF THE MONITOR’S FEES AND DISBURSEMENTS	10
CONCLUSIONS AND RECOMMENDATIONS.....	11

APPENDICES

Appendix A	Reverse Approval and Vesting Order dated March 5, 2025
Appendix B	First Report of the Monitor dated November 13, 2024 (without appendices)
Appendix C	Second Report of the Monitor dated February 26, 2025 (without appendices)
Appendix D	Affidavit of Robyn Duwyn sworn March 26, 2025
Appendix E	Affidavit of Shahrzad Hamraz sworn March 26, 2025

INTRODUCTION

1. On November 6, 2024, the Court heard an application by Noya Holdings Inc (“**NHI**”) and Noya Cannabis Inc. (“**NCI**” and together with NHI, the “**Initial Applicants**”) for an initial order pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (“**CCAA**”). Among other things, the Initial Applicants sought a stay of proceedings to allow them an opportunity to restructure their business and affairs or effect a sale transaction.
2. BDO Canada Limited (“**BDO**”), as Proposed Monitor, prepared a report dated October 29, 2024 (the “**Proposed Monitor’s Report**”) to provide information to this Court for its consideration in respect of the Applicants’ CCAA Application.
3. On November 6, 2024 (the “**Filing Date**”), the Court granted an initial order in these proceedings (the “**Initial Order**”) that, among other things, appointed BDO as monitor of the Initial Applicants in these CCAA proceedings (in such capacity, the “**Monitor**”), approved a stay of proceedings until November 15, 2024 (the “**Stay Period**”) and approved certain Court-ordered charges.
4. The Initial Order contemplated a comeback motion to be heard November 15, 2024 (the “**Comeback Hearing**”).
5. On November 15, 2024, the Court granted an Amended and Restated Initial Order (the “**Amended and Restated Initial Order**”) that, among other things:
 - a. Extended the Stay Period to March 7, 2025;
 - b. Confirmed and extended the appointment of BDO as Monitor;
 - c. Authorized the full amount of the DIP Loan from the DIP Lender, with borrowings not to exceed \$400,000;
 - d. Increased the Administration Charge to the maximum amount of \$400,000;
 - e. Increased the Directors’ Charge to the maximum account of \$200,000; and
 - f. Increased the DIP Charge to the maximum amount of \$400,000.
6. On November 15, 2024, the Court also granted the Sale Process and Stalking Horse Purchase Agreement Order (the “**Sale Process Approval Order**”) that, among other things:
 - a. Approved and authorized the Initial Applicants to enter into a stalking horse purchase agreement (the “**Stalking Horse SPA**”) with between Lending Stream Inc. or its nominee (the “**Stalking Horse Purchaser**” or “**Stalking Horse Bidder**”);

- b. Approved the commencement of the SISP as fully described in Schedule “A” to the Sale Process Approval Order; and,
 - c. Approved and authorized the engagement of Kronos Capital Partners Inc. (“**Kronos**”) to conduct the SISP (the “**SISP Agent**”).
- 7. BDO prepared a report dated February 26, 2025 (the “**Monitor’s Second Report**”) to provide information to this Court for its consideration in respect of the Initial Applicants’ motion for, among other things, an extension of the stay period to April 11, 2025 and approval of a Share Purchase Agreement between the Initial Applicants and the Stalking Horse Purchaser (the “**Purchaser**”), as amended by an amendment dated February 24, 2025 (“**Final SPA**”), for the acquisition of the shares of NCI and the transactions contemplated therein (the “**Transaction**”).
- 8. On March 5, 2025, the Court granted an Approval and Reverse Vesting Order (the “**Approval and Reverse Vesting Order**”), a copy of which is attached as **Appendix A**, that, among other things:
 - a. approved the Final SPA and Transaction;
 - b. provided for the vesting of the shares of NCI in and to the Purchaser, upon the delivery of a certificate of the Monitor, free of all claims and encumbrances, including without limitation, the constructive trust asserted by Ignite International Brands (Canada) Ltd;
 - c. provided for the vesting of the Excluded Assets, Excluded Contracts and Excluded Liabilities (each as defined in the Final SPA) in and to 1001155163 Ontario Inc. (“**ResidualCo**”);
 - d. added ResidualCo as an Applicant to the CCAA proceedings and, effective upon closing of the Transaction, removed NCI as a Applicant in the CCAA Proceedings;
 - e. granted certain enhanced Monitor’s powers with respect to ResidualCo; and
 - f. extended the stay period to April 11, 2025 to permit the Applicants and the Purchaser to complete the Transaction.; and
- 9. On March 5, 2025, the Court also granted an Ancillary Order (the “**Ancillary Order**”) which, among other things, approved the interim fees and disbursements to date of the Monitor and its legal counsel.

PURPOSE

- 10. The purpose of this report is to provide information to the Court on:
 - a. the Applicants’ operations since the granting of the Approval and Vesting Order;
 - b. the Monitor’s activities since the granting of the Approval and Vesting Order;

- c. the status of the Transaction; and
- d. the Applicants' motion, returnable on April 1, 2025, for an order, (the "**CCAA Termination Order**"), among other things:
 - i. approving the final fees and disbursements of the Monitors and its legal counsel;
 - ii. authorizing and directing the Monitor to make certain distributions from the Funds on Hand (as defined below) in payment of professional fees that are subject to the Administration Charge
 - iii. extending the stay period to April 22, 2025;
 - iv. authorizing ResidualCo to make an assignment in bankruptcy pursuant to the *Bankruptcy and Insolvency Act*.

TERMS OF REFERENCE

11. In preparing this Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Applicants, discussions with management of the Applicants ("**Management**"), and information from other third-party sources (collectively, the "**Information**"). Except as described in this Second Report in respect of the Cash Flow Forecast:
 - a. the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and
 - b. some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
12. Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. 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 variation could be significant.

13. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Report concerning the Applicants and their business is based on the Information, and not independent factual determinations made by the Monitor.
14. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND

15. This Report should be read in conjunction with the Affidavit of Ziad Reda sworn March 27, 2025 (the "**March Reda Affidavit**").
16. This Third Report should be read in conjunction with the March Reda Affidavit. Additional background and financial information with respect to the Applicants was provided in the Proposed Monitor's Report, the Monitor's First Report and the Monitor's Second Report. A copy of the Monitor's First Report (without appendices) is attached as **Appendix "B"** and the Monitor's Second Report (without appendices) is attached as **Appendix "C"**.
17. Any terms not expressly defined herein are otherwise defined in the Reda Affidavit.

APPLICANTS' OPERATIONS SINCE THE APPROVAL AND REVERSE VESTING ORDER

18. Since the granting of the Approval and Reverse Vesting Order, NCI has continued operations, maintained its workforce and continued to supply cannabis to domestic customers, sourced from both in-house production and purchases from third party suppliers.
19. Further details concerning the Applicants' activities are set forth in the March Reda Affidavit.

MONITOR'S ACTIVITIES SINCE THE APPROVAL AND REVERSE VESTING ORDER

20. Since the granting of the Approval and Reverse Vesting Order, the Monitor, among other things has:
 - a. assisted the Applicants with stakeholder communications;
 - b. responded to calls, e-mails and letters received from parties with respect to these CCAA proceedings;
 - c. participated in preparation for and closing of the Transaction, including working with counsel in respect of various closing requirements; and

- d. continued a bi-weekly monitoring protocol with the Applicants to allow the Monitor to review the Applicants weekly cash receipts, disbursements and variance versus the cash flow forecast;
21. Since the granting of the Initial Order, the Monitor has posted the Court materials to its website for these proceedings at <https://www.bdo.ca/en-ca/extranets/noya-holdings-inc-and-noya-cannabis-inc> (the “**Monitor’s Website**”). All court documents and certain other relevant documents have and will continue be posted on the Monitor’s Website as they are made available.

Canada Revenue Agency and the Department of Justice

22. The Monitor has continued to coordinate with the Applicants on Canada Revenue Agency (“**CRA**”) related matters and engage with CRA and the Department of Justice on their enquiries.
23. A summary of the status of CRA filings and compliance is provided below:
- a. Source deductions from March 2 and March 16, 2025 payrolls, totaling approximately \$32,000, were not remitted prior to closing of the Transaction;
 - b. CRA applied a 2024 source deduction remittance to NCI’s 2025 account. NCI is in contact with CRA to have the amount reallocated to 2024. Upon adjustment, it is anticipated that no amount will be owing for 2024 source deductions.
 - c. The HST return for the month of February 2025 is due on March 31, 2025. The amount owing is estimated to be \$25,000. The CRA is holding previous refunds on the HST account in the approximate amount of \$148,000 that will be offset to pay this amount.
 - d. Excise tax is no longer applicable as NCI’s sales are strictly ‘business to business’. NCI has submitted a refund claim to CRA for excise stamps. On a go forward basis CRA has set the NCI excise security at \$5,000.
24. Following the completion of the Transaction NCI will remit \$32,000 for priority amounts owing to CRA on account of source deductions.

APPLICANTS’ RECEIPTS AND DISBURSEMENTS TO DATE

25. The Monitor’s Second Report included a summary and analysis of the Applicants actual receipts and disbursements for the 13-week period ended February 9, 2025, as compared to the first 13 weeks of the 17-Week Cash Flow Forecast for the period from November 11, 2024 to March 9, 2025.
26. The Initial Applicants, with the assistance of the Monitor, prepared an extended Cash Flow Forecast (the “**Cash Flow Forecast**”) for the 10-week period from February 10, 2025 to the week ending April 20, 2025 (the “**Cash Flow Period**”) for the purpose of projecting

the Applicants' estimated liquidity needs through to the completion of the Transaction. A copy of the Cash Flow Forecast was attached as Appendix H to the Monitor's Second Report.

27. For the 4-week period from February 10, 2025 to March 9, 2025, cash receipts were \$872,000 below forecast due to variance in the timing of customer payments on prior completed orders, and the filling of new orders. However, this variance was more than offset by: cannabis purchases that were \$717,000 less than forecast due to product availability issues and changed vendor purchase orders; and commission payments that were \$312,000 less than forecast due to cash management and timing differences in the issuance and processing of cheques. Other expenses were generally in line with forecast. As a result, NCI's cash balance at March 9, 2025 was \$395,916 versus the Cash Flow Forecast of \$68,969.
28. The Monitor also notes that through March 9, 2025 the Initial Applicants disbursements for Restructuring/Professional Fees were \$191,071 less than forecast.

THE TRANSACTION

29. The Approval and Reverse Vesting Order approved the Final SPA between the Applicants and the Purchaser, as amended by an amendment dated February 24, 2025, for the acquisition of the shares of NCI and authorized the completion of the Transaction.
30. The Transaction was completed on March 28, 2025.
31. The purchase price, as defined in section 3.1 of the Stalking Horse SPA is calculated as follows:
 - a. an amount equal to the Lending Stream Royalty Debt as at the SISP Approval Date, which amount is estimated to be \$3,450,632.67;
 - b. an amount equal to the DIP Facility, which amount is estimated to be \$300,000.00;
 - c. an amount equal to any outstanding amounts secured by the Administration Charge at Closing;
 - d. an amount equal to any outstanding amounts secured by the Director's Charge at Closing;
 - e. an amount equal to any outstanding Priority Payables at Closing (in addition to the Administration Charge and Director's Charge); and
 - f. the Assumed Liabilities, if any.
32. The purchase price for the Transaction is summarized below:

Lending Stream Inc. Royalty debt	\$ 3,450,632.67
DIP Facility	300,000.00
Outstanding amounts secured by the Administration Charge	-
Outstanding amounts secured by the Director's Charge	-
Outstanding priority payables	-
Assumed liabilities	-
Total purchase price	\$ 3,750,632.67

33. Pursuant to Section 3.2 of the Stalking Horse SPA, the purchase price was satisfied as summarized below:

Initial deposit (Amounts advanced under DIP Facility)	\$ 300,000.00
Credit bid of Lending Stream royalty debt	3,450,632.67
Cash on closing	-
	3,750,632.67

34. The Monitor is currently holding net proceeds from the Transaction of \$97,332.49 (the **“Funds on Hand”**), representing the professional fee completion accruals of the Monitor, its legal counsel Loopstra Nixon LLP (**“LN”**), as detailed in this Third Report and subject to Court approval. As a result, no amount is outstanding under the Administration Charge.
35. Any amounts not required for the professional fee accruals will be returned by the Monitor to the Purchaser.

EXTENSION OF STAY PERIOD AND CCAA TERMINATION

36. Now that the Transaction has closed, the only known remaining activities that will be required to be undertaken in the CCAA Proceedings are as follows:
- The completion of the Proposed Distributions;
 - The preparation and assignment of ResidualCo into bankruptcy; and
 - The completion of the necessary statutory and administrative steps for the termination of the CCAA Proceedings and the discharge of the Monitor.
37. As a result, it is the Monitor’s request that the CCAA be terminated upon the service of the Termination Certificate on the service list. This request will maximize the efficiency and minimize the costs of the remainder of the CCAA Proceedings.
38. The Monitor believes that the creditors would not be prejudiced by the granting of the stay extension and that the Applicants are acting in good faith and with due diligence.

APPROVAL OF THE MONITOR’S FEES AND DISBURSEMENTS

39. Pursuant to paragraph 31 of the Amended and Restated Initial Order, which states:

THIS COURT ORDERS THAT the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

40. The Monitor and its legal counsel LN have been paid their fees and disbursements at their standard rates and charges by the Applicants from time to time, in accordance with the Amended and Restated Initial Order, as part of the costs of the CCAA Proceedings.
41. The Monitor and the Monitor's counsel have maintained detailed records of their fees and disbursements since the commencement of the CCAA Proceedings and now seeks approval of same.
42. The Monitors fees from the commencement of proceedings to February 14, 2025 and LN's fees from the commencement to January 31, 2025 were approved by the Ancillary Order.
43. The Monitor's fees from February 15, 2025 to March 25, 2025 were \$34,952.50 plus a completion accrual of \$7,547.50 and HST of \$5,525.00 for a total of \$48,025.00, as set out in the Affidavit of Robyn Duwyn sworn March 26, 2025, a copy of which is attached hereto as **Appendix "D"**.
44. LN's fees for the period from February 1, 2025 to March 25, 2025 were \$28,586.50 plus disbursements of \$137.76 and HST of \$3,734.16, for a total of \$32,458.42, as well as LN's estimated professional fees and disbursements plus HST to the CCAA Termination Time in the amount of \$19,474.15 and any other fee accruals as set out in the affidavit of Shahrzad Hamraz sworn March 26, 2025, a copy of which is attached as **Appendix "E"**.
45. The Monitor respectfully submits that the Monitor's fees and disbursements, and those of LN, are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Amended and Restated Initial Order.
46. Accordingly, the Monitor seeks approval of the fees and disbursements of the Monitor and LN.

