



No. S-240259
Vancouver Registry

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

- AND -

IN THE MATTER OF *THE BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED

- AND -

IN THE MATTER OF
BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN APPENDIX "A"

PETITIONERS

FIRST REPORT OF THE MONITOR

JANUARY 22, 2024

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1.0 Introduction

1. Pursuant to an order (the “**Initial Order**”) pronounced by the Supreme Court of British Columbia (the “**Court**”) on January 15, 2024 (the “**Filing Date**”), Black Press Ltd. (“**BP Holdco**”), 311773 B.C. Ltd. (“**311 BC**”), and those other petitioner companies listed in **Appendix “A”** (collectively, the “**Petitioners**”, and together with the Non-Petitioner Stay Parties (as defined below), the “**Companies**”) were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and KSV Restructuring Inc. was appointed as monitor in these CCAA proceedings (in such capacity, the “**Monitor**”).
2. The principal purpose of these CCAA proceedings is to create a stabilized environment to enable the Companies to:
 - a) continue to operate in the ordinary course with the breathing space afforded by obtaining protection under the CCAA;
 - b) secure required debtor-in-possession (“**DIP**”) financing pursuant to a DIP term sheet (the “**DIP Term Sheet**”) with Canso Investment Counsel Ltd. (“**Canso**”, and in its capacity as portfolio manager for and on behalf of Canso Strategic Credit Fund, the “**DIP Lender**”), an entity related to certain of the Noteholders (as defined below), pursuant to which a \$5.5 million DIP loan facility (the “**DIP Facility**”) will be made available to fund the Petitioners’ ongoing business and these CCAA proceedings, subject to the terms therein; and
 - c) undertake a Court-supervised sale and investment solicitation process for the Companies’ assets and business, which is supported by a stalking horse bid from, *inter alia*, the Companies’ senior secured noteholders, with the view of identifying and completing a sale transaction.
3. Pursuant to the terms of the Initial Order, *inter alia*, the Court:
 - a) granted a stay of proceedings in favour of the Petitioners and their directors and officers (the “**Stay of Proceedings**”) to and including January 25, 2024 (the “**Stay Period**”);

- b) extended the Stay of Proceedings and other provisions of the Initial Order to the following affiliates of the Petitioners: (i) Black Press (Barbados) Ltd.; (ii) Whidbey Press (Barbados) Inc.; (iii) Black Press Delaware LLC; and (iv) Black Press Group Oregon LLC (collectively, the “**Non-Petitioner Stay Parties**”);
- c) approved the terms of the DIP Facility made available to the Petitioners by the DIP Lender, pursuant to the DIP Term Sheet, provided that borrowings under the DIP Facility did not exceed \$500,000;
- d) granted charges on all of the Petitioners’ current and future assets, property and undertaking (collectively, the “**Property**”), except in respect of those encumbrances over Property held by persons who were not given notice of the CCAA petition, in the following amounts and priority:
 - i. first, a charge in the amount of \$750,000 (the “**Administration Charge**”) to secure the fees and disbursements of the Monitor, its legal counsel, and the Petitioners’ Canadian and US legal counsel;
 - ii. second, a charge in the amount of \$10,674,000 in favour of the directors and officers of the Petitioners and Non-Petitioner Stay Parties (the “**Directors’ Charge**”); and
 - iii. third, a charge up to the maximum principal amount of \$500,000, plus accrued and unpaid interest, fees and expenses thereon, on the Property in favour of the DIP Lender to secure advances to the Petitioners made under the DIP Facility prior to the Comeback Hearing (as defined below) (the “**DIP Lender’s Charge**”, and together with the Administration Charge and the Directors’ Charge, the “**Initial Charges**”); and
- e) permitted the Petitioners to pay amounts owing for goods and services supplied to the Petitioners prior to the date of the Initial Order if, in the opinion of the Petitioners, the supplier is critical to the BP Business (as defined below) and ongoing operations of the Petitioners, consistent with existing policies and procedures, subject to the terms of the DIP Term Sheet and obtaining the consent of the Monitor.

4. On January 16, 2024, the Petitioners commenced proceedings in the United States Bankruptcy Court for the District of Delaware (the “**US Court**”) seeking recognition of these CCAA proceedings as a foreign main proceeding under chapter 15 of title 11 of the United States (the “**US**”) Code (the “**Bankruptcy Code**”), 11 U.S.C. §§ 101-1532. On January 16, 2024, the US Court entered an order granting provisional relief in aid of these CCAA proceedings.
5. The comeback hearing is scheduled to be heard on January 25, 2024 (the “**Comeback Hearing**”). At the Comeback Hearing, the Petitioners are seeking the following orders:
 - a) an order (the “**SISP Approval Order**”), among other things:
 - i. authorizing and directing BP Holdco and 311 BC to negotiate and finalize a definitive stalking horse transaction agreement (such definitive agreement being the “**Stalking Horse Transaction Agreement**”) with the Noteholders (as defined below) and Carpenter Newsmedia, LLC (“**Carpenter**” and, together with the Noteholders, the “**Stalking Horse Purchaser**”) on substantially the terms set forth in the Stalking Horse Term Sheet attached to the Amended and Restated Transaction Support Agreement (as defined below);
 - ii. approving an expense reimbursement of up to a maximum of \$250,000 (the “**Expense Reimbursement**”) and a break fee equal to \$1,500,000 (the “**Break Fee**” and, together with the Expense Reimbursement, the “**Bid Protections**”) for the benefit of the Stalking Horse Purchaser, subject to the execution of the Stalking Horse Transaction Agreement and the terms set forth in the Amended and Restated Transaction Support Agreement;
 - iii. granting a Court-ordered charge over the Property in favour of the Stalking Horse Purchaser as security for payment of the Bid Protections (the “**Bid Protections Charge**”), with the priority set out therein; and
 - iv. approving the proposed sale and investment solicitation process (the “**SISP**”), the terms of which are further described below; and
 - b) an amended and restated Initial Order (the “**ARIO**”), among other things
 - i. extending the Stay Period to and including March 15, 2024 (the “**Stay Extension**”);

- ii. authorizing and empowering BP Holdco and 311 BC to enter into an amended and restated transaction support agreement, *nunc pro tunc*, dated January 22, 2024 among the Noteholders, Carpenter, BP Holdco, and 311 BC in the form attached hereto as **Appendix “B”** (the **“Amended and Restated Transaction Support Agreement”**), pursuant to which, among other things, the Noteholders and Carpenter have agreed to support these CCAA proceedings, including the requested ARIO, the Stalking Horse Transaction Agreement, the SISP Approval Order, and the recognition proceedings under chapter 15 of title 11 of the Bankruptcy Code;
 - iii. increasing the maximum principal amount that the Petitioners can borrow under the DIP Facility to \$5.5 million;
 - iv. approving a key employee retention program (the **“KERP”**) and the granting of a charge on the Property for the benefit of the Canadian and US key employees referred to in the KERP up to a maximum amount of \$61,500 and US\$70,000 (the **“KERP Charge”**); and
 - v. increasing the maximum amount of the Initial Charges to:
 1. \$1,500,000 for the Administration Charge;
 2. \$13,806,000 for the Directors’ Charge; and
 3. \$5.5 million for the DIP Lender’s Charge.
6. The increased Initial Charges, together with the KERP Charge and Bid Protections Charge are collectively referred to as the **“Charges”**.
7. KSV is filing this first report (this **“First Report”**) as the Monitor.

1.1 Purposes of this First Report

1. The purposes of this First Report are to:
 - a) summarize the relief being sought by the Petitioners at the Comeback Hearing;
 - b) provide the Court with an update on the Monitor’s activities since the granting of the Initial Order; and

- c) provide the Monitor's recommendations regarding the relief being sought by the Petitioners at the Comeback Hearing.

1.2 Scope and Terms of Reference

1. In preparing this First Report, the Monitor has relied upon the Petitioners' unaudited financial information, books and records, information available in the public domain and discussions with the Petitioners' management and legal counsel.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this First Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Cash Flow Forecast (as defined below) as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future-oriented financial information relied upon in this First Report is based upon the Petitioners' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

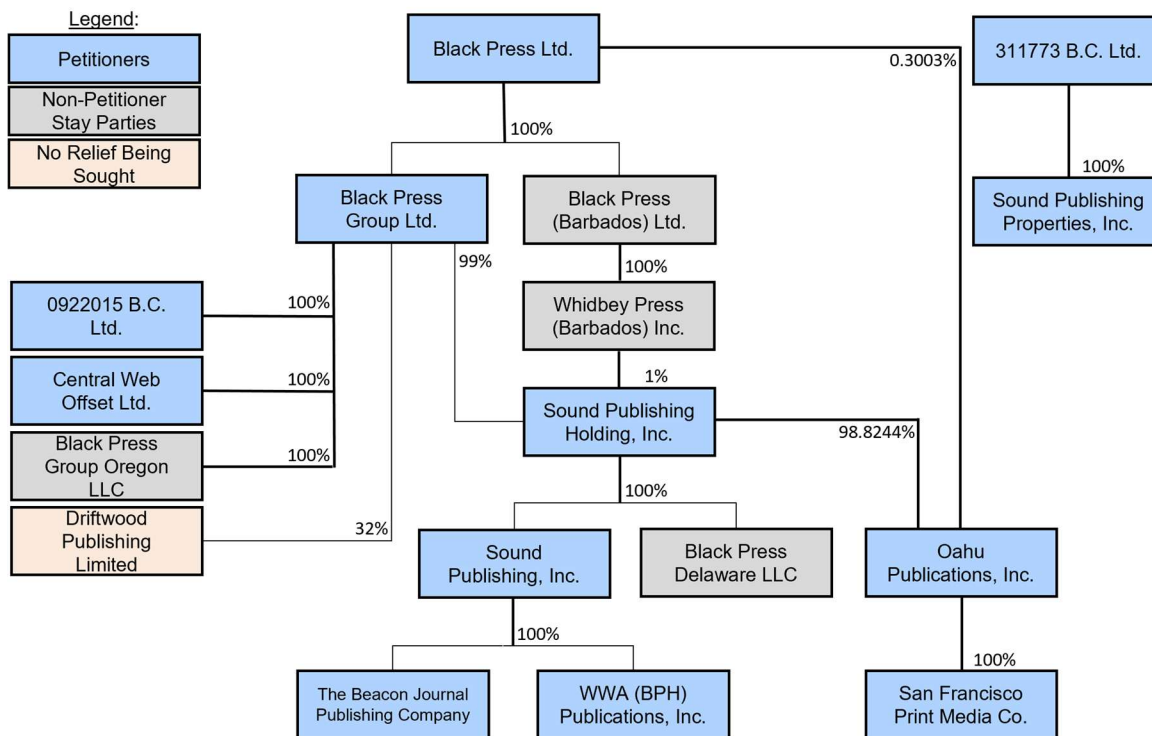
1.3 Currency

1. Unless otherwise noted, all currency references in this First Report are in Canadian dollars.

2.0 Background

1. Headquartered in Surrey, British Columbia, the Petitioners' primary business is print newspapers and magazines, digital news, marketing and advertising services, commercial printing, and parcel delivery operating in Canada in British Columbia, Alberta, Yukon, Nunavut, and Northwest Territories, and in the US in Washington, Alaska and Hawaii (collectively, the "**BP Business**"). The BP Business provides the above-noted services through the Companies' three operating business units: (i) Black Press Group Ltd. ("**BP Canada**"); Sound Publishing, Inc. ("**BP Sound**"); and (iii) Oahu Publications, Inc. ("**BP Hawaii**").

2. The Petitioners' organizational chart is provided below:



3. 311 BC and BP Holdco are the parent entities in the corporate structure. The shareholders of BC Holdco and 311 BC are:

- a) Black Press Holdings Ltd. (the Black family holding company) – 80.65%; and
- b) Metroland Media Group Ltd. (“**Metroland**”)¹ – 19.35%.

4. The primary secured creditors of the Companies are noteholders under secured first lien promissory notes issued pursuant to a trust indenture dated March 29, 2019 between BP Canada, as issuer, BP Holdco, as the parent of BP Canada, and Computershare Trust Company of Canada (such trust indenture as supplemented by 22 supplemental indentures is collectively called the “**Notes Indenture**”, and the holders thereunder, the “**Noteholders**”). The obligations owing by BP Canada under the notes issued pursuant to the Notes Indenture (collectively the “**Secured Notes**”) from time to time were guaranteed by the other Petitioners and the Non-Petitioner Stay Parties.