CONCLUSIONS AND RECOMMENDATIONS

47. The Monitor has reviewed the Applicants materials for the hearing and supports the Applicants' request that the Court grant the Termination Order.

All of which is respectfully submitted this 28th day of March 2025.

**BDO CANADA LIMITED,
in its capacity as Monitor of the Applicants,
and not in its corporate or personal capacity.**

A handwritten signature in black ink, appearing to read 'Robyn Duwyn', written in a cursive style.

**Robyn Duwyn, CPA, CA, CIRP
Senior Vice President
Licensed Insolvency Trustee**

Appendix A – Reverse Approval and Vesting Order dated March 5, 2025

Court File No. CV-24-00730120-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE)	WEDNESDAY, THE 5 TH
)	
JUSTICE CAVANAGH)	DAY OF MARCH, 2025

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
NOYA HOLDINGS INC. AND NOYA CANNABIS INC.

Applicants

APPROVAL AND REVERSE VESTING ORDER

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), for an order, among other things: (i) approving the transactions (collectively, the “**Transaction**”) contemplated by the stalking horse purchase agreement dated November 11, 2024, as amended (the “**SPA**”), entered into among Noya Holdings Inc. (the “**Vendor**”), Noya Cannabis Inc. (the “**Company**”) and Lending Stream Inc. (the “**Purchaser**”, “**DIP Lender**” or “**Lending Stream**”) for the purchase and sale of all of the issued and outstanding shares of the Company (“**Purchased Shares**”) and the Company Property (defined below); (ii) adding 1001155163 Ontario Inc. (“**ResidualCo**”) as an Applicant to these CCAA Proceedings in order to carry out the Transaction; (iii) vesting in the Company all of the Vendor's right, title and interest in and to the Transferred Assets, if any, free and clear from any Encumbrances; (iv) transferring and vesting absolutely and exclusively in ResidualCo all Excluded Liabilities, Excluded Assets, and Excluded Contracts; (v) vesting all of

the Vendor's right, title and interest in and to the Purchased Shares in the Purchaser, free and clear of any Encumbrances; (vi) discharging all Encumbrances against the Company and the Company Property other than Permitted Encumbrances; (vii) approving releases in favour of the current and former directors, officers, employees, legal counsel and advisors of the Applicants, Monitor and Purchaser; (viii) approving the first and second report of BDO Canada Limited (“**BDO**”), in its capacity as Monitor of the Applicants (the “**Monitor**”), respectively dated November 13, 2024 (the “**First Report**”) and February 26, 2025 (the “**Second Report**”), including activities, fees and disbursements; and (ix) extending the stay of proceedings to April 11, 2025 (the “**Stay Period**”), was heard this day by judicial video conference via Zoom.

ON READING the Applicants' notice of motion dated February 26, 2025, the Affidavit of Ziad Reda sworn February 25, 2025, and the Second Report, to be filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and counsel for those other parties appearing as indicated by the counsel slip or participant information form, no one appearing for any other party although duly served as appears from the Affidavit of Service of Michelle Pham sworn February 26, 2025, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record be and is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the SPA.

RESIDUALCO

3. **THIS COURT ORDERS AND DECLARES** that, as of the Effective Time:
- (a) ResidualCo shall be a company to which the CCAA applies; and
 - (b) ResidualCo shall be added as an Applicant in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to: (i) an “Applicant” or the “Applicants” shall refer to and include ResidualCo; and (ii) “Property” shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of ResidualCo (the “**ResidualCo Property**”), and, for greater certainty, each of the Charges (as defined in the Initial Order), shall constitute a charge on the ResidualCo Property

APPROVAL OF SPA, TRANSACTION AND PRE-CLOSING REORGANIZATION

4. **THIS COURT ORDERS AND DECLARES** that the SPA is approved as the Successful Bid (as that term is defined in the Order of Justice Cavanagh dated November 15, 2024 in these CCAA Proceedings), and the Transaction and the Pre-Closing Reorganization are hereby approved. The Applicants are hereby authorized and directed to perform their obligations under the SPA and to take such additional steps and execute

such additional documents as may be necessary or desirable to effect the completion of the Transaction and for the conveyance of the Purchased Shares to the Purchaser, including the Pre-Closing Reorganization steps.

5. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Applicants to proceed with the Transaction and that no shareholder or other approval shall be required in connection therewith.

VESTING & PRE-CLOSING REORGANIZATION

6. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a copy of the Monitor's certificate (the "**Monitor's Certificate**") to the Purchaser (the time of such delivery being referred to herein as the "**Effective Time**"), substantially in the form attached as Schedule "A" hereto, the following shall occur and shall be deemed to have occurred at the Effective Time in the following sequence:

- (a) First, all of the Vendor's right, title and interest in and to the Transferred Assets, if any, shall vest absolutely and exclusively in the Company, free and clear of and from any and all Claims and Encumbrances (each as defined below) and, for greater certainty, this Court orders that all of the Encumbrances in respect of the Transferred Assets are hereby expunged and discharged as against the Transferred Assets;
- (b) Second, all of the right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in ResidualCo, and all Claims and Encumbrances (each as defined below) shall continue to attach to the Excluded Assets and to the

Proceeds (defined below) in accordance with paragraph 9 of this Order, in either case with the same nature and priority as they had immediately prior to the transfer;

- (c) Third, all Excluded Contracts and Excluded Liabilities (which for certainty includes, without limitation, all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) of the Company (other than the Assumed Liabilities) shall be channeled to, assumed by and vest absolutely and exclusively in ResidualCo such that the Excluded Contracts and Excluded Liabilities shall become obligations of ResidualCo and shall no longer be obligations of the Company, and the Company and all of its assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situated (including, for certainty, the Transferred Assets and the Retained Assets) (collectively, the **"Company Property"**) shall be and are hereby forever released and discharged from such Excluded Contracts and Excluded Liabilities and all related Claims and all Encumbrances affecting or relating to the Company Property are hereby expunged and discharged as against the Company Property;
- (d) Fourth, in consideration for the Purchase Price, all of the right, title and interest in and to the Purchased Shares shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual,

statutory, or otherwise, including without limitation the constructive trust asserted by Ignite International Brands (Canada) Ltd.), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order or any other orders in these CCAA Proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry systems; and (iii) those Claims listed on Schedule “B” hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on Schedule “C” hereto with respect to the SPA) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Shares are hereby expunged and discharged as against the Purchased Shares;

- (e) Fifth, all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person (as defined below) and are convertible or exchangeable for any securities of the Company, or which require the issuance, sale or transfer by the Company of any shares or other securities of the Company and/or the share capital of the Company, or otherwise relating thereto, shall be deemed terminated and cancelled; and

- (f) Sixth, the Company shall, and shall be deemed to, cease being an Applicant in these CCAA Proceedings, and shall be deemed to be released from the purview of the Initial Order and all other orders of this Court granted in respect of these CCAA Proceedings, save and except for this Order, the provisions of which (as they relate to the Company and ResidualCo) shall continue to apply in all respects.
7. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transaction.
8. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Vendor and the Purchaser regarding the fulfilment of conditions to closing under the SPA and shall have no liability with respect to delivery of the Monitor's Certificate.
9. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Shares, if any (the "**Proceeds**") and the Excluded Assets, if any, shall be allocated to ResidualCo, and that from and after the delivery of the Monitor's Certificate, all Claims and Encumbrances shall attach to the Proceeds, with the same priority as they had with respect to the Purchased Shares and the Company Property immediately prior to the sale, as if: (i) the Company Property and Purchased Shares had not been sold and remained owned by and in the possession or control of the Person who owned and had possession or control immediately prior to the sale; and (ii) the Excluded Contracts and Excluded Liabilities had not been transferred to

and vested in ResidualCo and had remained liabilities of the Company immediately prior to the transfer.

10. **THIS COURT ORDERS** that, upon the delivery of the Monitor's Certificate, the Purchaser and its counsel and/or their respective agents shall be authorized to take all steps to file or register, as applicable, all such financing change statements and other instruments as may be necessary to cancel and discharge all registrations against the Company pursuant to the *Personal Property Security Act* (Ontario) or any similar legislation.
11. **THIS COURT ORDERS** that, for greater certainty, upon delivery of the Monitor's Certificate, and upon filing of a copy of this Order together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to the Applicants or the Applicants' Property, business or operations (collectively, the "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of a copy of the Monitor's Certificate and a copy of this Order as though they were originals and to enter into records, make, amend or discharge such registrations and transfers of interests as the Purchaser, the Company, ResidualCo or the Monitor may require to give effect to the terms of this Order and the Share Purchase Agreement. Presentment of a copy of this Order and a copy of the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to enter into records, make, amend or discharge registrations and transfers of interests as required by this paragraph, including, without limitation, to effect the discharge of the Claims and Encumbrances as against the Company Property.

12. **THIS COURT ORDERS** that pursuant to section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Applicants or the Monitor, as the case may be, is authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Company's records pertaining to past and current employees of the Company. The Purchaser shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner that is in all material respects identical to the prior use of such information by the Company.
13. **THIS COURT DECLARES AND ORDERS** that the Purchased Shares are being purchased by the Purchaser from the Vendor and that, at the Effective Time and without limiting the provisions of paragraph 6 hereof, the Purchaser and the Company shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any taxes (including penalties and interest thereon) of, or that relate to, the Applicants or the Company Property (provided as it relates to the Company, such release shall not apply to taxes in respect of the business and operations conducted by the Company on or after November 6, 2024).
14. **THIS COURT ORDERS** that except to the extent expressly contemplated by the SPA, all contracts to which the Applicants are parties upon delivery of the Monitor's Certificate will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder or enforce or exercise any right

(including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of any Applicant);
- (b) the insolvency of any Applicant or the fact that the Applicants sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the SPA, the Transaction or the provisions of this Order, or any other Order of the Court in these CCAA Proceedings; or
- (d) any transfer or assignment, or any change of control of the Company arising from the implementation of the SPA, the Transaction or the provisions of this Order.

15. **THIS COURT ORDERS** that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of the Company then existing or previously committed by the Company, or caused by the Company, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any Contract existing between such Person and the Company arising directly or indirectly

from the filing of the Company under the CCAA and the implementation of the Transaction and Pre-Closing Reorganization, including without limitation any of the matters or events listed in paragraph 14 hereof and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Company from performing its obligations under the SPA or be a waiver of defaults by the Company under the SPA and the related documents.

16. **THIS COURT ORDERS** that from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, indirectly, derivatively or otherwise, and including without limitation, administrative hearings, arbitrations, mediations, and orders, declarations and assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Company or the Company Property relating in any way to or in respect of any Excluded Assets, Excluded Liabilities or Excluded Contracts and any other claims, obligations and other matters that are waived, released, expunged or discharged pursuant to this Order.
17. **THIS COURT ORDERS** that from and after the Effective Time:
 - (a) the nature of the Assumed Liabilities retained by the Company, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transaction or this Order;

- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to ResidualCo;
- (c) any Person that prior to the Effective Time had a valid right, Claim or Encumbrance against the Company under or in respect of any Excluded Contract or Excluded Liability (each an “**Excluded Liability Claim**”) shall no longer have such right, Claim or Encumbrance against the Company but will have an equivalent Excluded Liability Claim against ResidualCo in respect of the Excluded Contract or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against ResidualCo; and
- (d) the Excluded Liability Claim of any Person against ResidualCo following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Company prior to the Effective Time.

CANADA REVENUE AGENCY SET OFF

18. **THIS COURT ORDERS** that the Canada Revenue Agency's right of set off is preserved to the extent that: (i) any amounts that are, or become, due to an Applicant or ResidualCo with respect to obligations arising prior to the CCAA filing date of November 6, 2024 are applied against any amounts that are, or become due, from an Applicant or ResidualCo with respect to obligations arising prior to that date on a consolidated basis; or (ii) any amounts that are, or become, due to an Applicant or ResidualCo with respect to obligations arising on or after the CCAA filing date of November 6, 2024 are applied

against any amounts that are, or become due, from an Applicant or ResidualCo with respect to obligations arising on or after that date.

RELEASES

19. **THIS COURT ORDERS** that effective upon the filing of the Monitor's Certificate: (i) the current directors, officers, employees, legal counsel and advisors of the Applicants; (ii) the current directors, officers, employees, legal counsel and advisors to ResidualCo; (iii) the Monitor and its legal counsel; (iv) Kronos Capital Partners Inc., in its capacity as sales agent, and its legal counsel; (v) the current directors, officers, employees, legal counsel and advisors of the DIP Lender; (vi) Lending Stream, in its capacity as secured creditor; and (vii) the current directors, officers, employees, legal counsel and advisors of the Purchaser (collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims (including without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place prior to the filing of the Monitor's Certificate: (a) undertaken or completed pursuant to the terms of this Order; (b) arising in connection with or relating to the SPA or the completion of the Transaction; (c) arising in connection with or relating to the within CCAA Proceedings; or (d) related to the management,

operations or administration of the Applicants (collectively, the “**Released Claims**”), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, provided that nothing in this paragraph shall waive, discharge, release, cancel or bar any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA.

20. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 195, c. B-3, as amended (the “**BIA**”), in respect of the Applicants and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicants; the SPA, the implementation of the Transaction (including without limitation the transfer and vesting of the Excluded Assets, Excluded Contracts and Excluded Liabilities in and to ResidualCo, the transfer and vesting of the Transferred Assets in and to the Company, and the transfer and vesting of the Purchased Shares in and to the Purchaser) and any payments by or to the Purchaser, the Applicants or the Monitor authorized herein shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicants and/or ResidualCo and shall not be void or voidable by creditors of the Applicants or ResidualCo, as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction

under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

MONITOR'S ENHANCED POWERS

21. **THIS COURT ORDERS** that in addition to the powers and duties of the Monitor set out in the Initial Order or any other Order of this Court in these CCAA Proceedings, and without altering in any way the limitations and obligations of ResidualCo as a result of these proceedings, the Monitor be and is hereby authorized and empowered, but not required to:

- (a) take any and all actions and steps, and execute all documents and writings, on behalf of, and in the name of ResidualCo in order to facilitate the performance of any ongoing obligations of ResidualCo, including with respect to any Excluded Liability Claim, and to carry out the Monitor's duties under this Order or any other Order of this Court in these CCAA Proceedings;
- (b) exercise any powers which may be properly exercised by a board of directors of ResidualCo;
- (c) cause ResidualCo to retain the services of any person as an employee, consultant, or other similar capacity all under the supervision and direction of the Monitor and on the terms as agreed with the Monitor;
- (d) open one or more new accounts (the “**ResidualCo Accounts**”) into which all funds, monies, cheques, instruments and other forms of payment payable to

ResidualCo shall be deposited from and after the making of this Order from any source whatsoever and to operate and control, as applicable, on behalf of ResidualCo, the ResidualCo Accounts in such manner as the Monitor, in its sole discretion, deems necessary or appropriate to assist with the exercise of the Monitor's powers and duties;

- (e) cause ResidualCo to perform such other functions or duties as the Monitor considers necessary or desirable in order to facilitate or assist the winding-down of ResidualCo or the distribution of the proceeds of the ResidualCo Property or any other related activities, including in connection with bringing these CCAA Proceedings to an end;
- (f) engage, deal, communicate, negotiate, agree and settle with any creditor or other stakeholder of ResidualCo (including any governmental authority) in the name of or on behalf of ResidualCo;
- (g) claim or cause ResidualCo to claim any and all insurance refunds or tax refunds, including refunds of harmonized sales taxes, to which ResidualCo is entitled;
- (h) have access to all books and records that are the property of ResidualCo in ResidualCo's possession or control, in addition to the books and records of the Applicants in accordance with the terms of the SPA;
- (i) assign ResidualCo, or cause ResidualCo to be assigned, into bankruptcy, and the Monitor shall be entitled but not obligated to act as trustee in bankruptcy thereof;

- (j) consult with Canada Revenue Agency or Health Canada with respect to any issues arising in respect of these CCAA Proceedings; and
- (k) apply to this Court for advice and directions or any orders necessary or advisable to carry out its powers and obligations under this Order or any other Order granted by this Court including for advice and directions with respect to any matter.

GENERAL

- 22. **THIS COURT ORDERS** that, following the Effective Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Purchased Shares and the Company Property.
- 23. **THIS COURT ORDERS** that, following the Effective Time, the title of these proceedings is hereby changed to:

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

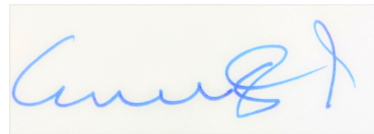
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NOYA
HOLDINGS INC. AND 1001155163 ONTARIO INC.

STAY PERIOD

- 24. **THIS COURT ORDERS** that the Stay Period referred to in the Amended and Restated Initial Order be and is hereby extended to April 11, 2025.

OTHER

25. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
26. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
27. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing, provided that counsel to the Applicants shall have issued and entered this Order with the Court Office and circulate a copy of the issued and entered Order to the Service List.



SCHEDULE “A” – FORM OF MONITOR'S CERTIFICATE

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
NOYA HOLDINGS INC. AND NOYA CANNABIS INC.

Applicants

RECITALS

1. Pursuant to the Amended and Restated Initial Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) dated November 15, 2024, the Applicants were granted protection from their creditors pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and BDO Canada Limited was appointed as the monitor (“**Monitor**”) of the Applicants.

2. Pursuant to the Approval and Reverse Vesting Order of the Court, dated March 5, 2025 (the “**Order**”), the court approved the transaction (the “**Transaction**”) contemplated by the Stalking Horse Purchase Agreement dated November 11, 2024, as amended (the “**SPA**”), among Noya Holdings Inc. (the “**Vendor**”), Noya Cannabis Inc. (the “**Company**”) and Lending Stream Inc. (the “**Purchaser**”) and ordered, *inter alia*, that: (i) 1001155163 Ontario Inc. (“**ResidualCo**”) be added as an Applicant to these CCAA Proceedings; (ii) all of the Vendor's right, title and interest in and to the Transferred Assets be vested in the Company, free and clear from any Encumbrances; (iii) the Excluded Assets, Excluded Liabilities and Excluded Contracts be vested absolutely and exclusively in ResidualCo; (iv) all of the Vendor's right, title and interest in and to the Purchased Shares be vested absolutely and exclusively in the Purchaser, free and clear from any Encumbrances, except for the Permitted Encumbrances, which vesting is, in

each case, to be effective upon the delivery by the Monitor to the Purchaser of a certificate confirming that the Monitor has received written confirmation in form and substance satisfactory to the Monitor from the Purchaser and the Vendor that all conditions to closing have been satisfied or waived by the parties to the SPA.

3. Capitalized terms not defined herein shall have the meaning given to them in the Order.

THE MONITOR CERTIFIES the following:

1. The Monitor has received written confirmation from the Purchaser and from the Vendor, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the SPA.
2. This Monitor's certificate was delivered by the Monitor at ♦ on ♦, 2025.

**BDO CANADA LIMITED, IN ITS CAPACITY
AS MONITOR OF THE APPLICANTS, AND
NOT IN ITS PERSONAL CAPACITY**

Per: _____

Name: **Name**

Title: **Title**

I have authority to bind the Corporation

SCHEDULE “B”
SPECIFIC CLAIMS OR ENCUMBRANCES TO BE DISCHARGED

(A) Personal Property Security Interests

1. Ontario

(i) Personal Property Security Act (Ontario)

Debtor Name	Secured Party Name	File Number	Expiry Date
Noya Holdings Inc.	Lending Stream Inc.	730150461	July 25, 2042
Noya Cannabis Inc.	Lending Stream Inc.	730149462	July 25, 2042
Noya Holdings Inc.	1000593616 Ontario Inc.	748600272	February 26, 2026
Noya Holdings Inc.	1000593616 Ontario Inc.	751191768	May 14, 2026
Radicle Medical Marijuana Inc. (now Noya Cannabis Inc.)	Alterna Savings and Credit Union Limited	793239372	May 11, 2028

(B) Litigation

1. Ontario

Plaintiff/Appellant	Defendant/Respondent	Jurisdiction/Court File No.	Case Status
Ignite International Brands (Canada) Ltd.	Noya Cannabis Inc. and Noya Holdings Inc.	SCJ – Toronto (CV-21-00673047-0000)	Prior to the commencement of these CCAA proceedings, the parties were scheduled to attend mediation on or about February, 2025
10805696 Canada Inc., o/a Mauve &	Noya Cannabis Inc.	Arbitration pursuant to the	Notice of Arbitration dated

- 4 -

Herbes		<i>Arbitration Act, 1991</i> SO 1991, c. 17	September 23, 2024
--------	--	--	--------------------

2. British Columbia

Plaintiff/Appellant	Defendant/Respondent	Jurisdiction/Court File No.	Case Status
Pure Sunfarms Corp.	Noya Cannabis Inc.	Arbitration pursuant to the <i>Arbitration Act</i> , S.B.C. 2020, c. 2	Before the commencement of these CCAA proceedings, the parties were scheduled to attend an arbitration hearing in mid-December, 2024 pursuant to Procedural Order No. 1 – Procedural Timetable dated October 8, 2024

(C) Real Property Registrations

Ontario-nil

British Columbia-nil

- 5 -

SCHEDULE "C"
PERMITTED ENCUMBRANCES

NIL

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 NOYA HOLDINGS INC. AND NOYA CANNABIS INC.

Applicants

Court File No. CV-24-00730120-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND REVERSE VESTING ORDER

FOGLER, RUBINOFF LLP

Lawyers

Scotia Plaza

40 King Street West, Suite 2400

P.O. Box #215

Toronto, ON M5H 3Y2

Vern W. DaRe

Tel: 416.941.8842

Fax: 416.941.8852

Email: vdare@foglers.com

Lawyers for the Applicants, Noya Holdings Inc. and Noya Cannabis Inc.

Appendix B – First Report of the Monitor dated November 13, 2024 (without appendices)

Court File Number CV-24-00730120-00CL

**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
NOYA HOLDINGS INC. AND NOYA CANNABIS INC.**

(each an “Applicant” and collectively, the “Applicants”)

**FIRST REPORT OF THE MONITOR
NOVEMBER 13, 2024**

TABLE OF CONTENTS

INTRODUCTION.....	3
PURPOSE	3
TERMS OF REFERENCE	4
BACKGROUND	5
APPLICANTS’ OPERATIONS SINCE THE INITIAL ORDER	5
MONITOR’S ACTIVITIES TO DATE.....	5
APPLICANTS’ RECEIPTS AND DISBURSEMENTS TO DATE.....	7
PROPOSED AMENDED AND RESTATED INITIAL ORDER.....	8
<i>Additional Stay Parties</i>	<i>8</i>
<i>DIP Lender’s Charge.....</i>	<i>9</i>
<i>Pre-filing payments</i>	<i>10</i>
<i>Amendments to Priority Charges.....</i>	<i>11</i>
PROPOSED SALE PROCESS APPROVAL ORDER	11
<i>Stalking Horse Sale Process</i>	<i>11</i>
<i>Stalking Horse SPA.....</i>	<i>14</i>
CONCLUSIONS AND RECOMMENDATIONS.....	15
<i>Proposed Amended and Restated Initial Order</i>	<i>15</i>
<i>Proposed Sale Process Order</i>	<i>16</i>

APPENDICES

Appendix A	Proposed Monitor’s Report dated October 29, 2024
Appendix B	Actual Cash Flow for the period October 7, 2024 to November 10, 2024
Appendix C	17 Week Cash Flow Forecast for the period November 11, 2024 to March 9, 2025
Appendix D	Stalking Horse Sales Process
Appendix E	Engagement letter with Kronos Capital Partners Inc. dated November 11, 2024
Appendix F	Stalking Horse Share Purchase Agreement
Appendix G	Security Opinion

INTRODUCTION

1. On November 6, 2024, the Court heard an application by the Applicants (the “**CCAA Application**”) for an initial order pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (“**CCAA**”). Among other things, the Applicants sought a stay of proceedings to allow them an opportunity to restructure their business and affairs or effect a sale transaction.
2. BDO Canada Limited (“**BDO**”), as Proposed Monitor, prepared a report dated October 29, 2024 (the “**Proposed Monitor’s Report**”) to provide information to this Court for its consideration in respect of the Applicants’ CCAA Application.
3. On November 6, 2024 (the “**Filing Date**”), the Court granted an initial order in these proceedings (the “**Initial Order**”) that, among other things, appointed BDO as monitor of the Applicants in these CCAA proceedings (in such capacity, the “**Monitor**”), approved a stay of proceedings until November 15, 2024 (the “**Stay Period**”) and approved certain Court-ordered charges.
4. The Initial Order contemplated a comeback motion to be heard November 15, 2024 (the “**Comeback Hearing**”).

PURPOSE

5. The purpose of this report is to provide information to the Court on:
 - a. the Applicants’ operations and communications with the stakeholders since the granting of the Initial Order;
 - b. the Monitor’s activities since its appointment;
 - c. the Applicants’ receipts and disbursements for the period from October 7, 2024 to November 10, 2024 compared to the cash flow forecast appended to the Affidavit of Ziad Reda dated October 28, 2024 (the “**Initial Cash Flow Forecast**”);
 - d. the Applicants’ Comeback Hearing, seeking the following relief:
 - i. an amended and restated Initial Order (“**Amended and Restated Initial Order**”) to:
 - I. extension of the Stay Period to March 7, 2025;
 - II. approval of the DIP Term Sheet and the DIP Lender’s Charge (each as defined below), to a maximum amount of \$400,000;
 - III. authorizing the Applicants to make certain payments to critical third-party suppliers for pre-filing expenses which are essential to continued operations and preservation of value (“**Pre-Filing Payments**”);

- IV. increasing the Administration Charge to the maximum amount of \$400,000; and
 - V. increasing the Directors' Charge to the maximum amount of \$200,000.
- ii. an order (the **'Sale Process Approval Order'**) to:
- I. approve and authorize the Applicants to enter into a stalking horse purchase agreement dated November 11, 2024 (the **"Stalking Horse SPA"**) between the Applicants and Lending Stream Inc or its nominee (the **"Stalking Horse Purchaser"** or **"Stalking Horse Bidder"**);
 - II. approve the sale process (**"SISP"** or the **"Stalking Horse Sales Process"**) and the Stalking Horse SPA;
 - III. authorize and approve the engagement of Kronos Capital Partners Inc. (**"Kronos"** or the **"SISP Agent"**) to conduct the Proposed Stalking Horse Sales Process;
 - IV. approve the payment and priority of the Break Fee, the Professional Fees and Deposit Repayment as provided for in the Stalking Horse SPA; and
 - V. confirm the Stalking Horse SPA represents the **"Stalking Horse Bid"** as defined in and for the purposes of the Sales Process Approval Order; and
- iii. such further and other relief as the Court may deem just and equitable; and
- e. the Monitor's recommendations on the relief sought at the Comeback Hearing.

TERMS OF REFERENCE

6. In preparing this Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Applicants, discussions with management of the Applicants (**"Management"**), and information from other third-party sources (collectively, the **"Information"**). Except as described in this First Report in respect of the Cash Flow Forecast:
- a. the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards (**"GAAS"**) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

- b. some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
- 7. Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. 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 variation could be significant.
- 8. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Report concerning the Applicants and their business is based on the Information, and not independent factual determinations made by the Monitor.
- 9. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND

- 10. This Report should be read in conjunction with the Affidavit of Ziad Reda sworn November 12, 2024 and filed in support of the relief sought at the Comeback Hearing (the "**Reda Affidavit**").
- 11. This First Report should be read in conjunction with Reda Affidavit. Additional background and financial information with respect to the Applicants was provided in the Proposed Monitor's Report. A copy of the Proposed Monitor's report (without appendices) is attached as **Appendix "A"**.
- 12. Any terms not expressly defined herein are otherwise defined in the Reda Affidavit.

APPLICANTS' OPERATIONS SINCE THE INITIAL ORDER

- 13. Upon the granting of the Initial Order, the Applicants immediately communicated with employees, certain key suppliers and domestic and international customers to maintain stability for the Applicants' continued operations and inform third parties that the Applicants would be continuing on a "business as usual" basis while conducting a SISP.
- 14. Further details concerning the Applicants' activities are set forth in the Reda Affidavit.