¹ Metroland (operating as “Metroland, Printing, Publishing and Distributing Ltd.”) is Torstar Corporation’s community news operation and currently subject to a proceeding in respect of its notice of intention to file a proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

5. The affidavit of Christopher Hargreaves, Director of Corporate Finance of BP Canada, sworn January 12, 2024 in support of the CCAA petition (the “**First Hargreaves Affidavit**”), provides, *inter alia*, background information concerning the Petitioners, their respective businesses, as well as the reasons for the commencement of these CCAA proceedings.
6. KSV’s pre-filing report dated January 12, 2024 (the “**Pre-Filing Report**”) provides additional background information about these CCAA proceedings. Among other things, the Pre-Filing Report includes the Petitioners’ cash flow projection (the “**Cash Flow Forecast**”) for the period January 8, 2024 to March 17, 2024. The Court materials filed in these CCAA proceedings, including this First Report and the Pre-Filing Report, are available on the Monitor’s case website at www.ksvadvisory.com/experience/case/black-press.

3.0 Transaction Support Agreement²

1. The Noteholders, Carpenter, BP Holdco and 311 BC entered into a support agreement dated January 12, 2024 among the Noteholders, Carpenter, BP Holdco and 311 BC (the “**Existing Transaction Support Agreement**”). Pursuant to the Existing Transaction Support Agreement, the Noteholders and Carpenter have agreed to, among other things: (i) support the implementation and consummation of the Stalking Horse Transaction Agreement; (ii) support the relief sought in the Initial Order and the ARIO, including the KERF, the DIP Term Sheet, and each of the Charges provided therein; and (iii) negotiate in good faith definitive documents for an executable stalking horse transaction on substantially the same terms as the terms set forth in the Stalking Horse Term Sheet. A copy of the Existing Transaction Support Agreement is attached as Exhibit “O” to the First Hargreaves Affidavit.
2. In addition, under the Existing Transaction Support Agreement, the Companies have agreed to, among other things: (i) take all reasonable actions necessary to implement the transaction contemplated under the Stalking Horse Transaction Agreement, in the event that the stalking horse bid is the Successful Bid (as defined below) under the SISF; (ii) satisfy the milestones set out in the Existing Transaction Support Agreement with respect to closing the transactions contemplated under the Stalking Horse Term Sheet; (iii) preserve the current business operations of the Companies in all material respects; and (iv) pay the

² The following constitutes a summary description of the Existing Transaction Support Agreement and the Amended and Restated Transaction Support Agreement only. Reference should be made directly to the Existing Transaction Support Agreement and the Amended and Restated Transaction Support Agreement for a complete understanding of its terms and conditions. Capitalized terms used in this section and not otherwise defined have the meanings ascribed to them in the Existing Transaction Support Agreement and/or the Amended and Restated Transaction Support Agreement.

reasonable and documented fees and expenses of the advisors to the Noteholders (as outlined in the DIP Term Sheet), in each case on and subject to the terms therein.

3. The Amended and Restated Transaction Support Agreement makes no changes to the Existing Transaction Support Agreement other than minor modifications to the Stalking Horse Term Sheet attached to the Existing Transaction Support Agreement (an amended version of which is attached to the Amended and Restated Transaction Support Agreement) as Appendix A, and to the form of SISP Approval Order and SISP attached to the Existing Transaction Support Agreement (and amended versions of which are attached to the Amended and Restated Transaction Support Agreement) as Appendix B. The changes specifically make modifications to the ownership structure of the Stalking Horse Purchaser as between the Noteholders and Carpenter and will not have a substantive impact on the overall structure of the Stalking Horse Bid or the consideration provided in connection therewith. Blacklines of the versions of the Stalking Horse Term Sheet, SISP Approval Order, and SISP attached to the Existing Transaction Support Agreement against the versions attached to the Amended and Restated Transaction Support Agreement are collectively attached hereto as **Appendix “C”**.
4. The Monitor views the Amended and Restated Transaction Support Agreement as a significant positive step in these CCAA proceedings. The Monitor supports Court approval of the Amended and Restated Transaction Support Agreement as, *inter alia*, it evidences the support of the Petitioners’ principal economic stakeholders for the SISP and the other substantive relief being sought at the Comeback Hearing as the Petitioners seek to stabilize their business and preserve it as a going concern, for the benefit of the Petitioners’ other stakeholders, including creditors, employees, customers, and suppliers.

4.0 SISP and Stalking Horse Term Sheet³

4.1 Pre-Filing Sale Process

1. As outlined in the First Hargreaves Affidavit, in light of the liquidity and operational issues experienced by the Companies, in July 2023, BP Holdco retained Dirks, Van Essen & April (“**DVA**”), the leading merger and acquisition firm in the US newspaper industry, to assist in exploring a range of strategic alternatives. DVA has successfully closed hundreds of newspaper transactions and has handled many more deals than all other firms combined.

³ Capitalized terms in this section have the meaning provided to them in the SISP or the Stalking Horse Term Sheet unless otherwise defined herein.

Since the mid-1990's, DVA has been involved in more than half of all daily newspaper transactions in the US.

2. Initially, BP Holdco retained DVA to carry out a sale process in respect of BP Hawaii (the “**BP Hawaii Process**”), as it was then hoped that the sale of BP Hawaii’s business would generate sufficient cash to allow for a significant payment toward the Companies’ existing secured creditors.
3. In mid-July 2023, after obtaining a preliminary indication of value regarding BP Hawaii through discussions with prospective purchasers, BP Holdco instructed DVA to conduct a sale process in respect of BP Sound (the “**BP Sound Process**”).
4. In late-July 2023, after initial discussions with potential purchasers in the BP Hawaii Process and BP Sound Process and obtaining a preliminary indication of value regarding the respective businesses, BP Holdco instructed DVA to conduct a marketing process for the Companies’ Canadian operations (i.e., BP Canada and 311 BC) (the “**Canada Process**”, together with the BP Hawaii Process and BP Sound Process, the “**Pre-Filing Sale Process**”). The Monitor understands that the BP Hawaii Process, BP Sound Process, and Canada Process commenced on July 23, July 27, and July 31, 2023, respectively.
5. During the Pre-Filing Sale Process, DVA engaged with 52 potential purchasers, of which 47 declined to make any offer.
6. Between October 6 and November 3, 2023, offers were received from five bidders (the “**Pre-Filing Potential Bidders**”) for various combinations of BP Hawaii, BP Sound and/or the Companies’ Canadian operations (i.e., essentially the entirety of the Companies).
7. On or around November 20, 2023, following further discussions with the Pre-Filing Potential Bidders, revised offers for all of the Companies were received from certain of the Pre-Filing Potential Bidders. The Monitor understands that none of the offers received provided consideration sufficient to satisfy all the Companies’ then outstanding secured obligations, other than one non-binding expression of interest. Despite requests for a binding offer, the party who submitted the expression of interest declined to submit a binding offer.
8. The Monitor further understands that the Companies discussed the offers with representatives of the Noteholders, who advised that they were not willing to accept a reduced recovery on their secured debt.

9. Following the Pre-Filing Sale Process, the Noteholders and Carpenter (who are now collectively acting as the Stalking Horse Purchaser) presented an offer to the shareholders of BP Holdco and 311 BC to acquire the entirety of the Companies, which Metroland did not support. As a result, the Companies determined there were no viable options to sell or restructure the Companies outside of a formal insolvency process, and that pursuing such a process would provide the best opportunity to maximize value for the benefit of the Companies' stakeholders.

4.2 SISP

1. The purpose of the SISP is to market the Companies' business and assets for sale. The SISP is anchored by the Stalking Horse Term Sheet, which provides certainty to the Companies and their stakeholders of a going-concern transaction, while also enabling the Petitioners, with the assistance and oversight of the Monitor, to test the market and pursue the possibility of a superior transaction.
2. Subject to Court approval, the Petitioners, with the assistance and oversight of the Monitor, will carry out the SISP.
3. The proposed SISP was developed by the Petitioners in consultation with the Monitor and Canso.
4. The key aspects of the proposed SISP are summarized below; however, interested parties are strongly encouraged to review the full terms of the SISP, which is attached as Schedule "A" to the proposed SISP Approval Order.
5. A summary of the SISP timeline is as follows:

Milestone	Deadline⁴
Court approval of SISP	January 25, 2024
Latest date for Petitioners to commence SISP	January 25, 2024
Qualified Bid Deadline	February 16, 2024
Notification to Qualified Bidder of Auction (if any)	February 21, 2024
Auction (if any)	February 26, 2024
Transaction Order	Subject to Court availability
Outside Date for Closing of Successful Bid	On or before March 15, 2024

⁴ To the extent any dates fall on a non-business day in British Columbia, they shall be deemed to be the first business day thereafter.

6. Each milestone in the table above can be extended by the Petitioners, with the consent of the Monitor and the Stalking Horse Purchaser.

4.2.1 Solicitation of Interest

1. The SISP provides that the Petitioners and the Monitor will disseminate marketing materials and solicit interest from parties potentially interested in pursuing a transaction (each, a “**Potential Bidder**”).
2. In particular, the SISP provides that the Petitioners and the Monitor will:
 - a) prepare and disseminate marketing materials and a process letter to Potential Bidders identified by the Petitioners and the Monitor, including a form of non-disclosure agreement (an “**NDA**”), by no later than January 25, 2024⁵;
 - b) solicit interest from parties with a view to such interested parties entering into an NDA (parties shall only obtain access to the virtual data room and be permitted to participate in the SISP if they execute an NDA, in form and substance satisfactory to the Companies; provided that those parties that have already executed a NDA with the Companies shall not be required to execute a further agreement unless such agreement has expired or will expire during the SISP);
 - c) provide applicable parties who have entered into an NDA with the Companies access to a virtual data room containing, among other things, diligence information such as a confidential information memorandum, a template purchase and sale agreement, historical operating and financial results, and financial projections and budgets prepared by the Companies; and
 - d) request that such parties submit a binding offer meeting at least the requirements for a Qualified Bid by the Qualified Bid Deadline (both as defined and described below).
3. A Potential Bidder that wishes to make a bid must deliver a written copy of its bid and other materials required by the SISP by no later than 5:00 p.m. (Pacific Time) on February 16, 2024 (the “**Qualified Bid Deadline**”).

⁵ The Monitor notes that, on January 16, 2024, it sent various Potential Bidders marketing materials, a process letter and form of NDA. As of the date of this First Report, the Monitor has distributed the marketing materials, process letter and NDA to 73 parties.

4.2.2 Qualified Bids

1. To be a “**Qualified Bid**”, a bid must meet the requirements outlined in paragraph 11 of the SISP, including, among other things, that it:
 - a) provide for aggregate consideration, payable in cash in full on closing, in an amount equal to or greater than:
 - i. all outstanding obligations under the Secured Notes (anticipated to be in the amount of \$61.54 million);
 - ii. all outstanding obligations under the DIP Term Sheet (anticipated to be in the amount of \$5.43 million);
 - iii. any obligations in priority to amounts owing under the DIP Term Sheet, including any Charges (anticipated to be in the amount of \$5.45 million);
 - iv. \$500,000 to fund a wind-up of the Petitioners’ CCAA proceedings and any further proceedings or wind-up costs (the “**Wind-up Reserve**”); and
 - v. \$1.75 million to satisfy the Bid Protections;(the “**Consideration Value**”), which is estimated to be at least \$74.67 million in the aggregate;
 - b) provides a schedule that identifies the composition of the Consideration Value and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or excluded;
 - c) provides for a closing date of no later than 5:00 p.m. (Pacific Time) on March 15, 2024 (the “**Outside Date**”);
 - d) includes:
 - i. duly executed and binding transaction documents, including a redline of the submitted transaction document against the Stalking Horse Transaction Agreement posted in the virtual data room;
 - ii. the legal name and identity and contact information of the Potential Bidder, full disclosure of its direct and indirect principals, and the name(s) of each of its equity holder(s); and

- iii. disclosure of any connections or agreements with the Companies or their affiliates;
- e) includes full details of the Potential Bidder's intended treatment of the Companies' employees, customers, contracts, collective bargaining agreements, pension and benefit obligations and vendors under the proposed bid;
- f) be accompanied by a cash deposit (the "**Deposit**") equal to at least 10% of the Consideration Value, which Deposit shall be retained by the Monitor in an interest-bearing trust account in accordance with the terms thereof;
- g) does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment; and
- h) provides that the bid will serve as a Back-Up Bid (as defined in the SISP) if it is not selected as the Successful Bid under the SISP and if selected as the Back-Up Bid, it will remain irrevocable until the earlier of (i) closing of the Successful Bid under the SISP or (ii) closing of the Back-Up Bid.