MONITOR'S ACTIVITIES TO DATE

- 15. Since the granting of the Initial Order, the Monitor, among other things, has:
 - a. assisted the Applicants with stakeholder communications;

- b. responded to calls, e-mails and letters received from parties with respect to these CCAA proceedings;
 - c. participated in various discussions with the Applicants and certain stakeholders in connection with the engagement of the SISP Agent, marketing plan and timelines associated with the Stalking Horse Sales Process;
 - d. created a weekly monitoring protocol with the Applicants to allow the Monitor to review and report on the Applicants weekly cash receipts and disbursements; and
 - e. reviewed the receipts and disbursements of the Applicants.
- 16. The Monitor has also established a website for these proceedings at <https://www.bdo.ca/en-ca/extranets/noya-holdings-inc-and-noya-cannabis-inc> (the “**Monitor’s Website**”). All court documents and certain other relevant documents have and will continue be posted on the Monitor’s Website as they are made available.
- 17. Pursuant to the Initial Order, on November 6, 2024, the following documents were posted on the Monitor’s Website:
 - a. the Applicants’ Application Record;
 - b. the Factum of the Applicants dated October 29, 2024;
 - c. the Proposed Monitor’s Report;
 - d. the Endorsement of Justice Cavanagh; and
 - e. the Initial Order.
- 18. On November 13, 2024, the Monitor published the Notice of the Initial Order in the Globe and Mail (National Edition).
- 19. Pursuant to the terms of the Initial Order the Monitor sent a notice to all known creditors, which includes information about the CCAA proceedings (the “**Notice to Creditors**”), based on the contact information of such known creditors who have a claim against the Applicants of more than \$1,000, provided by the Applicants (the “**Known Creditors**”), by prepaid ordinary mail and email where known. A copy of the Notice to Creditors was also posted to the Monitor’s Website.
- 20. The Monitor also posted on its website a list showing the names of the Known Creditors and amounts owing according to the books and records of the Applicants in accordance with the CCAA.
- 21. The Monitor has completed the required statutory forms and e-filed such reports with the Office of the Superintendent of Bankruptcy.

APPLICANTS' RECEIPTS AND DISBURSEMENTS TO DATE

22. The Applicants, with the assistance of the Proposed Monitor, prepared a Cash Flow Forecast for the 13-week period from October 7, 2024, to the week ending January 5, 2025 (the "**Filing Cash Flow Forecast**") for the purpose of projecting the Applicants' estimated liquidity needs. A copy of the Filing Cash Flow Forecast was attached as Appendix "A" to the Proposed Monitor's Report.
23. A summary of the Applicants actual receipts and disbursements for the 5-week period from October 7, 2024 to November 10, 2024 (the "**Reporting Period**"), as compared to the Filing Cash Flow Forecast is attached as **Appendix "B"** to this First Report.
24. During the Reporting Period the Applicants achieved a favourable cash variance of \$421,832. Actual cash receipts received from customers and most operating expenditures were in line with forecast. The cash variance reflects lower prices on purchased cannabis as compared to forecast and a timing difference in the payment of restructuring professional fees, with a subsequent disbursement of approximately \$103,000 expected in the week ending November 17, 2024.

EXTENDED CASH FLOW

25. Following the granting of the Initial Order on November 6, 2024, the Applicants, with the assistance of the Monitor, prepared an extended Cash Flow Forecast (the "**Cash Flow Forecast**") for the 17-week period from November 11, 2024, to the week ending March 9, 2025 (the "**Cash Flow Period**") for the purpose of projecting the Applicants' estimated liquidity needs through the period of the Stalking Horse Sale Process and completion of any transaction resulting therefrom. A copy of the Cash Flow Forecast is attached as **Appendix "C"** to this First Report.
26. The Cash Flow Forecast is presented on a weekly basis during the Cash Flow Period and represents the estimates of Management of the projected cash flow during the Cash Flow Period. The Cash Flow Forecast has been prepared by the Applicants using probable and hypothetical assumptions (the "**Assumptions**") set out in the notes to the Filing Cash Flow Forecast.
27. The Monitor has reviewed the Cash Flow Forecast through inquiries, analytical procedures and discussions, and review of documents related to the Information supplied to it by certain key members of Management and employees of the Applicants. Based on the Proposed Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:
 - a. the Assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - b. as at the date of this Report, the Assumptions are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow Forecast, given the probable and hypothetical assumptions; or
 - c. the Cash Flow Forecast does not reflect the Assumptions.

28. Over the Cash Flow Period, the Applicants project estimated cash receipts of \$3.68 million and estimated disbursements of \$3.91 million, resulting in net cash outflows from operations of approximately \$234,000. In addition, the Applicants expect to incur approximately \$503,000 in restructuring / professional fees, for total cash outflow of \$737,000.
29. The projected timing of receipts and disbursements indicates that the Applicants would not have sufficient funds to operate through Weeks 4 and 5 of the Cash Flow Period, without interim financing. Further, although Management believes the quantum of projected cash receipts can be achieved, there is some risk that the timing of such receipts may vary, thereby increasing the Applicants' cash requirements in certain weeks. Accordingly, DIP financing is required in order for the company to continue to operate through the proposed Stalking Horse Sale Process and requested, extended stay period.

PROPOSED AMENDED AND RESTATED INITIAL ORDER

30. The Applicants seek an Amended and Restated Initial Order that, among other things, extends the Stay Period, approves the DIP Term Sheet and DIP Lender's Charge and approves increases to the Administration Charge and the Directors' Charge.
31. The Amended and Restated Initial Order provides for three priority charges (collectively, the "**Charges**") on all the current and future assets, undertakings and properties of the Applicants, wherever located, including all proceeds thereof that rank in the following order:
 - i. first, the Administration Charge;
 - ii. second, the Directors' Charge;
 - iii. third, the DIP Lender's Charge.
32. The Applicants seek an extension of the Stay Period from November 15, 2024 until March 7, 2025. This extension would permit the Applicants to continue their restructuring efforts, fill customer orders and permit the SISP Agent, in consultation with the Monitor and Applicants, to implement the SISP.
33. In the Monitor's view, the Applicants continue to operate in good faith and with due diligence since the date of the Initial Order.
34. Based on the Cash Flow Forecast, with the approval of (and access to) funding under the DIP Term Sheet as described below, the Monitor believes that the Applicants will have sufficient liquidity to fund their operations until March 9, 2025.

Additional Stay Parties

35. The Applicants are seeking the extension of the Stay of Proceedings over the Non-Applicant Stay Party, or 267, to March 7, 2025.

36. While not currently in use by the Applicants, Management believes the 267 Licence could hold value in the SISP and that any impact on the 267 Licence would impair Management's ability to focus on the restructuring efforts and the Stalking Horse Sales Process.
37. As the 267 Licence is not in use by the Applicants, no material changes are expected to its financial position during the extended stay period, if granted.
38. Accordingly, the Monitor supports the Applicants request for an extension of the limited stay of proceedings over 267 to March 7, 2025.

DIP Term Sheet & DIP Lender's Charge

39. In order to provide the required liquidity needed to fund the operations of the Applicants during the CCAA proceedings, the Applicants are seeking the approval of the DIP facility agreement ("**DIP Term Sheet**"), pursuant to which Lending Stream Inc, an existing secured creditor and debenture holder, (the "**DIP Lender**") has agreed to provide the DIP financing ("**DIP Facility**") required in the Cash Flow Forecast, subject to the terms of the DIP Term Sheet. In addition to the approval of this proposed DIP Term Sheet, the Proposed Amended and Restated Initial Order also provides for the creation of a related charge of \$400,000 (the "**DIP Lender's Charge**") to match the maximum allowable borrowing amount as proposed in Proposed Amended and Restated Initial Order.
40. It is a condition of the DIP Term Sheet that the DIP Lender's Charge be approved by the Court to secure all amounts advanced under the DIP Facility as against by present and future real and personal, tangible and intangible property and assets including equipment, accounts receivable and inventories in favour of the DIP Lender in priority to all assignments, security interests, trusts, liens, mortgages, charges and encumbrances whatsoever, statutory or otherwise, save and except for the Administration Charge and the Directors' Charge). A copy of the DIP Term Sheet is attached as Exhibit B to the Reda Affidavit.
41. The following is a summary of the material terms of the DIP Term Sheet:
 - a. the DIP Facility is a credit facility with monies to be advanced in accordance with the Cash Flow Forecast to fund certain transactions, professional fees and working capital requirements;
 - b. the maximum principal amount is \$400,000;
 - c. the advancements of the loan are to be used for:
 - i. ordinary course working capital and other general corporate purposes of the Applicants in accordance with, and subject to the limitations set forth in, the Cash Flow Forecast, the Initial Order or any other order of the Court in these CCAA proceedings;

- ii. paying the transaction costs, fees and expenses incurred in connection with the DIP Facility, the CCAA proceedings and the transactions; and
 - iii. the payment of any obligations incurred prior to the commencement of the CCAA proceedings which are subject to the prior written consent of the DIP Lender and the Monitor;
 - d. interest at a rate of 12% per annum shall be calculated daily on the outstanding balance owing under the DIP Loan, not in advance, and shall accrue and be paid on the maturity date, as defined below;
 - e. repayment of the DIP Facility is on the maturity date, which is defined as the earlier of:
 - i. the issuance of the Sale Process Approval Order, approving the Stalking Horse SPA, in which case all amounts owing under the DIP Facility shall be treated as a deposit and governed by the terms of the Stalking Horse SPA and the Sale Process Approval Order;
 - ii. The closing of a sale transaction resulting from the SISP;
 - iii. The implementation of a plan of compromise or arrangement within the CCAA proceedings;
 - iv. The date on which the CCAA proceedings are terminated; and
 - v. The occurrence of an event of default as defined within the DIP Term Sheet.
 - f. A facility fee of \$25,000 payable upon the maturity date.
42. As described in the Cash Flow Forecast, the Applicants have a critical and immediate need for interim financing. Without access to the DIP Facility, the Applicants will be unable to maintain their operations and effect a restructuring or conduct the proposed SISP. Accordingly, the Monitor is of the view that the Applicants' request for approval of the DIP Term Sheet and the DIP Lender's Charge is required and reasonable in the circumstances prior to the Comeback Hearing.

Pre-Filing Payments

43. The Applicants are seeking the Court's approval to make up to \$110,000 of cumulative Pre-Filing Payments, in each case with the consent of the Monitor and only to suppliers that are deemed critical to Applicants' ongoing business operations, and which are required to preserve the value of the Applicants business.
44. The Pre-Filing Payments are comprised of the following:
- a. approximately \$48,000 to be paid to Health Canada under an agreed to 11-month payment arrangement for outstanding licensing fees that currently total \$133,579;

- b. \$14,000 for wages of temporary workers supplied through an employment agency;
 - c. The balance consisting of pre-filing amounts for software licenses, specialized HVAC repair and maintenance, employee uniforms and back-up generator rental, all considered essential to ongoing operations.
45. The Cash Flow Forecast provides for sufficient liquidity to make the quantum of the Pre-Filing Payments.
 46. The Monitor is satisfied that the Proposed Pre-Filing Payments relate to matters critical to the operation of the Applicant's business and, as there is sufficient liquidity in the Cash Flow Forecast, the Court should authorize such payments in the circumstances.

Amendments to Priority Charges

47. The Initial Order provided for a charge up to a maximum amount of \$200,000 (the "**Administration Charge**") in favour of counsel to the Applicants, the Proposed Monitor and the Proposed Monitor's independent counsel, as security for the professional fees and disbursements incurred prior to and after the commencement of the CCAA proceedings. The Applicants are seeking an increase in the Administration Charge to \$400,000 for these professional fees and disbursements and the SISP Agent's outstanding and fixed work fee and expenses during the extended Stay Period.
48. The Initial Order provided for a charge up to a maximum amount of \$100,000 (the "**Directors' Charge**") to secure an indemnity in favour of the current director and officers of the Applicants (the "**Director and Officers**") against obligations and liabilities that they may incur as director or officers of the Applicants after the commencement of the CCAA proceedings, except to the extent that the obligation or liability is incurred as a result of such director's or officer's gross negligence or willful misconduct. The Applicants are seeking an increase in the Director's Charge to \$200,000 for the extended Stay Period.
49. The Monitor believes that the increase in the quantum of the Administration Charge and the Directors' Charge is reasonable in the circumstances based upon a review and assessment of the anticipated professional costs to be incurred and potential director's and officer's liability during the extended Stay Period.

PROPOSED SALE PROCESS APPROVAL ORDER

Stalking Horse Sale Process

50. In the Reda Affidavit sworn October 28, 2024 and filed in support of the Initial Order, the Applicants advised they intended to return to Court at the Comeback Hearing to seek approval of, among other things, a sales process and a potential stalking horse bid.
51. Any terms not expressly defined in this section are otherwise defined in the Stalking Horse Sales Process.

52. The Applicants, in consultation with the Monitor, developed the Stalking Horse Sales Process, intended to solicit interest in and opportunities for a sale of all or substantially all of the Property or business operations of the Applicants (the “**Opportunity**”).
53. The Opportunity may include one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Applicants, as a going concern or a sale of all, or substantially all of the Property. A copy of the Stalking Horse Sales Process is attached hereto as **Appendix “D”**.
54. On November 11, 2024, the Applicants with the assistance of the Monitor entered into an agreement with the SISP Agent, pending Court approval, to administer the Stalking Horse Sales Process (the “**SISP Agent Agreement**”). A copy of the SISP Agent Agreement is attached here to as **Appendix “E”**.
55. Pursuant to the SISP Agent Agreement, the SISP Agent will:
 - a. identify potential purchasers;
 - b. introduce the potential purchasers to the Opportunity;
 - c. provide assistance in analysing and negotiating any offers;
 - d. the fees under the SISP Agent Agreement are as follows (all amounts exclusive of HST):
 - i. a work fee of \$60,000;
 - ii. legal fees of \$5,000;
 - iii. expenses of \$7,500; and
 - iv. in the event the Stalking Horse Bidder is not the purchaser, a success fee of \$150,000, less the already paid work fee, would be payable.
56. Based on the circumstances, the terms of the SISP Agent Agreement are fair and reasonable.
57. On November 11, 2024, the Applicants and the Stalking Horse Purchaser entered into the Stalking Horse SPA to be the Stalking Horse Bidder in the Stalking Horse Sales Process.
58. The Monitor and SISP Agent are qualified to administer the Stalking Horse Sales Process for the following reasons:
 - a. they have substantial experience in conducting similar sale processes;
 - b. they have extensive industry and international contacts who will be made aware of this Opportunity;
 - c. they are independent of the Applicants; and

- d. they will ensure the Stalking Horse Process is fair, thorough, transparent, efficient and for the benefit of the Applicants' stakeholders.
59. The Stalking Horse Sale Process is described in the Reda Affidavit, and as noted, is included in this First Report as Appendix "D".
60. The proposed timeline of the Stalking Horse Sales Process is set out in the following table. Any terms not expressly defined in the table are defined in the Reda Affidavit.

Milestone	Deadline
Publish notice of Sales Process and deliver Teaser Letter and NDA to Known Potential Bidders	Friday, December 6, 2024
Finalize schedule of Assumed Liabilities in the Stalking Horse Agreement	Tuesday, December 31, 2024
Bid Deadline	Monday, January 27, 2025
Deadline to top-up Deposit to Stalking Horse Payout Amount	Friday, January 31, 2025
Auction	Wednesday, February 5, 2025
Hearing of the Sale Approval Motion	No later than Friday, February 14, 2025, subject to the availability of the Court

61. The Monitor will be responsible for overseeing the Stalking Horse Sales Process in consultation with the SISP Agent, Applicants and others as identified in the Stalking Horse Sales Process. In the event that clarification is required with respect to the SISP, the Monitor will seek the advice and direction of the Court.
62. Key terms of the Stalking Horse Sales Process include the following:
- The SISP Agent, in consultation with the Monitor and Applicants, will prepare a list of potential bidders ("**Known Potential Bidders**"), process summary ("**Teaser Letter**") describing the Opportunity and a non-disclosure agreement ("**NDA**").
 - The SISP Agent will send the Teaser Letter and NDA to each Known Potential Bidder and any other party who requests a copy.
 - Any party who wishes to participate in the SISP, other than the Stalking Horse Bidder, must provide the SISP Agent with an executed NDA and provide information to the Monitor as to their financial wherewithal to close a transaction.
 - The SISP Agent will establish an electronic data room containing information about the Applicants and the Business (the "**Data Room**") and provide access to potential bidders who have executed an NDA.

- e. The deadline for a potential bidder to submit a formal offer (a “**Bid**”) is 5:00 PM EST on January 27, 2025 (the “**Bid Deadline**”). A Bid must be a binding offer that conforms to the terms set out in paragraph 14 of the Stalking Horse Sales Process.
- f. Following the Bid Deadline, the Sales Agent, Applicants and the Monitor will assess the Bids received. The Monitor, in consultation with the Applicants and with the approval of the Applicants, will designate the most competitive bids that comply with the qualifications set out in the Stalking Horse Sales Process to be “**Qualified Bids**”. The Stalking Horse SPA shall automatically be considered a Qualified Bid.
- g. If the Monitor receives at least one additional Qualified Bid, in addition to the Stalking Horse Bid, the Monitor will conduct an Auction in accordance with the terms of the SISP (the “**Auction**”). The Auction shall be governed by the procedures set out in paragraph 24 of the Stalking Horse Sales Process in order for the Monitor, in consultation with the Applicants, to identify the highest or otherwise best bid received at the Auction (the “**Successful Bid**”).
- h. The closing of the transaction contemplated in any Successful Bid is conditional upon Court approval, at a hearing to be scheduled, subject to Court availability, no later than February 14, 2025.

Stalking Horse SPA

- 63. The offer set out in the Stalking Horse SPA will act as the minimum bid against which all other bids will be evaluated in the Stalking Horse Sales Process. Unless other superior bids are received, it is contemplated that the Stalking Horse SPA will be selected as the successful bid in the Stalking Horse Sales Process. A copy of the Stalking Horse SPA is attached hereto as **Appendix “F”**
- 64. Certain material terms of the Stalking Horse SPA are summarized below:
 - a. the Stalking Horse SPA is structured as a share purchase transaction and is conditional upon the Court issuing a reverse vesting order and obtaining landlord approval for the property lease of 90 Beach Road, Hamilton, Ontario.
 - b. the Stalking Horse Bidder is also the DIP Lender. The Stalking Horse SPA contemplates that the Stalking Horse Bidder shall fund the DIP Facility in the approximate amount of \$400,000, upon Court approval of the DIP Lender’s Charge, which shall be treated as a deposit under the Stalking Horse SPA (the “**Initial Deposit**”).
 - c. the purchase price to be paid by the Stalking Horse Bidder is approximately \$3,850,632 which shall be satisfied by the Initial Deposit, a credit bid of approximately \$3,450,632, which is equal to the secured amount owing by the Applicants to the Stalking Horse Bidder pursuant to a royalty agreement, and a cash component and assumed liabilities, if any. For greater certainty, the Purchase Price shall include payment of any obligations that rank in priority to the credit bid

component (including but not limited to any unpaid source deductions and any unpaid amounts secured by any Court-ordered charges). Full details of the purchase price are set out in paragraph 3.1 of the Stalking Horse SPA.

- d. In the event the Stalking Horse SPA is unsuccessful, the Stalking Horse Bidder is entitled to a break fee of \$175,000 (the “**Break Fee**”), professional fees and expenses incurred to a maximum of \$100,000 (“**Professional Fees**”) and repayment of the Initial Deposit.
65. As stated, the Stalking Horse SPA contemplates a credit bid by the Purchaser in respect of:
- a. amounts proposed to be advanced under the DIP Term Sheet and secured by the DIP Lender’s Charge; and
 - b. certain secured indebtedness of the Applicants to the Purchaser, namely: (i) outstanding obligations under a royalty agreement regarding Noya Cannabis Inc. and the Stalking Horse Bidder (as defined in the Stalking Horse SPA, the “**Lending Stream Royalty Debt**”), secured by a general security agreement registered against Noya Cannabis Inc.; and, (ii) a guarantee of the foregoing from Noya Holdings Inc., secured by a general security agreement.

The Monitor has received an opinion from its independent counsel that Lending Stream Royalty Debt is valid and enforceable as against the Applicants, subject to the ordinary assumptions and qualifications (the “**Security Opinion**”). Additionally, the Stalking Horse Bidder’s security interest in respect of the Lending Stream Royalty Debt is registered first-in-time under the *Personal Property Security Act* (Ontario). Accordingly, the Monitor is of the view that the credit bid component of the Stalking Horse SPA represents valid priority secured debt that the Stalking Horse Bidder can properly tender in satisfaction of part of the Purchase Price. The Security Opinion is attached as **Appendix “G”**.

CONCLUSIONS AND RECOMMENDATIONS

Proposed Amended and Restated Initial Order

66. The Monitor supports the relief sought by the Applicants in the Amended and Restated Initial Order. The Monitor is of the view that:
- a. as noted above, the proposed Stay Extension is reasonable and appropriate in order to allow the Applicants to implement the Stalking Horse Sales Process, to be implemented by the Monitor in conjunction with the SISP Agent. Further, based on the Cash Flow Forecast supported by the availability of advances under the DIP Term Sheet, the Monitor believes the Applicants will have sufficient liquidity for the duration of the extended Stay Period;
 - b. the proposed extension of the stay of proceedings for the Non-Applicant Stay Party is reasonable;

- c. the DIP Term Sheet and DIP Lender's Charge is appropriate in the circumstances, and consistent with industry practice in CCAA proceedings;
- d. in order to allow for the continued operation of the Applicants business and to minimize business disruptions, the proposed payment of certain pre-filing amounts owing to critical suppliers is reasonable and appropriate in the circumstances (noting that these Pre-Filing Payments are to be paid where necessary and subject to the approval of the Monitor); and
- e. the proposed increase in the Administration Charge and Directors' Charge to be consistent with the estimated fees of the professionals to be incurred during the proposed extended Stay Period and as set out in the Cash Flow Forecast, is required and reasonable in the circumstances.

Proposed Sale Process Order

- 67. The Monitor is of the view that the proposed Stalking Horse Sales Process represents the best alternative for the benefit of the Applicants and their stakeholders generally, in the circumstances. The Stalking Horse Sales Process will ensure an efficient and robust process, in the context of the Applicants limited liquidity and immediate funding requirements to maintain operations as a going concern. In this regard, the timeline contained in the Stalking Horse Sales Process is structured to adequately expose the Applicants' business, assets, and shares to the market, while balanced against the liquidity constraints of the Applicants.
- 68. The Stalking Horse Sales Process is intended to provide a fair and transparent process, with active participation by the Monitor and supervision of the Court, to determine whether there is a superior offer available compared to the offer contained in the Stalking Horse SPA. All potentially interested parties will be given sufficient time to evaluate the Opportunity and have an equal chance to submit a Qualified Bid.
- 69. With the exception of the Stalking Horse SPA being automatically admitted as a Qualified Bid, the Stalking Horse Purchaser has no undue advantage in the Stalking Horse Sales Process.
- 70. The Applicants' liquidity limitations, together with the current challenges of the cannabis market generally, has required an accelerated timeline to pursue a potential transaction. The Monitor is supportive of the Stalking Horse Sales Process.
- 71. With respect to the Stalking Horse SPA, the Monitor is supportive of the Stalking Horse SPA for the following reasons:
 - a. prior refinancing efforts have failed and no other offers for the Applicants business and assets currently exists;
 - b. the Stalking Horse SPA will provide stability to the Applicants business and operations, and give confidence to its customers, employees and suppliers that a

going concern outcome in these CCAA proceedings will be achieved, thereby maintaining enterprise value for the stakeholders;

- c. it allows and supports the implementation of the Stalking Horse Sales Process in an effort to maximize recoveries for the stakeholders while preserving employees' jobs, and the ongoing use of the Health Canada Licence and Excise Licence;
 - d. future value to stakeholders who will continue to conduct business with the Applicants;
 - e. the Stalking Horse Bidder has confirmed it is committed to retaining the majority of the Applicants' employees; and
 - f. the Break Fee and Professional Fees were required to compensate the Stalking Horse Bidder's efforts, and the Monitor is of the view the Break Fee and Professional Fees are not unreasonable for a transaction of this size.
72. The Monitor is not aware of any non-compliance by the Applicants with the requirements of the CCAA or any order issued by this Court in the CCAA proceedings.
73. The Monitor believes that the Applicants have acted, and continue to act, in good faith and with due diligence. The Monitor has reviewed the Applicants' materials for the Comeback Hearing and supports the Applicants' request that the Court grants the Amended and Restated Initial Order and the Sale Process Approval Order.

All of which is respectfully submitted this 13th day of November 2024.

**BDO CANADA LIMITED,
in its capacity as Monitor of the Applicants,
and not in its corporate or personal capacity.**



**Robyn Duwyn, CPA, CA, CIRP
Senior Vice President
Licensed Insolvency Trustee**

**Appendix C – Second Report of the Monitor dated February 26, 2025 (without
appendices)**

Court File Number CV-24-00730120-00CL

**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
NOYA HOLDINGS INC. AND NOYA CANNABIS INC.**

(each an “Applicant” and collectively, the “Applicants”)

**SECOND REPORT OF THE MONITOR
FEBRUARY 26, 2025**

TABLE OF CONTENTS

INTRODUCTION.....	4
PURPOSE.....	5
TERMS OF REFERENCE.....	6
BACKGROUND	6
APPLICANTS’ OPERATIONS SINCE THE AMENDED AND RESTATED INITIAL ORDER.....	7
MONITOR’S ACTIVITIES SINCE THE AMENDED AND RESTATED INITIAL ORDER.....	7
Ignite International Brands (Canada) Ltd.....	8
TerrAscend Corp.	9
Canada Revenue Agency and the Department of Justice.....	10
APPLICANTS’ RECEIPTS AND DISBURSEMENTS TO DATE	10
FURTHER EXTENDED CASH FLOW	11
SALE AND INVESTMENT SOLICITATION PROCESS RESULTS.....	12
The proposed transaction	14
Comparison with a sale or disposition under bankruptcy.....	15
Monitor’s Recommendation	16
REQUEST FOR ADDITIONAL POWERS FOR THE MONITOR	16
APPROVAL OF THE MONITOR’S FEES AND DISBURSEMENTS	17
OVERALL CONCLUSIONS AND RECOMMENDATIONS.....	18
Proposed Approval and Vesting Order.....	18
Proposed Ancillary Order.....	18

APPENDICES

Appendix A	Proposed Monitor's Report dated October 29, 2024 (without appendices)
Appendix B	First Report of the Monitor dated November 13, 2024 (without appendices)
Appendix C	Ignite letter dated November 19, 2024
Appendix D	Monitor response dated December 6, 2024
Appendix E	TerrAscend letter dated January 16, 2025
Appendix F	Monitor response dated January 20, 2025
Appendix G	Actual Cash Flow for the period November 11, 2024 to February 9, 2025
Appendix H	Cash Flow Forecast for the period February 10, 2025 to April 20, 2025
Appendix I	Affidavit of Robyn Duwyn sworn February 26, 2025
Appendix J	Affidavit of Shahrzad Hamraz sworn February 26, 2025

INTRODUCTION

1. On November 6, 2024, the Court heard an application by the Applicants (the “**CCAA Application**”) for an initial order pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (“**CCAA**”). Among other things, the Applicants sought a stay of proceedings to allow them an opportunity to restructure their business and affairs or effect a sale transaction.
2. BDO Canada Limited (“**BDO**”), as Proposed Monitor, prepared a report dated October 29, 2024 (the “**Proposed Monitor’s Report**”) to provide information to this Court for its consideration in respect of the Applicants’ CCAA Application.
3. On November 6, 2024 (the “**Filing Date**”), the Court granted an initial order in these proceedings (the “**Initial Order**”) that, among other things, appointed BDO as monitor of the Applicants in these CCAA proceedings (in such capacity, the “**Monitor**”), approved a stay of proceedings until November 15, 2024 (the “**Stay Period**”) and approved certain Court-ordered charges.
4. The Initial Order contemplated a comeback motion to be heard November 15, 2024 (the “**Comeback Hearing**”).
5. BDO prepared a report dated November 13, 2024 (the “**Monitor’s First Report**”) to provide information to this Court for its consideration in respect of the Applicants’ motion for, among other things, an extension of the stay period to March 7, 2025, an increase in the Administration Charge and DIP Charge, and approval of a Sales and Investment Solicitation Process (the “**SISP**”).
6. On November 15, 2024, the Court granted an Amended and Restated Initial Order (the “**Amended and Restated Initial Order**”) which, among other things:
 - a. Extended the Stay Period to March 7, 2025;
 - b. Confirmed and extended the appointment of BDO as Monitor;
 - c. Authorized the full amount of the DIP Loan from the DIP Lender, with borrowings not to exceed \$400,000;
 - d. Increased the Administration Charge to the maximum amount of \$400,000;
 - e. Increased the Directors’ Charge to the maximum account of \$200,000; and
 - f. Increased the DIP Charge to the maximum amount of \$400,000.
7. On November 15, 2024, the Court also granted the Sale Process and Stalking Horse Purchase Agreement Order (the “**Sale Process Approval Order**”) which, among other things:

- a. Approved and authorized the Applicants to enter into a stalking horse purchase agreement (the “**Stalking Horse SPA**”) with between Lending Stream Inc. or its nominee (the “**Stalking Horse Purchaser**” or “**Stalking Horse Bidder**”)
- b. Approved the commencement of the SISP as fully described in Schedule “A” to the Sale Process Approval Order; and
- c. Approved and authorized the engagement of Kronos Capital Partners Inc. (“**Kronos**”) to conduct the SISP (the “**SISP Agent**”).