4.2.3 Auction

1. If no Qualified Bids are submitted by the Qualified Bid Deadline, the Stalking Horse Purchaser will be the Successful Bidder (as defined in the SISP) under the SISP.
2. If one or more Qualified Bids are received by the Qualified Bid Deadline, the Companies will proceed with an auction process (the "**Auction**") in accordance with the SISP, including as follows:
 - a) bidding at the Auction shall be conducted in rounds. The Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Petitioners, in consultation with the Monitor, shall constitute the "**Initial Bid**" for the first round, and any bid made at the Auction by a Qualified Party (as defined in the SISP) subsequent to the Petitioners' announcement of the Initial Bid (each, an "**Overbid**"), must be made in minimum cash purchase price increments of \$100,000 above the Initial Bid;
 - b) the Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit an Overbid with full knowledge and confirmation of the then-existing highest or otherwise best bid and no Qualified Party submits an Overbid; and

- c) during the Auction, the Companies, in consultation with the Monitor, will review each subsequent Qualified Bid, considering the factors for a Qualified Bid as set out in the SISP, and identify the highest or otherwise best bid received at the Auction as the “**Successful Bid**” under the SISP.

4.3 Stalking Horse Term Sheet

1. The Stalking Horse Term Sheet contemplates a reverse vesting transaction (the “**RVO**”) whereby the Stalking Horse Purchaser will acquire the Companies and all liabilities of the Petitioners (other than the remaining secured obligations of the Noteholders, any obligations not capable of being vested out by the RVO and such other obligations that are acceptable to the Noteholders and Carpenter) will be vested out of the Companies (the “**Transaction**”), as described in more detail below.
2. It is proposed that BP Holdco and 311 BC will finalize a definitive Stalking Horse Transaction Agreement with the Stalking Horse Purchaser on substantially the same terms as the Stalking Horse Term Sheet, and that the Stalking Horse Transaction Agreement be made publicly available no later than seven business days prior to the Qualified Bid Deadline under the SISP.
3. The following constitutes a summary description of the Stalking Horse Term Sheet only. Reference should be made directly to the Stalking Horse Term Sheet for all of its terms and conditions. A copy of the Stalking Horse Term Sheet is attached as Appendix “A” to the Amended and Restated Transaction Support Agreement, which is attached as **Appendix “B”** hereto.
4. The key terms and conditions of the Stalking Horse Term Sheet are provided below.
 - a) **Stalking Horse Purchaser:** the Noteholders and Carpenter, or one or more entities to be formed by the Noteholders and Carpenter;
 - b) **Purchase Price:**
 - i. Carpenter will contribute \$7 million in cash to the Stalking Horse Purchaser in exchange for (i) 25% of the equity ownership interests of the Stalking Horse Purchaser and (ii) a promissory note on terms acceptable to the Noteholders, Carpenter and the Companies, to be used to capitalize the Companies post-CCAA emergence;

- ii. the Noteholders will contribute \$7 million in aggregate to the Stalking Horse Purchaser, by way of (i) assignment of \$6 million of the outstanding principal amount owing under the Secured Notes, in order for the Stalking Horse Purchaser to credit bid such debt as provided below and (ii) \$1 million in cash from the Noteholders or certain affiliates thereof, collectively in exchange for 75% of the equity ownership interests of the Stalking Horse Purchaser; and
 - iii. the Stalking Horse Purchaser shall acquire 100% of the equity of 311 BC and BP Holdco by way of (i) a credit bid of \$6 million of the outstanding principal amount owing under the Secured Notes, (ii) assumption of all amounts owing under the DIP Facility, and (iii) payment in full in cash of any claims or charges then outstanding ranking in priority to the Secured Notes;
- c) **Note Indenture:** the Note Indenture (as defined in the term sheet attached as Appendix A to the Amended and Restated Transaction Support Agreement) and the Secured Notes will be amended on the terms set forth in the Stalking Horse Term Sheet;
- d) **Documentation:** the parties will settle the terms of the Stalking Horse Transaction Agreement by no later than seven business days prior to the Qualified Bid Deadline under the SISF;
- e) **Wind-up Reserve:** on closing, the Stalking Horse Purchaser shall deliver to the Monitor the amount of \$500,000 (i.e., the Wind-up Reserve); and
- f) **Conditions Precedent:** include, among other things:
 - i. the Transaction being structured in a manner satisfactory to the Companies, the Noteholders and Carpenter;
 - ii. the negotiation and execution of definitive documentation in form and substance acceptable to the Companies, the Noteholders and Carpenter and shall be binding as of the Closing Time;
 - iii. the Companies and their applicable subsidiaries having on hand at the Outside Date a one-month supply of customary inventory of newsprint, ink and printing plates in good condition, subject to the Companies having sufficient availability under the DIP Facility prior to the Outside Date to acquire and maintain such inventory levels;

- iv. the claim of the Pension Benefit Guaranty Corporation against the Companies (as detailed in the Pre-Filing Report and the First Hargreaves Affidavit) shall have been compromised or resolved;
- v. the outstanding principal balance of mortgage loans of the Companies and its subsidiaries remaining outstanding in accordance with their terms in the cumulative amount is not to exceed \$14,100,000;
- vi. all loans owing by the Companies and/or their subsidiaries to BP Holdco and 311 BC and/or a related party of the Companies being forgiven or otherwise extinguished by the RVO;
- vii. the Noteholders and Carpenter being satisfied that there are no other material liabilities of the Companies, other than those liabilities set forth in the consolidated financial statements of the Companies and acceptable to the Noteholders and Carpenter;
- viii. the Companies having carried on their respective businesses in the ordinary course consistent with past practice from the date of the last financial statements provided to the Noteholders and Carpenter prior to the Outside Date;
- ix. no material adverse change in the financial condition, business or assets of the Companies since the date hereof; and
- x. payment of the following amounts:
 - 1. the Wind-up Reserve;
 - 2. the brokerage fees due to DVA;
 - 3. all amounts due under the KERP;
 - 4. all outstanding fees and expenses owed to the respective advisors to the Noteholders and Carpenter (including legal counsel and communications consultants); and
 - 5. all outstanding fees and expenses owing to the Companies' legal counsel, the Monitor, and the Monitor's legal counsel.

4.4 Bid Protections

1. The Stalking Horse Term Sheet includes an Expense Reimbursement of up to \$250,000 for reasonable out-of-pocket third-party expenses incurred by the Stalking Horse Purchaser and a Break Fee of \$1.5 million (i.e., the Bid Protections).
2. The Expense Reimbursement and the Break Fee are intended to compensate the Stalking Horse Purchaser for its expenditures of time and money and its agreement to act as the stalking horse bidder, including the preparation of the Stalking Horse Term Sheet and Stalking Horse Transaction Agreement. The proposed SISP Approval Order provides that the Petitioners are authorized and directed to pay the Bid Protections, subject to the entry of the Stalking Horse Transaction Agreement and the terms therein (as set out in the Amended and Restated Transaction Support Agreement, being the closing of a “**Superior Proposal**”, as defined and on the terms set forth therein).
3. The maximum amount of the Bid Protections (\$1.75 million) represents less than 3% of the of the purchase price contemplated under the Stalking Horse Term Sheet. The Monitor compared the Bid Protections to other bid protections approved by Canadian courts in insolvency proceedings commenced between 2018 to 2023. The comparison is attached hereto as **Appendix “D”**. Based on this analysis, the Monitor is of the view that the Bid Protections are in the range of reasonable bid protections in comparable restructuring proceedings.
4. As described above, in connection with the Stalking Horse Term Sheet and the Bid Protections contemplated therein, the Petitioners are seeking approval of a charge on the Property in favour of the Stalking Horse Purchaser as security for the Bid Protections in the amount of \$1.75 million, being the maximum amount of the Bid Protections payable to the Stalking Horse Purchaser.

4.5 SISP Recommendation

1. The Monitor recommends that this Court issue an order approving the SISP, the Stalking Horse Term Sheet, and the Bid Protections Charge for the following reasons:
 - a) the SISP provides for a marketing of the Companies’ business with the assistance and oversight of the Monitor;
 - b) stalking horse sale processes are a recognized mechanism in restructuring processes to maximize recoveries, while creating stability and certainty of a going-concern transaction;

- c) the SISP provides an opportunity to complete a transaction with greater value than the Stalking Horse Term Sheet, if one is identified;
- d) in the Monitor's view, the 22-day solicitation period under the SISP is sufficient to allow interested parties to perform diligence and submit offers in light of:
 - i. the extensive marketing of the Companies that occurred prior to the commencement of these CCAA proceedings;
 - ii. the marketing and distribution efforts which commenced January 16, 2024 (effectively, resulting in a 31-day solicitation period);
 - iii. the availability of the Stalking Horse Term Sheet and eventually the Stalking Horse Transaction Agreement which will assist Potential Bidders in preparing and considering their bids;
 - iv. the limited pool of potential purchasers due to the specialized nature of the Companies' business;
 - v. the public and well-known nature of the Companies in the locations in which they operate, such that the SISP will likely receive substantial media attention within those markets, making Potential Bidders aware thereof; and
 - vi. the balancing between ensuring that sufficient time is available to attempt to identify a superior transaction, and managing the costs of conducting these CCAA proceedings for a further period of time (which excess costs would be borne by stakeholders and require that financing be secured);
- e) Canso is supportive of the proposed SISP;
- f) the Monitor is of the view that the Bid Protections, which represent less than 3% of the purchase price contemplated under the Stalking Horse Term Sheet, are reasonable in the circumstances and will not discourage interested parties from submitting offers in the SISP; and
- g) as at the date of this First Report, the Monitor is not aware of any objections to the SISP or the Stalking Horse Term Sheet.

5.0 KERP

1. The Petitioners have identified a total of 18 key senior executives and key employees in Canada and the US (collectively, the “**KERP Employees**” and each a “**KERP Employee**”) who are crucial to conducting business during these CCAA proceedings, carrying out the SISP, and closing a transaction thereunder. The Petitioners, in consultation with the Monitor, have developed the KERP in an effort to retain and incentivize the KERP Employees to assist the Petitioners throughout their restructuring.
2. A schedule (the “**KERP Schedule**”) outlining the identities of the KERP Employees, the amounts payable to each KERP Employee, and the roles and responsibilities of each KERP Employee, will be filed as an appendix to a confidential supplement to the First Report (the “**Confidential Supplement**”).
3. The KERP is designed to encourage the KERP Employees to continue their employment through to the completion of a Transaction. For clarity, each of the KERP Employees will receive the respective payments outlined in the KERP once the Transaction has been completed.
4. Absent the KERP, key employees may seek alternative employment and the Companies believe it would be detrimental to the BP Business and the overall restructuring process if these employees were to leave and the Companies were required to attempt to find replacement employees during this critical time.
5. The Petitioners are seeking approval of the KERP and a corresponding KERP Charge in the respective amounts of \$61,500 and US \$70,000. Pursuant to the terms of the KERP, as described in the KERP Schedule, the KERP Charge is proposed to rank in priority to every other claim, lien and security interest against the Companies, other than the Administration Charge and the Directors’ Charge.
6. The Monitor supports the KERP and the corresponding KERP Charge for the following reasons:
 - a) the continued involvement and cooperation of the KERP Employees is critical to the overall success of the Companies’ restructuring, and the proposed payments under the KERP are required to increase the likelihood that the KERP Employees will continue to facilitate the Companies’ operations and the conduct of the SISP during the pendency of these CCAA proceedings;

- b) with respect to the KERP Employees specifically, each of them will contribute to these CCAA proceedings by using their existing company knowledge and expertise in their respective roles to continue normal course operations and facilitate due diligence by interested parties under the SISP;
- c) the amounts payable under the KERP are reasonable;
- d) the involvement of the KERP Employees should assist the reduction of professional fees, particularly as it relates to the Monitor's involvement in the SISP and/or operational matters;
- e) the KERP Charge will provide the KERP Employees with comfort that the amounts payable to them under the KERP will be paid; and
- f) Canso supports the KERP and the KERP Charge.

5.1 Sealing of the KERP Schedule

1. The Petitioners are requesting an order sealing the Confidential Supplement. The Confidential Supplement includes personal, identifiable, and commercially sensitive information, including the identities and proposed compensation of the KERP Employees.
2. The Monitor believes it is appropriate to seal the Confidential Supplement. The sealing of this type of commercially sensitive and personal information is the common practice in insolvency proceedings to avoid disruption to the Companies and to protect the privacy of the KERP Employees. The Monitor does not believe that any stakeholder will be prejudiced if the KERP information in the Confidential Supplement is sealed.

6.0 Cash Flow Forecast

1. A copy of the Cash Flow Forecast prepared by the Petitioners, which was reviewed and discussed with the Monitor, is attached as **Appendix "E"**. This is the same Cash Flow Forecast that was appended to the Pre-Filing Report, and covers the period January 8, 2024 to March 17, 2024. The Cash Flow Forecast contemplates that the Petitioners are able to fund their businesses within the confines of the DIP Facility.