PURPOSE

- 8. The purpose of this report is to provide information to the Court on:
 - a. the Applicants’ operations since the granting of the Amended and Restated Initial Order;
 - b. the Monitor’s activities since the granting of the Amended and Restated Initial Order;
 - c. the status of the SISP;
 - d. the Applicants’ receipts and disbursements for the period from November 11, 2024 to February 9, 2025 compared to the cash flow forecast that was attached as Appendix C to the Monitor’s First Report at the Comeback Hearing;
 - e. the Applicants’ further extended cash flow forecast for the period from February 10, 2025 to April 20, 2025;
 - f. the Applicants’ motion, returnable on March 5, 2025, for an order, (the “**Approval and Reverse Vesting Order**”), among other things:
 - i. extending the stay period to April 11, 2025; and
 - ii. approving the Share Purchase Agreement (“**Final SPA**”) between the Applicants and the Stalking Horse Purchaser (or “**Purchaser**”), as amended by an amendment dated February 24, 2025, and the transaction contemplated therein (the “**Transaction**”);
 - g. the Applicants’ motion, returnable on March 5, 2025, for an order, (the “**Ancillary Order**”), among other things:
 - i. declaring that Ignite International Brands (Canada) Ltd. does not have a constructive or resulting trust claim over the property of the Applicants; and
 - ii. approving the fees and disbursements to date of the Monitor and its legal counsel;

- h. the Monitor’s recommendations on the relief sought at the motion.

TERMS OF REFERENCE

9. In preparing this Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Applicants, discussions with management of the Applicants (“**Management**”), and information from other third-party sources (collectively, the “**Information**”). Except as described in this Second Report in respect of the Cash Flow Forecast:
 - a. the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards (“**GAAS**”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and
 - b. some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
10. Future oriented financial information referred to in this Report was prepared based on Management’s estimates and assumptions. 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 variation could be significant.
11. Unless otherwise indicated, the Monitor’s understanding of factual matters expressed in this Report concerning the Applicants and their business is based on the Information, and not independent factual determinations made by the Monitor.
12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND

13. This Report should be read in conjunction with the Affidavit of Ziad Reda sworn February 25, 2025 and filed in support of the relief sought at the Comeback Hearing (the “**February Reda Affidavit**”).
14. This Second Report should be read in conjunction with Reda Affidavit. Additional background and financial information with respect to the Applicants was provided in the Proposed Monitor’s Report and the Monitor’s First Report. A copy of the Proposed

Monitor's report (without appendices) is attached as **Appendix "A"** and the First Report (without appendices) is attached as **Appendix "B"**.

15. Any terms not expressly defined herein are otherwise defined in the Reda Affidavit.

APPLICANTS' OPERATIONS SINCE THE AMENDED AND RESTATED INITIAL ORDER

16. Upon the granting of the Amended and Restated Initial Order, the Applicants immediately communicated with employees, certain key suppliers and domestic and international customers to maintain stability for the Applicants' continued operations and inform third parties that the Applicants would be continuing on a "business as usual" basis while conducting the SISP.
17. Further details concerning the Applicants' activities are set forth in the February Reda Affidavit.
18. NCI has continued to supply cannabis to domestic customers, sourced from both in-house production and purchases from third party suppliers.
19. At the date of the initial filing, NCI was finalizing a large cannabis order to an Israel-based customer with whom NCI had executed a Strategic Supply Agreement on August 6, 2024. The first sale under the agreement was for approximately \$558,700 and a purchase order was generated in this amount on October 20, 2024. The order was shipped on November 22, 2024 and received in Portugal on November 25, 2024. NCI received a 50% deposit in the amount of \$279,350 at the time of the shipment.
20. The Strategic Supply Agreement provided an inspection period of 30 days following the receipt of the shipment. In January 2025, despite laboratory certification and extensive photographs, and despite having missed the 30-day deadline, the customer advised NCI that it was not satisfied with the product, would not be paying the final installment and sought a refund of the deposit. NCI has made efforts to resolve the dispute; however, no resolution has been reached as of the date of this report.

MONITOR'S ACTIVITIES SINCE THE AMENDED AND RESTATED INITIAL ORDER

21. The Monitor has also established a website for these proceedings at <https://www.bdo.ca/en-ca/extranets/noya-holdings-inc-and-noya-cannabis-inc> (the "**Monitor's Website**"). All court documents and certain other relevant documents have and will continue be posted on the Monitor's Website as they are made available.
22. On November 25, 2024, the Monitor published the Notice of the SISP in the Globe and Mail (National Edition).
23. Additionally, the Monitor, among other things, has:

- a. assisted the Applicants with stakeholder communications;
 - b. responded to calls, e-mails and letters received from parties with respect to these CCAA proceedings;
 - c. participated in various discussions with the Applicants, SISP Agent and certain stakeholders in connection with the SISP, marketing plan and timelines associated with the Stalking Horse Sales Process;
 - d. assisted the SISP Agent in establishing a virtual data room and providing access of qualified parties to the data room;
 - e. created a bi-weekly monitoring protocol with the Applicants to allow the Monitor to review and report on the Applicants weekly cash receipts and disbursements; and
 - f. reviewed the receipts and disbursements of the Applicants.
24. Details of the SISP and the results achieved are discussed later in this report.

Ignite International Brands (Canada) Ltd.

25. As was detailed in the Reda Affidavit, the Company received a statement of claim (the “**Ignite Claim**”) from Ignite International Brands (Canada) Ltd. (“**Ignite**”) dated December 2, 2021. The Ignite Claim is related to a Sales and Distribution Agreement, dated November 5, 2020 that required an Advance payment of \$1,000,000 by Ignite to NCI.
26. On November 19, 2024 the Monitor received a letter from counsel to Ignite (the “**Ignite Letter**”) indicating that Ignite is entitled to a constructive trust over the assets of the Applicants and therefore, they do not form part of the Company assets and would not be subject to the SISP. The Ignite Letter is attached as **Appendix “C”**.
27. Counsel to the Monitor responded to the Ignite Letter on December 6, 2024 (the “**Ignite Response**”), attached hereto as **Appendix “D”**, stating that:
- a. The appropriate forum for Ignite to raise its constructive trust claim would have been the Comeback hearing, at which counsel to Ignite attended;
 - b. That the Monitor is not the arbiter of a claim advanced by Ignite;
 - c. On a review of the Ignite claim and applicable law it was unclear to the Monitor’s counsel that a court would conclude Ignite is entitled to a constructive trust; and
 - d. Ignite should consider a motion to the CCAA Court to consider the matter.
28. Subsequently, on January 31, 2025 Ignite issued a notice of motion indicating they would bring a motion for the purpose of determining if they have a constructive trust over the assets of the Applicants. The Monitor notes that this notice of motion was delivered *after* the bid deadline in the Court-approved SISP.

TerrAscend Corp.

29. On January 16, 2025 Counsel to the Monitor received a letter from counsel to TerrAscend Corp., the owner of Gage Growth Corp. (the “**TerrAscend Letter**”) expressing their concern that the ultimate owner of the Lending Stream is the brother of the ultimate owner of the Applicants. The TerrAscend Letter also requested that Monitor to investigate pre-filing transactions amongst the Applications, Lending Steam and other non-arms length parties. The TerrAscend letter is attached as **Appendix “E”**.
30. Counsel to the Monitor responded to TerrAscend on January 20, 2025 (the “**TerrAscend Response**”), attached hereto as **Appendix “F”**, indicating that:
 - a. The Montor is aware of the relationship between Lending Stream and the Applicants and the relationship was disclosed to the Court;
 - b. any sale approval would have to satisfy s. 36 of the CCAA;
 - c. the Monitor is making inquiries of the Application and their auditors with respect to past related party transactions; and
 - d. the Applications were not parties to the purchase or sale of its debt.
31. As described in paragraph 65 of the Monitor’s First Report, the secured indebtedness of the Applicants to the Purchaser includes outstanding obligations under a royalty agreement between NCI and Lending Stream, secured by a general security agreement. The historical financial statements of the Applicants include a debenture payable to Lending Stream (originally Canopy Rivers Corporation) in the amount of \$5.0 million, in addition to amounts payable under the royalty agreement. In reviewing the original 2017 royalty agreement between Canopy Rivers Corporation and the Applicants, under their legal name at that time, it is the Monitor’s interpretation that the agreement provided for Canopy to pay \$5.0 million to purchase the royalty agreement, with payment to be satisfied by set-off of an existing \$5.0 million debenture.
32. Under this interpretation, with which the Monitor’s legal counsel concurs, the \$5.0 million debenture liability should no longer be recorded on the Applicants financial statements. The Applicants last audited financial statements were prepared for the year ended December 31, 2022, with internally prepared financial statements thereafter. The Monitor attempted to discuss the Lending Stream debenture issue with the Applicants’ previous external auditor but was unsuccessful in arranging such a meeting. If the Monitor’s interpretation is correct, the set-off of the \$5.0 million would have been brought into income, therefore reducing the Applicants cumulative retained earning deficit and tax loss carry forwards.
33. Accordingly, the Monitor is of the view that this would have no practical impact on the Transaction since the Purchaser’s credit bid was based only on amounts payable under the royalty agreement, and not the debenture payable. Lending Stream is not relying on the debenture for payment under the Final SPA. No distribution is anticipated to arise from the Transaction and accordingly there is no impact on other creditors.

Canada Revenue Agency and the Department of Justice

34. Counsel to the Applicants and the Monitor engaged in discussions with the Department of Justice, with respect to their client, the Canada Revenue Agency (the “CRA”). The CRA directed the Applicants to address the following matters:
 - a. Compliance with all filing and remittance;
 - b. Excise Tax Act security for the purchase of the Applicants assets and business;
 - c. Tax attributes and any carry forward amounts;
 - d. The request for CRA consent to any inter-company setoff; and
 - e. The filing of stub period returns during the CCAA process.
35. The discussions with the CRA included the potential impact of the debenture agreement inclusion in income, as discussed above. The Monitor will continue to coordinate with the Applicants on CRA related matters, including providing CRA with a written update prior to March 5, 2025.

APPLICANTS’ RECEIPTS AND DISBURSEMENTS TO DATE

36. In connection with the Comeback Hearing, the Applicants, with the assistance of the Monitor, prepared a Cash Flow Forecast for the 17-week period from November 11, 2024 to the week ending March 9, 2025 (the “**17 Week Cash Flow Forecast**”) for the purpose of projecting the Applicants’ estimated liquidity needs. A copy of the Filing Cash Flow Forecast was attached as Appendix “C” to the First Report.
37. A summary of the Applicants actual receipts and disbursements for the 13-week period ended February 9, 2025 (the “**Reporting Period**”), as compared to the first 13 weeks of the 17-Week Cash Flow Forecast, is attached as **Appendix “G”** to this Second Report.
38. The Applicants report a favourable cash variance of \$312,062 for the Reporting Period. Actual net cash outflows were \$(283,378) versus projected net cash outflows of \$(595,440) Comments on material variances are provided below.
 - a. Cash receipts of \$3.37 million exceeded projected cash receipts of \$3.23 million by approximately \$141,000. The shortfall of \$279,350 on the disputed international shipment, discussed earlier in this report, was offset by an unforecasted sale of outdoor cannabis for approximately \$1.0 million in revenue, which has been fully received. There were also minor timing differences in payments of forecasted shipments.
 - b. Productions costs exceeded projection by approximately \$427,000. This variance reflects timing differences on payments for purchased cannabis, as well as a third party cannabis purchases of approximately \$580,000 and other direct related costs, in connection with the unforecasted outdoor sale discussed above.

- c. Other operating costs were approximately \$283,000 less than projected, due largely to the timing of commission payments for cash management purposes.
 - d. A favourable variance in restructuring and professional fees of \$181,000 is attributable to timing differences in the invoicing and payment of certain restructuring related fees.
39. The Applicants have drawn \$300,000 on the DIP Facility, which was consistent with projected funding needs set out in the 17 Week Cash Flow Forecast, but advanced in Week 13, versus Week 3 in the 17 Week Cash Flow Forecast.
40. At the Comeback hearing, and as outlined in the First Report, the Applicants sought and received Court approval to make up to \$110,000 of cumulative Pre-Filing payments to critical suppliers, subject to the Monitor's approval. The Applicants have reviewed such payments with the Monitor and, as authorized, such payments totaled \$99,605 during the Reporting Period.

FURTHER EXTENDED CASH FLOW

41. The Applicants, with the assistance of the Monitor, have prepared a further extended Cash Flow Forecast (the "**Cash Flow Forecast**") for the 10-week period from February 10, 2025 to the week ending April 20, 2025 (the "**Cash Flow Period**") for the purpose of projecting the Applicants' estimated liquidity needs through to the completion of the Stalking Horse Purchase Agreement transaction. A copy of the Cash Flow Forecast is attached as **Appendix "H"** to this Second Report.
42. The Cash Flow Forecast is presented on a weekly basis during the Cash Flow Period and represents the estimates of Management of the projected cash flow during the Cash Flow Period. The Cash Flow Forecast has been prepared by the Applicants using probable and hypothetical assumptions (the "**Assumptions**") set out in the notes to the Filing Cash Flow Forecast.
43. The Monitor has reviewed the Cash Flow Forecast through inquiries, analytical procedures and discussions, and review of documents related to the Information supplied to it by certain key members of Management and employees of the Applicants. Based on the Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:
- a. the Assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - b. as at the date of this Report, the Assumptions are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow Forecast, given the probable and hypothetical assumptions; or
 - c. the Cash Flow Forecast does not reflect the Assumptions.

44. Over the Cash Flow Period, the Applicants project estimated cash receipts of \$2.98 million and estimated disbursements of \$3.34 million, resulting in net cash outflows from operations of approximately (\$354,000). In addition, the Applicants expect to incur approximately \$170,000 in restructuring / professional fees, for total cash outflow of (\$524,000).
45. The projected timing of cash receipts from customers on major sales and the payment of major expenses, such as cannabis purchases, could vary, resulting in some fluctuation in the Applicants' cash position. However, the Cash Flow Forecast indicates the Applicants will have sufficient liquidity to operate through the week ended April 20, 2025.

SALE AND INVESTMENT SOLICITATION PROCESS RESULTS

46. In accordance with the Sales Process Order, the Applicants, with the assistance of the Sales Agent and the Monitor conducted the SISP.
47. The SISP was intended to solicit interest in and opportunities for an investment in or sale of all or substantially all of the Property of the Applicants.
48. As set out in the First Report and pursuant to the Court approved Bidding Procedures:
- The Sales Agent with the assist of the Monitor and the Applicants developed a list of known potential bidders and provided them with a summary regarding the opportunity and outlining the process under the SISP and inviting them to participate in the SISP;
 - The Monitor published notice of the SISP in the Globe & Mail;
 - Interested potential bidders were provided with a confidential information package and access to a virtual data room ("**VDR**") after executing a non-disclosure agreement ("**NDA**"); and
 - The deadline to submit a non-binding letter of intent (a "**LOI**") by any interested bidder was 5:00 pm (Eastern Time) on January 27, 2025 (the "**Bid Deadline**").
49. The timeline of the Stalking Horse Sales Process is set out in the following table. Any terms not expressly defined in the table are defined in the Reda Affidavit.