2. A summary of the Cash Flow Forecast⁶ is provided below:

(unaudited; CAD; \$000s)	Note	Total
Receipts	A	46,793
Disbursements		
Payroll	B	(22,038)
Distributors	C	(6,295)
Newsprint, press supplies, printing	D	(6,191)
Other	E	(14,378)
Restructuring costs	F	(5,594)
		<u>(54,496)</u>
Net cash flow		<u>(7,703)</u>
Opening cash balance		2,279
Net cash flow		(7,703)
DIP Facility proceeds		5,424
Ending cash balance		<u>-</u>

3. The Monitor notes the following regarding the Cash Flow Forecast:

- A. Receipts: represents collection of revenue from operations, including reader subscriptions, advertising and delivery services;
- B. Payroll: represents employee payroll, vacation pay and benefits;
- C. Distributors: represents amounts payable to the various entities that distribute the Petitioners' publications;
- D. Newsprint, press supplies, printing: represents the various input costs associated with producing the Petitioners' publications;
- E. Other: represents other critical expenses, including technology, marketing, rent, sales taxes, insurance and administration expenses; and
- F. Restructuring costs: includes Companies', Monitor's and Canso's professional fees, including both Canadian and US professionals.

⁶ The notes to the Cash Flow Forecast provide the underlying assumptions, including a description of each line item.

7.0 Stay Extension and Related Relief

1. Pursuant to the Initial Order, the Court granted the Stay of Proceedings to and including January 25, 2024 (i.e., the Stay Period). The Petitioners are requesting an extension of the Stay Period to March 15, 2024, being the Outside Date for closing the Successful Bid, as provided for in the SISP.
2. The Monitor supports the request for an extension of the Stay Period and believes that it is appropriate in the circumstances for the following reasons:
 - a) the Petitioners are acting in good faith and with due diligence;
 - b) the proposed Stay Extension will allow the Petitioners time to conduct the SISP;
 - c) the Monitor does not believe that any creditor will be materially prejudiced by the Stay Extension;
 - d) as of the date of this First Report, the Monitor is not aware of any party opposed to the Stay Extension; and
 - e) the Cash Flow Forecast reflects that the Petitioners are projected to have sufficient liquidity to fund their operations and the costs of these CCAA proceedings during the Stay Extension.

8.0 Court-ordered Charges

8.1 Proposed Charges and Priority of the Charges

1. As detailed below, the Petitioners are seeking increases to the quantum of the Administration Charge, Directors' Charge and DIP Lender's Charge, and also seeking approval of the KERP Charge and Bid Protections Charge.
2. Each of the Initial Charges previously granted in these CCAA proceedings rank in priority to all other encumbrances against the Property, other than any Person that was not served with notice of the petition for the Initial Order. At the Comeback Hearing, the Petitioners are seeking to have all of the Initial Charges rank in priority to any encumbrances in respect of the Property.

- If the Court grants the ARIO and approves the Bid Protections Charge, KERP Charge, and the proposed increases to the Initial Charges, the priority and amount of the Charges as among them would be as follows:

Priority	Charge	Currency	Current (\$)	Proposed (\$)
First	Administration Charge	CAD	750,000	1,500,000
Second	Directors' Charge	CAD	10,674,000	13,806,000
Third	KERP Charge	CAD	-	61,500
	KERP Charge	USD	-	70,000
Fourth	DIP Lender's Charge	CAD	500,000	5,500,000
Fifth	Bid Protections Charge	CAD	-	1,750,000

8.2 Administration Charge Increase

- The Initial Order granted an Administration Charge in the amount of \$750,000 to secure the fees and expenses of the Monitor, its counsel, and the Petitioners' Canadian and US counsel to the Comeback Hearing.
- The Petitioners seek to increase the amount of the Administration Charge to \$1,500,000.
- The Monitor is of the view that the increased Administration Charge is required and reasonable in the circumstances given the complexities of the Petitioners' CCAA proceedings and the services to be provided by the professionals, each of whom is necessary to further the restructuring efforts of the Petitioners. Without such protection, the professionals are unlikely to be prepared to continue to provide services in these CCAA proceedings.
- The Cash Flow Forecast has been prepared on the basis of weekly payments of professional fees, and accordingly, there should be no exposure to the professionals with the proposed increased Administration Charge.
- The DIP Lender has been consulted on the proposed Administration Charge.

8.3 Directors' Charge

- The Initial Order approved a Directors' Charge in the amount of \$10,674,000 to secure the indemnity in favour of the Companies' directors and officers in the Initial Order based on potential exposure for the directors and officers during the initial 10-day Stay Period.
- The Petitioners are seeking to increase the amount of the Directors' Charge to \$13,806,000.

3. The amount of the Directors' Charge was estimated by the Petitioners in consultation with the Monitor, taking into consideration the potential exposure of the directors and officers for Canadian/US sales taxes, pension obligations, vacation pay, employee wages and source deductions, as the case may be. Set forth below is an outline of the Petitioners' estimated potential exposure with respect to such items:

(unaudited)	Amount (\$000s)
Wages and source deductions	6,831
Vacation pay	5,301
Sales taxes	1,618
Pension contributions	56
Total Directors' Charge	13,806

4. The Monitor has reviewed the backup provided by the Petitioners in respect of the potential obligations to be covered by the Directors' Charge and is of the view that the proposed increase to the Directors' Charge is reasonable in the circumstances as the continued involvement of the directors and officers is beneficial to the Petitioners and these CCAA proceedings. The basis of these obligations, including the calculation of the Directors' Charge, was described in the Pre-Filing Report.
5. The Monitor is not aware of any objection to the proposed increases to the Administration Charge or the Directors' Charge as of the date of this First Report.

8.4 DIP Lender's Charge Increase

1. The terms of the DIP Facility were detailed in the Pre-Filing Report and the First Hargreaves Affidavit. As noted in those materials, it is the Petitioners' intention to seek an increase in the amount that may be borrowed under the DIP Facility from \$500,000 to \$5,500,000 at the Comeback Hearing.
2. The Monitor is of the view that the increase of the DIP Lender's Charge is reasonable and appropriate for the following reasons:
 - a) the Cash Flow Forecast reflects that the Companies will require financing of \$5.424 million for the Stay Extension period (i.e., up to and including March 15, 2024);
 - b) the terms of the DIP Facility are reasonable for the reasons set out in the Pre-Filing Report;

- c) the DIP Lender is not prepared to provide further financing without the benefit of the increase in the DIP Lender's Charge; and
 - d) therefore, without the increase in the DIP Lender's Charge, the Petitioners will not have the funding they require to continue to operate and/or to fund these proceedings, including the funding required to carry out the SISP.
3. The Petitioners will seek access to the full availability under the DIP Facility as part of the ARIO.

9.0 Monitor's Activities since the Initial Order

1. Since the Filing Date, the Monitor has, among other things:
- a) corresponded and spoken regularly with the Companies' management team regarding all aspects of these CCAA proceedings;
 - b) prepared the notice to the Companies' creditors (the "**Creditors' Notice**"), as required pursuant to the CCAA;
 - c) mailed the Creditors' Notice and filed Forms 1 and 2 with the Office of Superintendent of Bankruptcy, as required under the CCAA;
 - d) posted the Creditors' Notice, list of creditors, and other documents on the Monitor's website;
 - e) arranged for the publication of the CCAA notice in *The Globe and Mail* (National Edition), in accordance with the Initial Order;
 - f) monitored the Petitioners' receipts and disbursements;
 - g) assisted the Petitioners in their discussions with suppliers, customers, and employees;
 - h) engaged with Osler, Hoskin & Harcourt LLP, Cassels Brock & Blackwell LLP, and Bennett Jones LLP (Canso's legal counsel) regarding various matters relating to these CCAA proceedings;

- i) reviewed and commented on the Petitioners' materials to be filed in support of the relief to be sought at the Comeback Hearing; and
- j) prepared this First Report.

10.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Court grant the ARIO and SISP Approval Order on the terms of the draft orders set out in the Petitioners' Comeback Hearing materials.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
in its capacity as monitor of
Black Press Group Ltd, 311773 B.C. Ltd.,
and those entities listed in Appendix "A",
and not in its personal capacity**

APPENDIX A

[ATTACHED]

PETITIONERS

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

APPENDIX B

[ATTACHED]

AMENDED AND RESTATED TRANSACTION SUPPORT AGREEMENT

This amended and restated transaction support agreement dated as of January 22, 2024 (together with all schedules and appendices annexed hereto and incorporated herein, the “**Agreement**”) is entered into by and among: (i) Black Press Ltd. (“**Black Press**”), (ii) 311773 B.C. Ltd. (“**3117**”, and together with Black Press, the “**Company**”), (iii) Carpenter Newsmedia, LLC (“**CNL**”), and (iv) each of the other signatories to this Agreement (each a “**Noteholder**”, and collectively the “**Noteholders**”), with each Noteholder being an investment advisor or portfolio manager with investment authority and discretion in respect of certain accounts holding, collectively, all of the beneficial interests in the Notes (as defined herein) issued pursuant to the Note Indenture (as defined herein), regarding a restructuring of the Company by way of a transaction to be implemented through, among other things, a RVO (as defined below) approving the purchase of the Company by one or more entities (the “**Purchaser**”) to be formed by CNL and the Noteholders and the vesting out of all liabilities of the Company (save and except for the remaining secured obligations to the Noteholders, any obligations as are not capable of being vested out by the RVO, and such other obligations that are acceptable to the Noteholders and CNL) granted by the Supreme Court of British Columbia, Vancouver Registry (the “**Canadian Court**”) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”, and the Company’s proceedings thereunder, the “**CCAA Proceedings**”) and recognized by the United States Bankruptcy Court for the District of Delaware (the “**US Court**”) under Chapter 15 of the United States Bankruptcy Code (“**Chapter 15**”, and the Company’s proceedings thereunder the “**Chapter 15 Proceedings**”), or such other structure as may be acceptable to the Company, the Noteholders and CNL and approved by courts of competent jurisdiction, subject to the terms and conditions set forth in this Agreement and the amended and restated term sheet attached hereto as **Appendix “A”** (the “**Term Sheet**”) and/or as may otherwise be agreed by the Company, the Noteholders and CNL (the “**Transaction**”), which Transaction shall act as a “stalking horse” bid pursuant to the SISP (as defined below) and be implemented if selected as the Successful Bid (as defined in the SISP).

Capitalized terms used but not otherwise defined in the main body of this Agreement have the meanings given to them in **Schedule “A”** hereto or the Term Sheet, as applicable. The Company, CNL and the Noteholders are collectively referred to herein as the “**Parties**” and each of the Company, CNL, and each Noteholder is a “**Party**”.

The Parties previously entered in a Support Agreement dated as of January 12, 2024 (the “**Original Agreement**”). The Parties desire to amend and restate the Original Agreement, to, among other things, incorporate amendments to the Term Sheet that was agreed to in connection with the Original Agreement.

In consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, intending to be legally bound hereby, agrees as follows:

1. Transaction

The principal terms of the Transaction (the “**Transaction Terms**”) as agreed among the Parties are set forth in this Agreement and the Term Sheet. The Term Sheet is incorporated herein and

made part of this Agreement. In the case of a conflict between the provisions contained in the main body of this Agreement and the Term Sheet, the provisions of the Term Sheet shall govern.

The Parties further agree that this Agreement amends and restates the Original Agreement and such Original Agreement shall be of no further force or effect following execution of this Agreement.

2. Representations and Warranties of the Noteholders and CNL

- (a) Each Noteholder, severally and not jointly, hereby represents and warrants to the Company and CNL (and hereby acknowledges that each of the Company and CNL is relying upon such representations and warranties) that:
 - (i) as of the date hereof, the Noteholders are the holders of, and/or investment advisor or portfolio manager with investment discretion with respect to holdings of, 100% of the Notes, with the power and authority to bind the beneficial owner(s) of 100% of the Notes;
 - (ii) it is validly existing under the Laws of the jurisdiction of its organization and has all requisite corporate or other power and capacity to enter into this Agreement and to perform its obligations hereunder and consummate the transactions contemplated hereby;
 - (iii) the execution and delivery of, and performance by such Noteholder of its obligations under, this Agreement do not (i) contravene its certificate of incorporation, articles, by-laws, partnership or membership agreement, limited partnership agreement or other organizational documents, as applicable, (ii) violate any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it or any of its assets, or (iii) conflict with, result in the breach of, constitute a default under, or require a consent under any contract material to such Noteholder, in all cases to the extent such contravention, violation, conflict, breach or default could reasonably be expected to prevent or delay the consummation of the Transaction;
 - (iv) assuming the due authorization, execution and delivery by the Company and CNL, this Agreement constitutes a legal, valid and binding obligation of such Noteholder, enforceable against it in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity;
 - (v) it (i) is a sophisticated party with sufficient knowledge and experience to properly evaluate the terms and conditions of this Agreement; (ii) has conducted its own analysis and made its own decision, in the exercise of its independent judgment, to enter into this Agreement; (iii) has obtained such independent advice in this regard as it deemed appropriate; and (iv) has not relied on the analysis or the decision of any Person other than its own members, employees, representatives or independent advisors;

- (vi) other than, to the extent applicable in connection with the Initial Order, the Amended and Restated Initial Order, the RVO and any approvals required in connected therewith, no authorization, approval, license, permit, order, authorization of, or registration, declaration or filing with, any third party or Governmental Entity is required to be obtained or made by or with respect to such Noteholder in connection with the execution, delivery and performance by the Noteholder of this Agreement and consummation of the transactions herein or the performance of its obligations hereunder; and
 - (vii) to the best of its knowledge, there is no proceeding, claim or investigation pending before any Governmental Entity, or threatened against it or any of its properties that, individually or in the aggregate, would reasonably be expected to impair such Noteholder's ability to execute and deliver this Agreement and comply with its terms.
- (b) CNL hereby represents and warrants to the Company and the Noteholders (and hereby acknowledges that each of the Company and the Noteholders is relying upon such representations and warranties) that:
- (i) it is validly existing under the Laws of the jurisdiction of its organization and has all requisite corporate or other power and capacity to enter into this Agreement and to perform its obligations hereunder and consummate the transactions contemplated hereby;
 - (ii) the execution and delivery of, and performance by CNL of its obligations under, this Agreement do not (i) contravene its certificate of incorporation, articles, by-laws, partnership or membership agreement, limited partnership agreement or other organizational documents, as applicable, (ii) violate any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it or any of its assets, or (iii) conflict with, result in the breach of, constitute a default under, or require a consent under any contract material to CNL, in all cases to the extent such contravention, violation, conflict, breach or default could reasonably be expected to prevent or delay the consummation of the Transaction;
 - (iii) assuming the due authorization, execution and delivery by the Company and the Noteholders, this Agreement constitutes a legal, valid and binding obligation of CNL, enforceable against it in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity;
 - (iv) it (i) is a sophisticated party with sufficient knowledge and experience to properly evaluate the terms and conditions of this Agreement; (ii) has conducted its own analysis and made its own decision, in the exercise of its independent judgment, to enter into this Agreement; (iii) has obtained such independent advice in this regard as it deemed appropriate; and (iv) has not relied on the analysis or the decision of any Person other than its own members, employees, representatives or independent advisors;

- (v) other than, to the extent applicable in connection with the Initial Order, the Amended and Restated Initial Order, the RVO and any approvals required in connection therewith, no authorization, approval, license, permit, order, authorization of, or registration, declaration or filing with, any third party or Governmental Entity is required to be obtained or made by or with respect to CNL in connection with the execution, delivery and performance by CNL of this Agreement and consummation of the transactions herein or the performance of its obligations hereunder;
- (vi) to the best of its knowledge, there is no proceeding, claim or investigation pending before any Governmental Entity, or threatened against it or any of its properties that, individually or in the aggregate, would reasonably be expected to impair CNL's ability to execute and deliver this Agreement and comply with its terms; and
- (vii) it is resident in the jurisdiction indicated on its signature page to this Agreement.

3. The Company's Representations and Warranties

The Company hereby represents and warrants to each Noteholder and CNL (and the Company hereby acknowledges that each Noteholder and CNL are relying upon such representations and warranties) that:

- (a) The Board has approved the Transaction to serve as a stalking horse bid in the SISP, including: (i) the making of an application by the Debtors seeking the Initial Order under the CCAA; (ii) seeking an emergency stay against the Debtors in the US Court and the commencement of the Chapter 15 Proceedings; (iii) seeking the Amended and Restated Initial Order and the SISP Order, (iv) if selected as the Successful Bid under the SISP, seeking of the RVO for the purposes of obtaining the Canadian Court's approval of the Transaction and the consummation thereof; and (v) obtaining recognition in the Chapter 15 Proceedings of the foregoing Canadian Court's orders;
- (b) it and each of its subsidiaries is duly organized, validly existing and, to the extent such concept is applicable, in good standing, under the Laws of the jurisdiction of its organization, and it has all requisite corporate power and corporate capacity to enter into this Agreement and to perform its obligations hereunder and consummate the transactions contemplated hereby;
- (c) the execution and delivery of this Agreement by it and satisfaction of the obligations hereunder, and the completion of the transactions contemplated herein do not and will not, subject to obtaining the Initial Order and the Amended and Restated Initial Order and any approvals required in connection therewith: (i) violate or conflict in any material respect with any Law applicable to it or any of its property or assets; or (ii) result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any

consent to be obtained under its certificate of incorporation, articles, by-laws or other organizational or similar documents;

- (d) assuming the due authorization, execution and delivery by the Noteholders and CNL and subject to obtaining the Initial Order and the Amended and Restated Initial Order, this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity;
- (e) it: (i) is a sophisticated party with sufficient knowledge and experience to properly evaluate the terms and conditions of this Agreement; (ii) has conducted its own analysis and made its own decision, in the exercise of its independent judgment, to enter into this Agreement; (iii) has obtained such independent advice in this regard as it deemed appropriate; and (iv) has not relied on the analysis or the decision of any Person other than its own Board members, employees, representatives or independent advisors;
- (f) other than the KERP (as defined below), there are no agreements (whether oral or written) with any shareholder, director or officer of the Company, or any other party not at arm's length to the Company, pursuant to which any lump sum or change of control payment or other payment or compensation is owed or will be owed as a result of, or in connection with, the implementation of the Transaction (excluding any salary and benefits paid or payable in the ordinary course under employment agreements in effect as of the date hereof, and any board or special committee fees paid or payable in the ordinary course);
- (g) it and its subsidiaries have no material liabilities or obligations (whether absolute, accrued, contingent or otherwise) other than those set forth or reflected in its consolidated financial statements as at and for the period ended November 30, 2023 and those incurred in the ordinary course of business or in connection with the Transaction since the date of such financial statements which will not be extinguished as against the Debtors by the RVO;
- (h) there is not now pending or, to the best of its knowledge, after due inquiry, threatened against it or any of its subsidiaries, nor has it or any of its subsidiaries received written notice in respect of, any claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any Governmental Entity, which would reasonably be expected to be materially adverse to the Company or reasonably be expected to materially impair its ability to execute and deliver this Agreement or comply with its terms or complete the Transaction and no court or other Governmental Entity has issued any stay of proceedings, order, injunction, or other decree or taken any other action, which restrains, enjoins, or otherwise prohibits the implementation of the Transaction or seeks to do so; and
- (i) it, its subsidiaries and their respective directors, officers and employees have and are conducting their respective businesses in material compliance with all

applicable Laws (including any Laws regarding the environment and all permits, licenses and other authorizations which are required thereunder) and neither it nor any of its subsidiaries has received any notice or otherwise been advised that, it or its directors, officers or employees are not in material compliance with or have breached or violated such Laws (including any Laws regarding the environment and all material permits, licenses and other authorizations which are required thereunder).

4. Covenants and Consents of the Noteholders and CNL

Commencing on the date hereof and continuing until the date this Agreement is terminated as to such Noteholder or CNL, as applicable, subject to, and in consideration of, the terms and matters set forth in this Agreement, each Noteholder and CNL (severally and not jointly) hereby acknowledges, covenants and agrees:

- (a) subject to the terms and conditions of this Agreement, to support the Transaction and the Transaction Terms in respect of all of its Notes;
- (b) not to take any action, directly or indirectly, that is inconsistent with its obligations under this Agreement or that would frustrate, hinder or delay the consummation of the Transaction; provided that nothing in this Agreement shall restrict, limit, prohibit, or preclude, in any manner not inconsistent with its obligations under this Agreement, any of the Noteholders or CNL from (i) appearing in Court with respect to any motion, application or other documents filed by the Company and objecting to the relief requested therein to the extent such relief is inconsistent with terms of this Agreement; (ii) enforcing any rights under this Agreement, including any consent or approval rights set forth herein; (iii) contesting whether any matter, fact or thing is a breach of, or is inconsistent with, this Agreement, or exercising any rights or remedies contemplated herein; or (iv) complying with applicable Law;
- (c) to use its commercially reasonable efforts to support, and to instruct counsel to the Noteholders and CNL, as applicable, to support, (i) all petitions, motions or applications filed by the Debtors in the CCAA Proceedings and the Chapter 15 Proceedings and (ii) the granting of the Initial Order, the Amended and Restated Initial Order, the SISP Order and, as applicable, the RVO or any order approving any other Successful Bid under the SISP, along with all orders of the US Court recognizing the foregoing order, in each case unless contrary to the terms of this Agreement and the Transaction;
- (d) if requested by the Company, to use commercially reasonable efforts to assist the Company in obtaining any required regulatory approvals and/or required material third party approvals to effect the Transaction, in each case at the sole expense of the Company;
- (e) to support and comply with the terms of the SISP;

- (f) to support the approval of a key employee retention plan (“**KERP**”) during the CCAA Proceedings for key employees with retention payments triggered upon Canadian Court approval of a sale or restructuring transaction;
- (g) to cause the Purchaser to deliver to the Monitor, on Closing, the amount of \$500,000 to fund any professional fees (including the Monitor, the Monitor Advisors and the Company Advisors) incurred in connection with post-Closing matters and/or to wind-up and terminate the CCAA Proceedings, the Chapter 15 Proceedings, and any further proceedings involving the Debtors or any of their affiliates, including any residual entities established in connection with the RVO (the “**Wind-Up Reserve**”).
- (h) to execute any and all documents and perform any and all commercially reasonable acts required by this Agreement to satisfy its obligations hereunder and complete the Transaction pursuant to the terms hereof, including any consent, approval, amendment or waiver reasonably requested by the Company that is consistent with this Agreement and required for the completion of the Transaction; and
- (i) in the case of the Noteholders, not to sell, transfer or assign any of the Notes (other than an Affiliate thereof which is a fund or managed account in respect of which such Noteholder is sole the portfolio manager or investment advisor and has full investment authority), unless the buyer, transferee or assignee agrees in writing to be bound to the terms of this Agreement as a “Noteholder”, in form and substance acceptable to the Company and CNL, acting reasonably.

5. Company’s Covenants

Commencing on the date hereof and continuing until the date this Agreement is terminated as to the Company, subject to, and in consideration of, the terms and matters set forth in this Agreement, the Company hereby acknowledges, covenants and agrees:

- (a) to the Transaction Terms and, if selected as the Successful Bid under the SISF, to support and take all reasonable actions necessary to implement the Transaction in accordance with this Agreement;
- (b) to take all commercially reasonable actions to achieve the following timeline (which timeline may be extended at any time as agreed in writing by the Company, CNL and the Noteholders, each acting reasonably) (collectively, the “**Milestones**”):
 - (i) by January 15, 2024, obtain an initial order from the Canadian Court under the CCAA in respect of the Debtors, including a stay of proceedings for 10 days, appointing KSV Restructuring Inc. as monitor, approving a super-priority debtor in possession financing and a related charge (the “**DIP Financing**” and the “**DIP Charge**”) in favour of Canso Investment Counsel Ltd. as portfolio manager for and on behalf of Canso Strategic Credit Fund as interim financing lender (the “**DIP Lender**”) with the priority and in an amount agreed upon by the Parties, and such other relief as may be agreed upon by the parties, such order to be in

form and substance satisfactory to the Company, the Noteholders and CNL, each acting reasonably (the “**Initial Order**”), which Milestone has been satisfied;

- (ii) on or as soon as possible following the day that the Initial Order is obtained, obtain recognition of the Initial Order from the US Court in the Chapter 15 Proceedings, such order to be in form and substance satisfactory to the Company, the Noteholders and CNL, each acting reasonably, which Milestone has been satisfied;
 - (iii) by January 25, 2024, obtain an amended and restated Initial Order providing for an extension of the stay of proceedings and other relief granted under the Initial Order, such order to be in form and substance satisfactory to the Company, the Noteholders and CNL, each acting reasonably (the “**Amended and Restated Initial Order**”);
 - (iv) concurrent with obtaining the Amended and Restated Order, obtain the SISP Order;
 - (v) if applicable, within ten (10) days of being selected as the Successful Bid under the SISP, obtain the RVO;
 - (vi) obtain recognition of the Amended and Restated Initial Order and SISP Order from the US Court in the Chapter 15 Proceedings as soon as practicable, but in any event, no later than 21 days following issuance of the Amended and Restated Initial Order and the SISP Order, respectively;
 - (vii) if selected as the Successful Bid under the SISP and subject to the granting of the RVO, implement the Transaction pursuant to the RVO promptly following obtaining the RVO and, in any event, on or prior to the Outside Date; and
 - (viii) if applicable, obtain recognition of the RVO from the US Court in the Chapter 15 Proceedings as soon as practicable, but in any event, no later than 21 days following issuance of the RVO;
- (c) to provide draft copies of all motions or applications and other material documents that the Company intends to file with the Canadian Court in connection with the CCAA Proceedings, and the US Court in connection with the Chapter 15 Proceedings, to the Noteholder Advisors at least two (2) Business Days prior to the date when the Company intends to file or otherwise disseminate such documents (or, where circumstances make it impracticable to allow for two (2) Business Days’ review, with as much opportunity for review and comment as is practically possible in the circumstances), and all such filings and other documents submitted to the Canadian Court and the US Court shall be consistent with the terms of this Agreement, the Term Sheet and, as applicable, the Transaction or otherwise acceptable to the Noteholders;
- (d) not to, directly or indirectly, without the prior written consent of the Noteholders and CNL, modify the Transaction, in whole or in part, in a manner that is

inconsistent with the terms of this Agreement, or take any action that is inconsistent with Agreement;