Milestone	Deadline
Publish notice of Sales Process and deliver Teaser Letter and NDA to Known Potential Bidders	Friday, December 6, 2024
Finalize schedule of Assumed Liabilities in the Stalking Horse Agreement	Tuesday, December 31, 2024
Bid Deadline	Monday, January 27, 2025

Deadline to top-up Deposit to Stalking Horse Payout Amount	Friday, January 31, 2025
Auction	Wednesday, February 5, 2025
Hearing of the Sale Approval Motion	No later than Friday, February 14, 2025, subject to the availability of the Court

50. The Potential Bidders were determined by the SISP agent, with the assistance of the Monitor, utilizing the Capital IQ database, the SISP agent's database from extensive prior engagements in the cannabis industry, and any responses from the Monitor's website and the Globe and Mail ad.
51. The SISP agent refined the list based on its experience and excluded companies due to the lack of size, interest or other relevant factors.
52. Following the issuance of the SISP Order the SISP Agent, with the assistance of the Monitor:
- Distributed the teaser by email to 53 Potential Bidders;
 - Advertised the opportunity in the Globe and Mail on November 25, 2024; and,
 - Advertised the opportunity on the Monitor's website related to the CCAA filing.
53. Throughout the SISP, the SISP Agent, Monitor and Applicants responded to inquiries by Potential Bidders.
54. The response from the Potential Bidders contact by the SISP Agent is summarized as follows:

Category	Number
Contacted and provided teaser	53
Executed NDA	4
Offer	0
Declined	53

55. The four parties that executed an NDA were all considered by the SISP Agent to be serious potential bidders. However, all declined due to one or more factors that included: a desire for an opportunity with greater scale; considered the Stalking Horse Bidder purchase price to be too high; current lack of funds to complete a transaction; or a determined that additional growing capacity in Canada was not needed/no longer need at this time.

56. As no bids were received by the Bid Deadline, the Stalking Horse Bidder was deemed to be the Successful Bid in the SISP process pursuant to the Sales Process Approval Order
57. It is the Monitor's opinion that the selection of the Stalking Horse SPA as the Successful Bid in the SISP was fair and reasonable in the circumstances.

The proposed transaction

58. Following the selection of the Stalking Horse SPA as the Successful Bid, the parties negotiated and made amendments to its terms and conditions in order to further structure the acquisition and clarify certain terms, without impacting the value, resulting in the Final SPA.
59. The Transaction effectively provides for the acquisition of substantially all key assets of NCI by way of a reverse vesting order ("RVO"), the cumulation of which will result in Lending Stream Inc. acquiring all of the issued and outstanding shares of NCI, free of any Encumbrances, Excluded Assets, Excluded Contracts and Excluded Liabilities. The Transaction also includes several reorganization steps that are to take place prior to the closing of the Transaction. Capitalized terms used in this section which are not otherwise defined have the meaning set forth in the Final SPA.
60. The pre-closing reorganization is comprised of several steps, which are detailed in the Final SPA.
61. The Transaction contemplates that Excluded Assets will only comprise inventory sold in the ordinary course of business between the effective date of the Stalking Horse SPA and the closing of the Transaction; and any excluded contracts .
62. The Transaction contemplates that there are no Assumed Liabilities to be retained by the Purchaser, as identified in the applicable schedule to the Final SPA.
63. The closing of the Transaction is subject to the fulfillment of certain limited conditions, including (i) the completion of the pre-closing reorganization, (ii) consent of the landlord of NCI's operating premises, (iii) the issuance of the Vesting Order and (iv) the issuance of the Monitor's Certificate.
64. The Purchase Price is defined in para. 3.1 of the Final SPA and is calculated with reference to the amounts owing under the DIP Charge, Administration Charge and D&O Charge. The Monitor will calculate the final Purchase Price, including the cash component and fee accruals, and communicate this amount to the Purchaser in advance of the Closing Date.
65. The Final SPA is structured as a reverse vesting order transaction for the following reasons:
 - a. it will permit NCI to maintain its cannabis licence and any other strategic assets;
 - b. The Transaction under a reverse vesting order structure will not result in any material prejudice or impairment of any of the Applicants' creditors rights that they

would otherwise have under an asset sale transaction or under any other available alternative;

- c. Proceeding by way of a reverse vesting order will potentially allow the Purchaser, to preserve the Applicants' carry-forward tax losses and other tax attributes, subject to the grind down of losses by the CRA;
 - d. The consideration being paid for the Applicants' business reflects notably the value of the licences, permits, agreements and authorizations;
 - e. The Applicants operate in a highly regulated industry and the proposed structure reduces the costs and delays of transferring the requisite licences, permits and agreements necessary to continue the Applicants' cannabis business;
 - f. The Transaction is the result of a Court approved sales process, and the Stalking Horse Bidder was the only Qualified Bid; and,
 - g. The creditors and stakeholders whose liabilities or contracts are considered Excluded Liabilities and Excluded Assets in the Purchase Agreement will not be prejudiced as compared to the transaction having being completed under a vesting of assets to a third party.
66. In the Monitor's opinion, structuring the Final SPA as a reverse vesting order is appropriate and necessary in this proceeding for the reasons noted above.

Comparison with a sale or disposition under bankruptcy

67. The Monitor has considered if the Transaction would be more beneficial to the creditors than a sale of disposition under a bankruptcy.
68. In the Monitor's opinion that a sale or disposition under a bankruptcy is unlikely to result in a better outcome for the creditors. It is not anticipated that a sale under a bankruptcy would result in a higher realization value or a distribution to unsecured creditors.
69. A bankruptcy would also:
- a. Impact the going concern of the Applicants operations;
 - b. Terminate the employment of all employees; and,
 - c. Negatively impact the status of the Health Canada License.
70. The Monitor is of the opinion that a sale or disposition under bankruptcy would not be more beneficial to the creditors than the proposed Transaction.

Monitor's Recommendation

71. The Monitor is of the view that the Transaction is advantageous for the Applicants, its creditors, and its stakeholders as a whole for several reasons, including:
 - a. The primary benefit of the proposed Transaction is the continuity of business operations;
 - b. It represents the only Qualified Bid received following a robust SISF;
 - c. A number of key individuals associated with the business will remain with NCI following the closing of the proposed Transaction; and
 - d. The Transaction will achieve the purpose of the CCAA Proceedings which is to ensure the business emerges from CCAA protection in a stronger form that preserves enterprise value and employment for as many of its employees as reasonably possible.
72. Based on the information presented in this Report and the work performed to date, the Monitor believes that the Transaction is consistent with the statutory requirements of section 36 of the CCAA.
73. The Monitor is of the opinion that the Transaction is more beneficial to the creditors, as well as the stakeholders of the Applicants than a sale or disposition of assets in a bankruptcy context.

REQUEST FOR ADDITIONAL POWERS FOR THE MONITOR

74. Following closing of the Transaction, the employment of all employees of the Applicants will have either been terminated or retained by the Purchaser. As such, following the completion of the Transaction, there will be no more employees to effect the orderly wind-down of ResidualCo. (the “**Residual Entity**”)
75. Given the foregoing, the Applicants and the Monitor request that this Court provide the Monitor with additional powers as of the closing of the Transaction to ensure that all remaining steps in the CCAA Proceedings can be completed. The requested additional powers for the Monitor include:
 - a. Power to control of the receipts and disbursements of the Residual Entity and the ability to carry out their business and activities;
 - b. Power to open bank accounts for and on behalf of the Residual Entity;
 - c. Power to implement the necessary protective measures to preserve the remaining assets of the Residual Entity;

- d. Power to proceed with the sale, transfer, assignment, lease or other disposition of the remaining property outside the ordinary course of business of the Residual Entity; and
- e. Power to assign the Residual Entity into bankruptcy and act as Trustee thereto.

APPROVAL OF THE MONITOR'S FEES AND DISBURSEMENTS

76. Pursuant to paragraph 31 of the Amended and Restated Initial Order, which states:

THIS COURT ORDERS THAT the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

- 77. The Monitor and its legal counsel, Loopstra Nixon LLP (“LN”), have been paid their fees and disbursements at their standard rates and charges by the Applicants from time to time, in accordance with the Amended and Restated Initial Order, as part of the costs of the CCAA Proceedings.
- 78. The Monitor and the Monitor’s counsel have maintained detailed records of their fees and disbursements since the commencement of the CCAA Proceedings and now seeks approval of same.
- 79. The Monitor’s fees from the commencement to February 14, 2025 were \$103,832.50 plus disbursements of \$6,065.27 and HST of \$14,286.72 for a total of \$124,184.49, as set out in the Affidavit of Robyn Duwyn sworn February 26, 2025, a copy of which is attached hereto as **Appendix “I”**.
- 80. LN’s fees for the from the commencement to January 31, 2025 were \$48,442.50 plus disbursements of \$809.20 and HST of \$6,402.73, for a total of \$55,654.43, as set out in the affidavit of Shahrzad Hamraz sworn February 26, 2025, a copy of which is attached as **Appendix “J”**.
- 81. The Monitor respectfully submits that the Monitor’s fees and disbursements, and those of LN, are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Amended and Restated Initial Order.
- 82. Accordingly, the Monitor seeks approval of the fees and disbursements of the Monitor and LN.

OVERALL CONCLUSIONS AND RECOMMENDATIONS

Proposed Approval and Vesting Order

83. It is the Monitor's opinion that the SISP was conducted in a commercially reasonable manner in accordance with the Sale Process Approval Order.
84. The Monitor is supportive of the Transaction for the following reasons:
 - a. prior refinancing efforts have failed and no other offers for the Applicants business and assets currently exists;
 - b. the Transaction will provide stability to the Applicants business and operations, and give confidence to its customers, employees and suppliers that a going concern outcome in these CCAA proceedings will be achieved, thereby maintaining enterprise value for the stakeholders;
 - c. the Transaction provides for continued employment to the majority of the Applicants' employees, and the ongoing use of the Health Canada Licence and Excise Licence; and
 - d. the Transaction provides future value to stakeholders who will continue to conduct business with the Applicants;
85. The Applicants are seeking an extension of the Stay of Proceedings until April 11, 2025 to complete the Transaction.
86. The Cash Flow Forecast demonstrates the Applicants will have sufficient liquidity to maintain operations during the requested stay period extension.
87. The Monitor is of the view that the Transaction is in the best interest of the Applicants, its creditors and other stakeholders.
88. The Monitor is not aware of any non-compliance by the Applicants with the requirements of the CCAA or any order issued by this Court in the CCAA proceedings.
89. The Monitor believes that the Applicants have acted, and continue to act, in good faith and with due diligence.
90. The Monitor has reviewed the Applicants' materials for the Sale Approval Hearing and supports the Applicants' request that the Court grants the Approval and Reverse Vesting Order.

Proposed Ancillary Order

91. The Monitor has reviewed the Applicants materials for the hearing and supports the Applicants' request that the Court grant the Ancillary Order.

All of which is respectfully submitted this 26th day of February 2025.

**BDO CANADA LIMITED,
in its capacity as Monitor of the Applicants,
and not in its corporate or personal capacity.**

A handwritten signature in dark ink, appearing to read 'Robyn Duwyn', written in a cursive style.

**Robyn Duwyn, CPA, CA, CIRP
Senior Vice President
Licensed Insolvency Trustee**

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
NOYA HOLDINGS INC. AND NOYA CANNABIS INC.

Court File No. CV-24-00730120-00CL

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

Proceeding commenced at **TORONTO**

AFFIDAVIT OF FEES

LOOPSTRA NIXON LLP

130 Adelaide Street W., Suite 2800
Toronto, ON M5H 3P5

R. Graham Phoenix (LSO No.: 52650N)

Tel: (416) 748-4776
Email: gphoenix@LN.law

Shahrzad Hamraz (LSO No.: 85218H)

Tel: (416) 748-5116
Email: shamraz@LN.law

*Lawyers for the Monitor,
BDO Canada Limited*

Appendix D – Affidavit of Robyn Duwyn sworn March 26, 2025

**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
NOYA HOLDINGS INC. AND NOYA CANNABIS INC.

AFFIDAVIT OF ROBYN DUWYN

I, Robyn Duwyn, of the City of Burlington, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Vice-President of BDO Canada Limited ("BDO"), the Monitor in the CCAA proceedings of Noya Holdings Inc. and Noya Cannabis Inc. (each an "Applicant" and collectively, the "Applicants") and, as such, I have knowledge of the matters hereinafter deposed to.
2. By Initial Order dated November 6, 2024 (the "Initial Order") BDO Canada Limited was appointed as Monitor of the business and financial affairs of the Applicants (the "Monitor").
3. Since February 14, 2025, the Monitor has been engaged in the following:
 - Prepare the Second Report of the Monitor dated February 26, 2025 for consideration of the Court in approving the SPA, extending the stay and an update on the Application operations and cash flow;
 - Prepare the Third Report of the Monitor dated November 26, 2025 for consideration of the Court on the closing of the Transaction and termination of the CCAA;
 - Monitor the applicants bi-weekly receipts and disbursements and variance analysis in accordance with the Amended and Restated Order Initial Order dated November 15, 2024.

- Correspond with representatives of Canada Revenue Agency and the Department of Justice, by telephone and email, on several matters including compliance and loss carry forward issues;
 - Attend virtual meetings and conference calls with the Applicants, legal counsel to the Applicants, independent legal counsel to the Monitor, legal counsel to Lending Stream Inc, and other stakeholders in connection with closing the Transaction;
 - Attend virtual court hearings for motions by the Applicants on March 5, 2025;
 - Maintain the Monitor's extranet website and post all court materials to it; and
 - Communications and telephone calls with Applicants' landlord, suppliers, regulatory agencies, other stakeholders and their respective legal counsel;
4. In the course of performing the duties pursuant to the Initial Order and as set out above at paragraph 3, the Monitor's staff expended 67.9 hours for the period of February 15 to March 25, 2025. A completion accrual is also included. Attached hereto and marked as Exhibit "A" to this my Affidavit is the account of the Monitor together with a summary sheet.
5. To the best of my knowledge, the rates charged by the Monitor throughout the course of these proceedings are comparable to the rates charged by other insolvency practitioners in the Ontario mid-market for providing similar insolvency and restructuring services.
6. The hourly billing rates outlined in Exhibit "A" to this my Affidavit are not more than the normal hourly rates charged by BDO Canada Limited for services rendered in relation to similar proceedings.
7. I verily believe that the fees and disbursements incurred by the Monitor are fair and reasonable in the circumstances.
8. This Affidavit is sworn in support of the motion for approval of the Monitor's fees and disbursements and for no other or improper purposes.