- (e) to use reasonable commercial efforts to timely file, where applicable, a formal objection to any action by any Person seeking to object to, delay, impede or take any other action to interfere with this Agreement;
- (f) to use reasonable commercial efforts to (i) preserve intact in all material respects the current business operations of the Company, (ii) keep available the services of its current officers and key employees (in each case, other than voluntary resignations or terminations for cause); and (iii) preserve in all material respects its relationships with customers, suppliers, service providers, and others, in each case, having material business dealings with the Company and its subsidiaries, in each case except with the consent of the Purchaser, acting reasonably;
- (g) to not (i) except in connection with the KERP, increase any salary, benefits or other compensation of any employee, (ii) enter into, modify, amend, extend, terminate, waive or fail to enforce any Contract (including any lease), other than entering into advertising Contracts for a term not exceeding 30 days, (iii) discount, settle, waive or forgive any accounts receivable, or collect any accounts receivable outside ordinary course of business, (iv) modify, terminate, amend or fail to maintain all insurance of the Company as in effect as of the date hereof, including but not limited to media perils coverage, in each case except with the consent of the Purchaser, acting reasonably;
- (h) to provide, upon reasonable request and with reasonable prior notice, the Noteholder Advisors and CNL with reasonable access to the books and records of the Company and its subsidiaries for review in connection with the Transaction;
- (i) to promptly notify the Noteholder Advisors and CNL in writing if, at any time before the Closing Date, it (i) becomes aware of the occurrence or likelihood of a termination event described in Section 8, (ii) becomes aware of any third party alleging that the consent of such third party is or may be required in connection with the Transaction, (iii) receives any material written notice from any Governmental Entity in connection with this Agreement or the Transaction, (iv) becomes aware of any material proceeding commenced, or, to the knowledge of the Company, threatened against the Company, (v) becomes aware of the occurrence, or failure to occur, of any event of which the Company has knowledge which occurrence or failure would be expected to cause any representation or warranty or any covenant of the Company or condition in this Agreement not to be satisfied or complied with in any material respect; (vi) becomes aware of or is involved in any material developments, negotiations, or proposals relating to any contracts material to the Company or any of its subsidiaries or any case or controversy that may be commenced against the Company that, in each case, would reasonably be expected to impede or prevent the consummation of the Transaction; or (vii) becomes aware that any material application for a regulatory approval or any other material order, registration, consent, filing, ruling, exemption or approval under applicable Law

contains a statement which is materially inaccurate or incomplete or of information that otherwise requires an amendment or supplement by the Company to such application, and the Company shall prepare such amendment or supplement as required;

- (j) if the Transaction is selected as the Successful Bid under the SISF, to use reasonable commercial efforts to obtain any and all required regulatory and/or third party approvals necessary for the implementation and consummation of the Transaction;
- (k) except as specifically permitted by this Agreement (including the Term Sheet) and the Transaction, to not: (i) prepay, redeem prior to maturity, defease, repurchase or make other prepayments in respect of any indebtedness for borrowed money; (ii) other than in the ordinary course of business consistent with past practice, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any indebtedness for borrowed money; (iii) create, incur, assume or otherwise cause or suffer to exist or become effective any new lien, charge, mortgage, hypothec or security interest of any kind whatsoever on, over or against any of its assets or property (except for any lien, charge, mortgage, hypothec or security interest that is incurred in the ordinary course of business and that is not material); (iv) declare or pay any dividends or distributions on or in respect of any securities of the Company or any of its subsidiaries, or redeem, retract, purchase or acquire any of such securities, (v) issue any securities or rights to acquire any securities of the Company or any of its subsidiaries; (vi) reduce its capital or stated capital; (vii) amend its constating documents; or (viii) incur or commit to incur any capital expenditures;
- (l) to maintain good standing under the laws of the jurisdiction in which the Company is incorporated and the jurisdictions of the United States and Canada where the Company conducts business;
- (m) except in connection with the KERF, to not increase or improve compensation or severance entitlements or other benefits payable to any officers or employees of the Company, or take or omit to take any action that would entitle any Person to any bonus, lump sum, change of control, severance, retention or other payment any time prior to the last date that such Person would be entitled to receive such payment in accordance with a binding written agreement with the Company (entered into prior to the date hereof or otherwise as required in accordance with applicable Law);
- (n) to not make any cash payment under any equity or equity-linked incentive plans;
- (o) to operate its business in the ordinary course of business, having regard to its current financial condition and the Transaction; and
- (p) to pay the reasonable and documented outstanding fees and expenses of each of the Noteholder Advisors, the CNL Advisors, the Company Advisors, the Monitor and the Monitor Advisors no later than three (3) Business Days' after such outstanding fees and expenses are presented to the Company for payment.

6. Negotiation of Documents

- (a) Subject to the terms and conditions of this Agreement, if the Transaction is selected as the Successful Bid under the SISP, the Parties shall reasonably cooperate with each other and shall coordinate their activities (to the extent practicable) in respect of (i) the timely satisfaction of conditions with respect to the effectiveness of the Transaction as set forth herein, (ii) all matters concerning the pursuit, support and implementation of the Transaction as set forth herein, and (iii) the satisfaction of each Party's own obligations hereunder. Furthermore, subject to the terms and conditions of this Agreement, each of the Parties shall take such commercially reasonable actions as may be reasonably necessary to carry out the purposes and intent of this Agreement, including making and filing any required regulatory filings.
- (b) Subject to the terms and conditions of this Agreement, if the Transaction is selected as the Successful Bid under the SISP, each Party hereby covenants and agrees (i) to use its commercially reasonable efforts to negotiate, in good faith and consistent with this Agreement, the other Definitive Documents and all ancillary documents relating thereto, as applicable; and (ii) to the extent it is party thereto, to execute, deliver and otherwise perform its obligations under such documents.

7. Conditions to the Transaction

- (a) The Transaction shall be subject to the satisfaction of the following conditions prior to or on the Closing Date, each of which is for the benefit of the Company, on the one hand, and the Noteholders and CNL, on the other hand, and may be waived in whole or in part by the Company, CNL and the Noteholders (provided that conditions shall not be enforceable by a Party if any failure to satisfy such condition results from an action, error or omission by or within the control of that Party or a breach by a Party of its own representation, warranty, agreement or covenant under this Agreement):
 - (i) this Agreement shall not have been terminated;
 - (ii) the Company shall have received all material required consents and approvals from third parties, unless otherwise addressed pursuant to the RVO;
 - (iii) all Definitive Documents shall be on terms consistent with this Agreement (as such terms may be amended, modified, varied and/or supplemented pursuant to the terms hereof) and shall be in form and substance satisfactory to the Company, the Noteholders and CNL, each acting reasonably;
 - (iv) the Initial Order, the Amended and Restated Initial Order and the SISP Order, each in form and substance satisfactory to the Parties acting reasonably, shall have been granted by the Canadian Court and recognized by the US Court and the implementation, operation or effect of thereof shall not have been stayed, varied in a manner not acceptable to the Company, the Noteholders and CNL,

each acting reasonably, vacated or be subject to pending appeal or leave to appeal;

- (v) if the Transaction is selected as the Successful Bid under the SISP, the RVO, in form and substance satisfactory to the Parties in their sole discretion, shall have been granted by the Canadian Court and recognized by the US Court and the implementation, operation or effect of thereof shall not have been stayed, varied in a manner not acceptable to the Company, the Noteholders and CNL, each acting reasonably, vacated or be subject to pending appeal or leave to appeal;
 - (vi) all material filings that are required under applicable Laws in connection with the Transaction shall have been made and any material regulatory consents or approvals that are required in connection with the Transaction shall have been obtained on terms satisfactory to the Company, the Noteholders and CNL, each acting reasonably, and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated;
 - (vii) all orders made and judgments rendered by any competent court of law, and all rulings and decrees of any competent regulatory body, agent or official in relation to the Transaction shall be satisfactory to the Company, the Noteholders and CNL, each acting reasonably;
 - (viii) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Entity, no application shall have been made to any Governmental Entity, and no action shall have been commenced by any Governmental Entity, in consequence of or in connection with the Transaction that restrains, prohibits or materially impedes (or if granted would reasonably be expected to restrain, prohibit or materially impede), the Transaction, or requires or purports to require a variation of the Transaction Terms that is not acceptable to the Company, the Noteholders and CNL, each acting reasonably;
 - (ix) there shall be no proceeding, claim or investigation pending or threatened before any Governmental Entity in connection with the Transaction that would reasonably be expected to restrain, prohibit or materially impede the Transaction;
 - (x) the Monitor shall have issued the Monitor's Certificate (as defined in the RVO) in accordance with the RVO; and
 - (xi) the Closing Date shall occur by the Outside Date.
- (b) The obligations of the Company to complete the Transaction and the other transactions contemplated hereby are subject to the satisfaction of the following conditions prior to or on the Closing Date, each of which is for the exclusive benefit of the Company and may be waived, in whole or in part, solely by the Company (provided that such conditions shall not be enforceable by the Company if the failure to satisfy any such conditions results from an action, error or omission by or within the control of the Company or a breach by the Company of its own representation, warranty, agreement or covenant under this Agreement):

- (i) The Noteholders and CNL shall have complied in all material respects with their covenants and obligations in this Agreement that are to be performed on or before the Closing Date;
 - (ii) the representations and warranties of the Noteholders and CNL set forth in this Agreement shall be true and correct in all material respects (except for those representations and warranties which expressly include a materiality standard, which shall be true and correct in all respects giving effect to such materiality standard), except where the failure for such representations and warranties to be true and correct in all material respects (or in all respects, as applicable) does not effect the completion of the Transaction;
 - (iii) those conditions for the benefit of the Company set forth in the Term Sheet and any of the Definition Documents;
 - (iv) the reasonable and documented outstanding fees and expenses of the Company Advisors, the Monitor and the Monitor Advisors shall have been paid in full;
 - (v) the Purchaser shall have paid to the Monitor the Wind-Up Reserve;
 - (vi) the outstanding brokerage fees of Dirk, Van Essen and April shall have been paid in full;
 - (vii) all amounts owing under the KERP shall have been paid in full; and
 - (viii) each of the Noteholders and CNL, or the Noteholder Advisors on their behalf, shall have confirmed in writing to the Company Advisors that each of the Noteholders and CNL have complied with the terms of this Section 7 as such terms relate to each of them as of the Closing Date;
- (c) The obligations of the Noteholders to complete the Transaction and the other transactions contemplated hereby are subject to the satisfaction of the following conditions prior to or on the Closing Date, each of which is for the exclusive benefit of the Noteholders and may be waived, in whole or in part, solely by the Noteholders (provided that such conditions shall not be enforceable by the Noteholders if the failure to satisfy any such conditions results from an action, error or omission by or within the control of the Noteholder seeking enforcement or a breach by the Noteholder of its own representation, warranty, agreement or covenant under this Agreement):
- (i) (A) the Company shall have achieved the Milestones on or before the applicable dates set forth herein (as such dates may be extended pursuant to this Agreement) and (B) the Company and CNL shall have complied in all material respects with their covenants and obligations in this Agreement that are to be performed on or before the Closing Date;
 - (ii) the representations and warranties of the Company and CNL set forth in this Agreement shall be true and correct in all material respects (except for those

representations and warranties which expressly include a materiality standard, which shall be true and correct in all respects giving effect to such materiality standard) as of the Closing Date with the same force and effect as if made at and as of such date, except (A) that representations and warranties that are given as of a specified date shall be true and correct in all material respects (or all respects, as applicable) as of such date, and (B) as such representations and warranties may be affected by the occurrence of events or transactions contemplated and permitted by this Agreement;

- (iii) all securities of the Company to be issued in connection with the Transaction, when issued and delivered, shall be duly created and authorized, validly issued and, with respect to any shares, fully paid and non-assessable;
 - (iv) immediately following implementation of the Transaction, the aggregate principal amount of the Company's remaining secured and unsecured debt obligations for borrowed money shall not exceed \$72,200,000;
 - (v) those conditions for the benefit of the Noteholders set forth in the Term Sheet and any other Definitive Document;
 - (vi) the reasonable and documented outstanding fees and expenses of the Noteholder Advisors shall have been paid in full in cash; and
 - (vii) the Company shall have provided the Noteholder Advisors with a certificate signed by an officer certifying compliance with the terms of this Section 7 as such terms relate to the Company as of the Closing Date.
- (d) The obligations of CNL to complete the Transaction and the other transactions contemplated hereby are subject to the satisfaction of the following conditions prior to or on the Closing Date, each of which is for the exclusive benefit of CNL and may be waived, in whole or in part, solely by CNL (provided that such conditions shall not be enforceable by CNL if the failure to satisfy any such conditions results from an action, error or omission by or within the control of CNL or a breach by CNL of its own representation, warranty, agreement or covenant under this Agreement):
- (i) (A) the Company shall have achieved the Milestones on or before the applicable dates set forth herein (as such dates may be extended pursuant to this Agreement) and (B) the Company and the Noteholders shall have complied in all material respects with their covenants and obligations in this Agreement that are to be performed on or before the Closing Date;
 - (ii) the representations and warranties of the Company and the Noteholders set forth in this Agreement shall be true and correct in all material respects (except for those representations and warranties which expressly include a materiality standard, which shall be true and correct in all respects giving effect to such materiality standard) as of the Closing Date with the same force and effect as if made at and as of such date, except (A) that representations and warranties that

are given as of a specified date shall be true and correct in all material respects (or all respects, as applicable) as of such date, and (B) as such representations and warranties may be affected by the occurrence of events or transactions contemplated and permitted by this Agreement;

- (iii) all securities of the Company to be issued in connection with the Transaction, when issued and delivered, shall be duly created and authorized, validly issued and, with respect to any shares, fully paid and non-assessable;
- (iv) immediately following implementation of the Transaction, the aggregate principal amount of the Company's remaining secured and unsecured debt obligations for borrowed money shall not exceed \$72,200,000;
- (v) those conditions for the benefit of CNL set forth in the Term Sheet and any other Definitive Documents;
- (vi) the reasonable and documented outstanding fees and expenses of the CNL Advisors shall have been paid in full in cash; and
- (vii) the Company shall have provided CNL with a certificate signed by an officer certifying compliance with the terms of this Section 7 as such terms relate to the Company as of the Closing Date.

8. Termination

- (a) This Agreement may be terminated by the Noteholders by providing written notice to the Company and CNL in accordance with Section 13(n) upon the occurrence of any of the following events:
 - (i) a breach of any covenants, undertakings or agreements set forth in this Agreement by the Company or CNL in any material respect, that has not been cured (if capable of being cured) within five (5) Business Days after written notice by the Noteholders to the Company or CNL, as applicable, of such breach;
 - (ii) any representation, warranty or acknowledgement of the Company or CNL made in this Agreement shall prove untrue in any material respect as of the date when made that has not been cured (if capable of being cured) within five (5) Business Days after written notice by the Noteholders to the Company or CNL, as applicable, of such breach;
 - (iii) the Company fails to meet any of the Milestones on or before the applicable dates set forth therein (or such later dates as the Company, CNL and the Noteholders may agree pursuant to this Agreement);
 - (iv) if the Transaction is selected as the Successful Bid under the SISP, (A) any Definitive Document is not consistent with this Agreement, the Term Sheet or the Transaction, or is otherwise not in form and substance acceptable to the Noteholders, acting reasonably, (B) any of the terms or conditions of any

Definitive Document is waived, amended or modified, or the Company or CNL files a pleading (or similar document) seeking authority to waive, amend or modify, any of the terms or conditions of any Definitive Document, without the Noteholders' prior written consent, acting reasonably, in each case which remains uncured for three (3) Business Days after the receipt by the Company or CNL, as applicable, of written notice from the Noteholders;

- (v) if any final decision, order or decree is made by a Governmental Entity, in consequence of or in connection with the Transaction that restrains, prohibits or materially impedes the Transaction;
- (vi) if the CCAA Proceedings or Chapter 15 Proceedings are dismissed or a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator is appointed with respect to the Company, unless such appointment is made with the prior written consent of the Noteholders;
- (vii) if the Company files a motion or pleading seeking an order disallowing, subordinating, avoiding or recharacterizing claims or interests held by any Noteholder against the Company;
- (viii) any of the conditions set forth in Sections 7(a) and 7(c) are not satisfied or waived by the Outside Date;
- (ix) if the DIP Financing is terminated in accordance with its terms; or
- (x) if any court of competent jurisdiction has entered a final non-appealable judgment or order declaring this Agreement or any material portion thereof to be unenforceable (subject to Section 13(o)),

in each case, unless the event giving rise to the termination rights is waived or cured in accordance with the terms hereof or is intentionally caused by the actions or omissions of any Noteholder. Any such termination of the Agreement shall be effective upon the giving of written notice by the Noteholders in accordance with Section 13(n). The termination rights in this Section 8(a) are for the exclusive benefit of the Noteholders and may be asserted by the Noteholders regardless of the circumstances or may be waived by the Noteholders in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other legal or equitable rights which the Noteholders may have. If the Noteholders terminate this Agreement in accordance with the terms and conditions herein, the Noteholders reserve the right to pursue any other remedies they may have at law or equity against the Company or CNL.

- (b) This Agreement may be terminated by CNL by providing written notice to the Company and the Noteholders in accordance with Section 13(n) upon the occurrence of any of the following events:
 - (i) a breach of any covenants, undertakings or agreements set forth in this Agreement by the Company or Noteholders holding more than 66 2/3% of the

outstanding principal amount of Notes in any material respect, that has not been cured (if capable of being cured) within five (5) Business Days after written notice by CNL to the Company or the Noteholders, as applicable, of such breach;

- (ii) any representation, warranty or acknowledgement of the Company or Noteholders holding more than 66 2/3% of the outstanding principal amount of Notes made in this Agreement shall prove untrue in any material respect as of the date when made that has not been cured (if capable of being cured) within five (5) Business Days after written notice by CNL to the Company or the Noteholders, as applicable, of such breach;
- (iii) the Company fails to meet any of the Milestones on or before the applicable dates set forth therein (or such later dates as the Company, CNL and the Noteholders may agree pursuant to this Agreement);
- (iv) if the Transaction is selected as the Successful Bid under the SISF, (A) any Definitive Document is not consistent with this Agreement, the Term Sheet or the Transaction, or is otherwise not in form and substance acceptable to CNL, acting reasonably, (B) any of the terms or conditions of any Definitive Document is waived, amended or modified, or the Company or Noteholders holding more than 66 2/3% of the outstanding principal amount of Notes file a pleading (or similar document) seeking authority to waive, amend or modify, any of the terms or conditions of any Definitive Document, without CNL's prior written consent, acting reasonably, in each case which remains uncured for three (3) Business Days after the receipt by the Company or the Noteholders, as applicable, of written notice from CNL;
- (v) if any final decision, order or decree is made by a Governmental Entity, in consequence of or in connection with the Transaction that restrains, prohibits or materially impedes the Transaction;
- (vi) if the CCAA Proceedings or Chapter 15 Proceedings are dismissed or a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator is appointed with respect to the Company, unless such appointment is made with the prior written consent of CNL;
- (vii) any of the conditions set forth in Sections 7(a) and 7(d) are not satisfied or waived by the Outside Date;
- (viii) if the DIP Financing is terminated in accordance with its terms; or
- (ix) if any court of competent jurisdiction has entered a final non-appealable judgment or order declaring this Agreement or any material portion thereof to be unenforceable (subject to Section 13(o)),

in each case, unless the event giving rise to the termination rights is waived or cured in accordance with the terms hereof or is intentionally caused by the actions or omissions of CNL. Any such termination of the Agreement shall be effective upon

the giving of written notice by CNL in accordance with Section 13(n). The termination rights in this Section 8(a) are for the exclusive benefit of CNL and may be asserted by CNL regardless of the circumstances or may be waived by CNL in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other legal or equitable rights which CNL may have. If CNL terminates this Agreement in accordance with the terms and conditions herein, CNL reserves the right to pursue any other remedies it may have at law or equity against the Company or the Noteholders.

- (c) This Agreement may be terminated by the Company by providing written notice to the Noteholders and CNL in accordance with Section 13(n) upon the occurrence of any of the following events:
 - (i) a breach of any covenants, undertakings or agreements set forth in this Agreement by the Noteholders or CNL in any material respect that would prevent or materially delay the Transaction, that has not been cured (if capable of being cured) within five (5) Business Days after written notice by the Company to the Noteholders or CNL, as applicable, of such breach;
 - (ii) any representation, warranty or acknowledgement of the Noteholders or CNL made in this Agreement shall prove untrue in any material respect as of the date when made where the failure to be true would prevent or materially delay the Transaction and that has not been cured (if capable of being cured) within five (5) Business Days after written notice by the Company to the Noteholders or CNL, as applicable, of such breach;
 - (iii) if the Transaction is selected as the Successful Bid under the SISP, (A) any Definitive Document is not consistent with this Agreement, the Term Sheet or the Transaction, or is otherwise not in form and substance acceptable to the Company, acting reasonably, (B) any of the terms or conditions of any Definitive Document is waived, amended or modified, or the Noteholders or CNL files a pleading (or similar document) seeking authority to waive, amend or modify, any of the terms or conditions of any Definitive Document, in either case in a manner that (x) is materially adverse to the Company or (y) materially modifies the terms of any Definitive Document without the Company's prior written consent, acting reasonably, in each case which remains uncured for three (3) Business Days after the receipt by the Noteholders or CNL, as applicable, of written notice from the Company;
 - (iv) if any final decision, order or decree is made by a Governmental Entity, in consequence of or in connection with the Transaction that restrains, prohibits or materially impedes the Transaction;
 - (v) if the CCAA Proceedings or Chapter 15 Proceedings are dismissed or a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator is appointed with respect to the Company, unless such appointment is made with the prior written consent of the Company;

- (vi) any of the conditions set forth in Sections 7(a) and 7(b) are not satisfied or waived by the Outside Date;
- (vii) if the DIP Financing is terminated in accordance with its terms;
- (viii) if any court of competent jurisdiction has entered a final non-appealable judgment or order declaring this Agreement or any material portion thereof to be unenforceable (subject to Section 13(o));
- (ix) if the Purchaser fails to fund the Wind-Up Reserve as required under the CCAA Term Sheet; or
- (x) if the Company enters into a definitive binding agreement with respect to a Superior Proposal, provided that (a) the Company pays the Purchaser a break fee of \$1,500,000 (the “**Break Fee**”) on closing of the Superior Proposal, and (b) the Company reimburses the Purchaser for their fees and expenses in connection with the transactions contemplated by this Agreement up to a maximum of \$250,000 (the “**Expense Reimbursement**”, and together with the Break Fee, the “**Bid Protections**”) to be paid on closing of the Superior Proposal. In this Agreement, “**Superior Proposal**” means binding offer for a sale or restructuring of the Company made in writing on or after the date of this Agreement that: (x) will result in aggregate consideration, payable in full on or prior to the Outside Date, in an amount equal to or greater than (A) all outstanding obligations under the Notes, (B) all outstanding obligations under the DIP Financing, (C) any obligations in priority to amounts owing under the DIP Financing, including any applicable charges granted in the CCAA Proceeding, (D) the amount of \$500,000 in cash to fund any professional fees incurred in connection with post-closing Transaction matters and/or to wind-up and terminate the CCAA Proceedings, the Chapter 15 Proceedings, and any further proceedings involving the Debtors or any of their affiliates, including any residual entities established in connection with the RVO; and (E) the amount of \$1,750,000 in cash to satisfy the Bid Protections; (y) is necessary for the board of directors of the Company to support to comply with their fiduciary duties as directors of a corporation, as determined by the board of directors of the Company, in good faith, following consultation with its legal and financial advisors; and (z) is not subject to any financing condition and in respect of which adequate arrangements have been made to ensure that the required funds to complete such transaction will be available, and is not subject to any due diligence condition,

in each case, unless the event giving rise to the termination rights is waived or cured in accordance with the terms hereof or is intentionally caused by the actions or omissions of the Company. Any such termination of the Agreement shall be effective upon the giving of written notice by the Company in accordance with Section 13(n). The termination rights in this Section 8(c) are for the exclusive benefit of the Company and may be asserted by the Company regardless of the circumstances or may be waived by the Company in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other legal or

equitable rights which the Company may have. If the Company terminates this Agreement in accordance with the terms and conditions herein, the Company reserves the right to pursue any other remedies it may have at law or equity against the Noteholders or CNL.