Court File Number: CV-24-00730120-00CL

SWORN BEFORE ME at the City of
Burlington in the Province of Ontario
on the 26th day of March, 2025



Commissioner for Taking Affidavits

Maxine Beverly Finnegan, a Commissioner, etc.,
Province of Ontario, for BDO Canada Limited and BDO Canada LLP.
Expires May 14, 2027



ROBYN DUWYN, CPA, CA, CIRP
Licensed Insolvency Trustee

Court File Number: CV-24-00730120-00CL

Attached is Exhibit A
To the Affidavit of Robyn Duwyn
Sworn the 26th day of March, 2025.



A Commissioner, Etc

Maxine Beverly Finnegan, a Commissioner, etc.,
Province of Ontario, for BDO Canada Limited and BDO Canada LLP.
Expires May 14, 2027

Court File Number: CV-24-00730120-00CL

**Summary of Monitor's Accounts for the period
October 1, 2024 through February 14, 2025**

Invoice Date	Hours Expended	Fees	Disbursements	HST	Invoice Total
March 26, 2025	67.9	\$ 42,500.00	-	\$ 5,525.00	\$ 48,025.00
	67.9	\$ 42,500.00	\$ -	\$ 5,525.00	\$ 48,025.00

Appendix E – Affidavit of Shahrzad Hamraz sworn March 26, 2025

Court File Number CV-24-00730120-00CL

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 NOYA
HOLDINGS INC. AND NOYA CANNABIS INC.

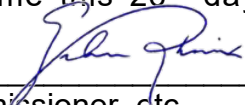
(each an "**Applicant**" and collectively, the "**Applicants**")

AFFIDAVIT OF SHAHRZAD HAMRAZ
(Sworn March 26, 2025)

I, **SHAHRZAD HAMRAZ**, of the City of Toronto, in the Province of Ontario,
AFFIRM AND SAY:

1. I am a lawyer at the law firm Loopstra Nixon LLP ("**Loopstra Nixon**"), counsel to BDO Canada Limited, the court-appointed monitor (the "**Monitor**"), in this matter. Accordingly, I have knowledge of matters hereinafter deposed to.
2. Attached hereto and marked as Exhibit "A" are true copies of the Statement of Accounts issued by Loopstra Nixon in respect of services rendered to the Monitor for the period from February 3, 2025, through March 25, 2025 (the "**Billing Period**"). During the Billing Period, the total fees and disbursements billed were \$28,586.50 and \$137.76, respectively, and applicable taxes of \$3,734.16 for an aggregate amount of \$32,458.42.
3. As set out in the following table, 43.30 hours were billed by Loopstra Nixon during the Billing Period, resulting in an average hourly rate of \$660.20 (exclusive of applicable taxes):

This is Exhibit "A" referred to in the Affidavit of Shahrzad Hamraz sworn before me this 26th day of March, 2025.

A handwritten signature in blue ink, appearing to read "John J. Harris", is written over a horizontal line.

A Commissioner, etc.



March 10, 2025

R. Graham Phoenix
Direct Line: 416.748.4776
Email: gphoenix@LN.Law
RGP Professional Corporation

CONFIDENTIAL

BDO Canada Limited
51 Breithaupt Street, Suite 300
Kitchener, ON N2H 5G5

Matter No. 06325-0016

Attention: Robyn Duwyn

RE: CCAA Proceedings of Noya Cannabis Inc. and Noya Holdings Inc.

Please find enclosed herewith our Statement of Account for services rendered with regard to the above-noted matter to and including February 28, 2025 which we trust you will find satisfactory.

If you have any questions, please contact the undersigned.

Yours truly,

LOOPSTRA NIXON LLP
Per:

R. Graham Phoenix
Encl.



March 10, 2025

Invoice No. 166327

Matter No. 06325-0016

BDO Canada Limited
51 Breithaupt Street, Suite 300
Kitchener, ON N2H 5G5

Attention: Robyn Duwyn

RE: CCAA Proceedings of Noya Cannabis Inc. and Noya Holdings Inc.

STATEMENT OF ACCOUNT

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with the above-noted matter through to February 28, 2025.

OUR FEE	\$16,648.00
HST on Fees @ 13%	\$2,164.24

DISBURSEMENTS:

Total Disbursements	\$67.95
HST on Disbursements	\$8.83

Total Fees, Disbursements and HST	<u>\$18,889.02</u>
--	---------------------------

The above account represents a summary of the professional services rendered to you, and this firm reserves the right to provide further particulars of our professional services rendered in the event the same is required or requested.

THIS IS OUR STATEMENT OF ACCOUNT HEREIN

LOOPSTRA NIXON LLP

Per:

R. Graham Phoenix
RGP/tha

In accordance with the Solicitor's Act, interest will be charged on this account until paid, at the rate of 2.0% per annum, commencing one month after delivery, E. & O.E. * HST No. 122610298RT0001



PRIVILEGED AND CONFIDENTIAL
Billing Detail Report to 28-Feb-2025

March 10, 2025

Invoice No. 166327

BDO Canada Limited
51 Breithaupt Street, Suite 300
Kitchener, ON N2H 5G5

Matter No. 06325-0016

Attention: Robyn Duwyn

RE: CCAA Proceedings of Noya Cannabis Inc. and Noya Holdings Inc.

FEES

<u>Date</u>	<u>Narrative</u>	<u>Professional</u>	<u>Time</u>
03-Feb-2025	Call with counsel to company and monitor re: next steps.	RGP	0.50
03-Feb-2025	Review notice of motion of ignite.	SHH	0.60
04-Feb-2025	Prep for and call with counsel to company. Review claim and trust legal considerations.	RGP	2.20
04-Feb-2025	Update call with receiver re: sales process	SHH	0.60
12-Feb-2025	Review and comment on materials.	RGP	2.20
14-Feb-2025	Receive filing status from Court. Re-file materials	AMA	0.10
18-Feb-2025	Review various emails from counsel to company and purchaser re: pending hearing, as well as materials. Email to counsel to company.	RGP	1.90
18-Feb-2025	Receive status of re-filing from court. Email Toronto Bankruptcy Court regarding taxation being adjourned sine die.	AMA	0.20
19-Feb-2025	Call with counsel to company and counsel to purchaser, and Monitor re pending motions. Call with counsel to company. Call with Monitor. Review of trust components of materials.	RGP	1.60
19-Feb-2025	Call with counsel to company and stalking horse purchaser. Review motions materials.	SHH	1.20
19-Feb-2025	Receive confirmation of filing regarding taxation materials. Email hearing request form to Toronto Bankruptcy Court, calendarize adjourned taxation date and provide update to G. Phoenix	AMA	0.10
20-Feb-2025	Review various closing items. Revised and comment on agenda. Emails with V, Da Re re: same.	RGP	1.60
21-Feb-2025	Review of various emails re: potential closing matters.	RGP	0.70



22-Feb-2025	Review and comment on draft order.	RGP	1.60
24-Feb-2025	Review various emails re: future transaction closing matters. Review materials. Email to counsel to company and counsel re: cash components, etc.	RGP	1.30
25-Feb-2025	Emails to Monitor and counsel to Applicants re: residual bankruptcies. Review and comment on draft report. Direction to LN team re: fee affidavit and filings.	RGP	1.60
25-Feb-2025	Review draft monitor's report.	SHH	1.00
26-Feb-2025	Fee affidavits. Emails re materials.	RGP	1.00
26-Feb-2025	To drafting Affidavit of Fees and forward same with related accounts to G. Phoenix for review. Finalize Affidavit of Fees and email same to R. Duwyn	AMA	1.00
27-Feb-2025	Review and finalize report. Directions to LN team re: service. Call with V. Da Re	RGP	1.10
27-Feb-2025	Review and compile monitor's second report.	SHH	1.00
27-Feb-2025	Format cover & back page of the Second Report of the Monitor. Finalize second report and forward to G. Phoenix for review prior to service. Draft service email & letter. Prepare physical copies for service, and arrange courier pick-up & delivery. Draft Affidavit of Service, have the same commissioned and file materials with the Court via JSO portal	AMA	2.00
28-Feb-2025	Review and respond to comments re: releases. Call with company counsel, Monitor and CRA.	RGP	1.30
28-Feb-2025	CC with company counsel and CRA re: draft order.	SHH	0.60
28-Feb-2025	Obtain entity profile reports regarding Noya Holdings Inc., Noya Cannabis Inc., and Lending Stream Inc. Email results to G. Phoenix	AMA	0.20
OUR FEE			<hr/> \$16,648.00

<u>Time Summary</u>	<u>Hours</u>
Amanda Adamo	3.60
R. Graham Phoenix	18.60
Shahrazad Hamraz	5.00
Total hours:	<hr/> 27.20

DISBURSEMENTS (E=HST exempt)

Oncorp EDD	Amount 67.95
Total Disbursements	<hr/> \$67.95



March 26, 2025

R. Graham Phoenix
Direct Line: 416.748.4776
Email: gphoenix@LN.Law
RGP Professional Corporation

CONFIDENTIAL

BDO Canada Limited
51 Breithaupt Street, Suite 300
Kitchener, ON N2H 5G5

Matter No. 06325-0016

Attention: Robyn Duwyn

RE: CCAA Proceedings of Noya Cannabis Inc. and Noya Holdings Inc.

Please find enclosed herewith our Statement of Account for services rendered with regard to the above-noted matter to and including March 25, 2025 which we trust you will find satisfactory.

If you have any questions, please contact the undersigned.

Yours truly,

LOOPSTRA NIXON LLP
Per:

R. Graham Phoenix
Encl.



March 26, 2025

Invoice No. 167535

Matter No. 06325-0016

BDO Canada Limited
51 Breithaupt Street, Suite 300
Kitchener, ON N2H 5G5

Attention: Robyn Duwyn

RE: CCAA Proceedings of Noya Cannabis Inc. and Noya Holdings Inc.

STATEMENT OF ACCOUNT

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with the above-noted matter through to March 25, 2025.

OUR FEE	\$11,938.50
HST on Fees @ 13%	\$1,552.01

DISBURSEMENTS:

Total Disbursements	\$69.81
HST on Disbursements	\$9.08

Total Fees, Disbursements and HST	<u>\$13,569.40</u>
--	---------------------------

The above account represents a summary of the professional services rendered to you, and this firm reserves the right to provide further particulars of our professional services rendered in the event the same is required or requested.

THIS IS OUR STATEMENT OF ACCOUNT HEREIN

LOOPSTRA NIXON LLP

Per:

R. Graham Phoenix
RGP/jep

In accordance with the Solicitor's Act, interest will be charged on this account until paid, at the rate of 2.0% per annum, commencing one month after delivery, E. & O.E. * HST No. 122610298RT0001



PRIVILEGED AND CONFIDENTIAL
Billing Detail Report to 25-Mar-2025

March 26, 2025

Invoice No. 167535

BDO Canada Limited
51 Breithaupt Street, Suite 300
Kitchener, ON N2H 5G5

Matter No. 06325-0016

Attention: Robyn Duwyn

RE: CCAA Proceedings of Noya Cannabis Inc. and Noya Holdings Inc.

FEES

<u>Date</u>	<u>Narrative</u>	<u>Professional</u>	<u>Time</u>
04-Mar-2025	Review revised drafts. Emails re: release language with Cassels. Call with counsel to Applicant re: same and CRA. Preparation for Motion.	RGP	2.60
05-Mar-2025	Final prep for an attend hearing. Review endorsement. Review draft closing documents and emails.	RGP	2.60
07-Mar-2025	Call with V. Da Re: various issues. Review closing documents in progress.	RGP	1.10
11-Mar-2025	Review emails and documents re: slip and fall clam; and, re: closing.	RGP	0.50
13-Mar-2025	Review and comment on disclaimer documents and assignment documents for closing. Email to Monitor re: items.	RGP	0.50
14-Mar-2025	Email signed documents and details to counsel to Noya. Emails with Monitor. Call with counsel to Noya. Review closing agenda and disclaimer and assignment documents.	RGP	1.20
14-Mar-2025	To updating the service list	AMA	0.10
18-Mar-2025	Review documents and emails re: closing. Emails re: funding requirement.	RGP	0.60
19-Mar-2025	Various emails re: Closing transaction. Comments on discharge materials.	RGP	1.50
20-Mar-2025	Comments on draft materials. Emails to all re: cash requirements.	RGP	1.10
21-Mar-2025	Review and comment on draft report. Email to counsel to company re: closing. Call with counsel to Company. Call with Monitor.	RGP	2.10
23-Mar-2025	Emails to counsel to companies re: status of closing.	RGP	0.20



24-Mar-2025	Calls with counsel to companies re: closing. Call with Monitor re: same. Review SPA and ARIQ. Review law re: enforcement of charges.	RGP	1.30
25-Mar-2025	Update call with counsel to company. Call with counsel to company following resolution of fee issues. Call with monitor re: same.	RGP	0.70
OUR FEE			<hr/> \$11,938.50

Time Summary

Hours

Amanda Adamo	0.10
R. Graham Phoenix	16.00
Total hours:	<hr/> 16.10

DISBURSEMENTS (E=HST exempt)

Amount

Courier	69.81
Total Disbursements	<hr/> \$69.81

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
NOYA HOLDINGS INC. AND NOYA CANNABIS INC.

Court File No. CV-24-00730120-00CL

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

Proceeding commenced at **TORONTO**

AFFIDAVIT OF FEES

LOOPSTRA NIXON LLP

130 Adelaide Street W., Suite 2800
Toronto, ON M5H 3P5

R. Graham Phoenix (LSO No.: 52650N)

Tel: (416) 748-4776
Email: gphoenix@LN.law

Shahrzad Hamraz (LSO No.: 85218H)

Tel: (416) 748-5116
Email: shamraz@LN.law

*Lawyers for the Monitor,
BDO Canada Limited*

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
NOYA HOLDINGS INC. AND NOYA CANNABIS INC.

Court File No. CV-24-00730120-00CL

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

Proceeding commenced at **TORONTO**

THIRD REPORT OF THE MONITOR
*(Filed in connection with a Motion returnable April 1,
2025)*

LOOPSTRA NIXON LLP
130 Adelaide Street W., Suite 2800
Toronto, ON M5H 3P5

R. Graham Phoenix (LSO No.: 52650N)
Tel: (416) 748-4776
Email: gphoenix@LN.law

Shahrzad Hamraz (LSO No.: 85218H)
Tel: (416) 748-5116
Email: shamraz@LN.law

*Lawyers for the Monitor,
BDO Canada Limited*