- (d) This Agreement may be terminated at any time by mutual written consent of the Company, CNL and the Noteholders.
- (e) This Agreement shall terminate automatically on the Closing Date upon the implementation of the Transaction.

9. Effect of Termination

Upon termination of this Agreement as to any Party pursuant to the terms hereof, this Agreement shall be of no further force and effect as to such Party, and each such Party hereto shall be automatically and simultaneously released from its commitments, undertakings and agreements under this Agreement, except for the rights, agreements, commitments and obligations under Section 5(p) (solely with respect to any fees and expenses incurred up to the date of termination of this Agreement or as otherwise agreed to), and Sections 9, 10 and 13, which shall survive the termination of this Agreement, and each Party shall have the rights and remedies that it would have had if it had not entered into this Agreement and shall be entitled to take all actions, whether with respect to the Transaction or otherwise, that it would have been entitled to take had it not entered into this Agreement. For greater certainty, the representations, warranties and covenants herein shall not survive and shall be of no further force or effect from and after the Closing Date, provided that the rights, agreements, commitments and obligations under Section 5(p) and Sections 9, 10 and 13 shall survive the Closing Date. Each Party shall be responsible and shall remain liable for any breach of this Agreement by such Party occurring prior to the termination of this Agreement.

10. Confidentiality

The Company and CNL each agree, on their own behalf and on behalf of their Representatives, not to disclose the identity of, or the principal amount of Notes held by, any individual Noteholder; provided, however, that such information may be disclosed: (i) to the Monitor and the Monitor Advisors; (ii) to the Representatives of the Company or CNL, provided that each such Representative (a) needs to know such information for purposes of the Transaction, and (b) is informed of the confidentiality of such information; and (iii) in response to, and to the extent required (as determined by the Company following advice of the applicable Company Advisors) by applicable Law, court process, by any Governmental Entity or by any subpoena or other legal process, including, without limitation, by any court of competent jurisdiction or applicable rules, regulations or procedures of a court of competent jurisdiction; provided that, if the Company or CNL or any of their Representatives is required to disclose the identity or specific holdings of a Noteholder in the manner set out in the preceding sentence, the Company or CNL, as applicable, shall provide the Noteholder with prompt written notice of any such requirement, to the extent permissible and practicable under the circumstances, so that the Noteholder may (at the Noteholder's sole expense) seek a protective order or other appropriate remedy or waiver of compliance with such requirement. The Company and CNL further agree that any public filings

of this Agreement that includes executed signature pages to this Agreement shall include such signature pages only in redacted form with respect to the identity and holdings of each Noteholder.

11. Further Assurances

Subject to the terms and conditions of this Agreement, each Party shall use commercially reasonable efforts to perform all obligations required to be performed by it under this Agreement and take all such actions as are commercially reasonable, deliver to the other Parties such further information and documents, and execute and deliver to the other Parties such further instruments and agreements as another Party shall reasonably request to consummate or confirm the transactions provided for in this Agreement, to accomplish the purpose of this Agreement or to assure to the other Party the benefits of this Agreement, including the consummation of the Transaction; provided that, if a Party is required to use a “higher” standard of efforts pursuant to any provision of this Agreement this provision shall be read so as to require such Party to use such “higher” standard of efforts to the applicable act or matter.

12. Public Announcements

All public announcements in respect of the Transaction shall be made solely by the Company, and shall be in form and substance acceptable to the Company, CNL and the Noteholders, each acting reasonably, following review by the Noteholders and CNL of the applicable public announcement. Notwithstanding the foregoing, nothing herein shall prevent a Party from making public disclosure in respect of the Transaction to the extent required by applicable Law and if any public announcement in respect of the Transaction specifically names a Noteholder, in addition to the approvals above, the written consent of such Noteholder shall be required.

13. Miscellaneous

- (a) The headings in this Agreement are for convenience of reference and are not part of and are not intended to govern, limit, modify, restrict or aid in the construction or interpretation of any term or provision hereof.
- (b) Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all genders.
- (c) Unless otherwise specifically indicated, all sums of money referred to in this Agreement are expressed in lawful money of Canada.
- (d) This Agreement (including the Term Sheet) constitutes the entire agreement among the Parties and supersedes all prior agreements and understandings, both oral and written, among the Parties with respect to the subject matter hereof; provided, however, that this Agreement does not alter or supersede any confidentiality or non-disclosure agreement in effect between the Company and any of the Noteholders. No prior history, pattern or practice of sharing confidences among or between the Parties shall in any way affect or negate this understanding and agreement. For certainty, nothing in this Agreement shall prevent, limit or otherwise hinder the exercise by the DIP Lender of its rights under the DIP Financing.

- (e) Any Person signing this Agreement in a representative capacity: (i) represents and warrants that he/she is authorized to sign this Agreement on behalf of the Party he/she represents and that his/her signature upon this Agreement will bind the represented Party to the terms hereof; and (ii) acknowledges that the other Party hereto has relied upon such representation and warranty.
- (f) None of the Parties shall have any fiduciary duty, any duty of trust or confidence in any form, or other duties or responsibilities to each other, or the Company's or its affiliates' creditors or other stakeholders and, other than as expressly set forth in this Agreement, there are no commitments among or between the Noteholders with respect to the subject matter hereof.
- (g) Except as otherwise expressly provided herein, this Agreement may be modified, amended or supplemented as to any matter by an instrument in writing by the Company, CNL and the Noteholders holding more than 66 2/3% of the outstanding principal amount of Notes and any matter requiring the agreement, waiver, consent, acceptance or approval under this Agreement of the Company, CNL or the Noteholders, as applicable, shall require the agreement, waiver, consent, acceptance or approval in writing of the Company, CNL or the Noteholders holding more than 66 2/3% of the outstanding principal amount of Notes, as applicable. Each of CNL and the Company shall be entitled to rely on written confirmation (which may include email) from the Noteholder Advisors that the Noteholders holding more than 66 2/3% of the outstanding principal amount of Notes have agreed, waived, consented to, accepted or approved a particular matter pursuant to this Agreement without any obligation to inquire into the Noteholder Advisors' authority to do so on behalf of the Noteholders. Each of CNL and the Noteholders shall be entitled to rely on written confirmation from Cassels Brock & Blackwell LLP (which may include email) that the Company has agreed, waived, consented to, accepted or approved a particular matter pursuant to this Agreement. Each of the Company and the Noteholders shall be entitled to rely on written confirmation from Hayes Ingram LLC (which may include email) that CNL has agreed, waived, consented to, accepted or approved a particular matter pursuant to this Agreement.
- (h) If the transactions contemplated herein are not consummated, or if this Agreement is terminated for any reason, the Parties fully reserve any and all rights. Pursuant to applicable rules of evidence, including Federal Rule of Evidence 408 and rules of similar import, this Agreement and all negotiations relating to this Agreement shall not be admissible into evidence in any proceeding other than to prove the existence of this Agreement or in a proceeding to enforce the terms of this Agreement or the payment of damages to which a Party may be entitled under this Agreement.
- (i) It is understood and agreed that none of the Noteholders have any agreements, commitments or undertakings by, among or between any of them with respect to any voting arrangements or otherwise in connection with the Transaction or otherwise with respect to the matters that are the subject of this Agreement.

- (j) Time is of the essence in the performance of the Parties' respective obligations. Any date, time or period referred to in this Agreement shall be of the essence, except to the extent to which the Parties agree in writing (which may include email) to vary any date, time or period, in which event the varied date, time or period shall be of the essence.
- (k) No condition in this Agreement shall be enforceable by a Party if any failure to satisfy such condition results from an action, error or omission by or within the control of such Party.
- (l) The agreements, representations and obligations of the Noteholders under this Agreement are, in all respects, several and not joint and several.
- (m) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise.
- (n) All notices and other communications which may be or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be deemed to be validly given if delivered in person, or by internationally recognized overnight courier or email. All notices required or permitted hereunder shall be deemed effectively given: (i) upon personal delivery to the Party to be notified; (ii) when sent by email if sent during normal business hours of the recipient, and if not, then on the next Business Day of the recipient; or (iii) one (1) Business Day after deposit with an internationally recognized overnight courier, specifying next day delivery, with written verification of receipt. Any Party may change the address to which notice should be given to such Party by providing written notice to the other Parties hereto of such change. The address and email for each of the Parties shall be as follows:
 - (i) If to the Company, at:

Black Press Ltd
15288 54A Avenue, Surrey, BC V3S 6T4, Canada

Attention: Glenn Rogers, CEO
Email: glenn.rogers@blackpress.ca

with a required copy (which shall not be deemed notice) to:

Cassels Brock & Blackwell LLP
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance Street, Toronto, ON M5H 0B4, Canada

Attention: Ryan Jacobs/Joseph Bellissimo/Vicki Tickle
Email: rjacobs@cassels.com / jbellissimo@cassels.com / vtickle@cassels.com

And with a required copy (which shall not be deemed notice) to:

KSV Restructuring Inc.
150 King Street West, Suite 2308, Toronto, ON M5H 1J9, Canada

Attention: Noah Goldstein
Email: ngoldstein@ksvadvisory.com

- (ii) If to CNL, at the address set forth on its signature page to this Agreement.

with a required copy (which shall not be deemed notice) to:

Hayes Ingram LLC
600 Lurleen B Wallace Blvd S Suite 160, Tuscaloosa, AL 35401, United States

Attention: Kim Ingram
Email: kingram@hayesingram.com

- (iii) If to one or more of the Noteholders, at the address set forth for each applicable Noteholder on its signature page to this Agreement.

with a required copy (which shall not be deemed notice) to:

Bennett Jones LLP
3400 One First Canadian Place, P.O. Box 130
Toronto, ON M5X 1A4

Attention: Mark Rasile
Email: rasilem@bennettjones.com

- (o) If any term or other provision of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, void or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the terms of this Agreement remain as originally contemplated to the greatest extent possible.
- (p) Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties and no other Person shall be a third party beneficiary hereof.
- (q) No Party may assign, delegate or otherwise transfer any of its rights, interests or obligations under this Agreement without the prior written consent of the other Parties hereto.

- (r) It is understood and agreed by the Parties that money damages would not be a sufficient remedy for any breach of this Agreement and each non-breaching Party shall be entitled, in addition to any other remedy that may be available under applicable law, to specific performance and injunctive or other equitable relief as a remedy of any such breach, including an order by a court of competent jurisdiction requiring any Party to comply promptly with any of such obligations, without the necessity of proving the inadequacy of money damages as a remedy. Each Party hereby waives any requirement for the security or posting of any bond in connection with such remedies.
- (s) All rights, powers, and remedies provided under this Agreement or otherwise in respect hereof at Law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.
- (t) This Agreement shall be governed by, construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without regard to principles of conflicts of law. Each Party submits to the jurisdiction of the courts of the Province of British Columbia in any action or proceeding arising out of or relating to this Agreement. The Parties shall not raise any objection to the venue of any proceedings in any such court, including the objection that the proceedings have been brought in an inconvenient forum.
- (u) The Parties waive any right to trial by jury in any proceeding arising out of or relating to this Agreement or any of the transactions contemplated by this Agreement, present or future, and whether sounding in contract, tort or otherwise. Any Party may file a copy of this provision with any court as written evidence of the knowing, voluntary and bargained for agreement between the Parties irrevocably to waive trial by jury, and that any proceeding whatsoever between them relating to this Agreement or any of the transactions contemplated by this Agreement shall instead be tried by a judge or judges of the court sitting without a jury.
- (v) This Agreement may be executed in any number of counterparts, of which together shall constitute one instrument. The Parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement by facsimile, PDF, email, photographic or other electronic transmission that reproduces an image of the actual executed signature page shall be fully binding on the parties to the same extent as the delivery of the manually signed originals and shall be admissible into evidence for all purposes.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Agreement has been agreed and accepted as of the date first written above.

BLACK PRESS LTD.

Per: Glenn Rogers
Name: Glenn Rogers
Title: Chief Executive Officer

311773 B.C. LTD.

Per: Glenn Rogers
Name: Glenn Rogers
Title: Chief Executive Officer

CARPENTER NEWSMEDIA, LLC

Per: _____
Name: Todd H. Carpenter
Title: President

CANSO INVESTMENT COUNSEL LTD., in its capacity as portfolio manager for and on behalf of certain accounts that it manages

Per: _____
Name: Joe Morin
Title: Portfolio Manager

IN WITNESS WHEREOF, this Agreement has been agreed and accepted as of the date first written above.

BLACK PRESS LTD.

Per: _____
Name:
Title:

311773 B.C. LTD.

Per: _____
Name:
Title:

CARPENTER NEWSMEDIA, LLC

Per:  _____
Name: Todd H. Carpenter
Title: President

CANSO INVESTMENT COUNSEL LTD., in its capacity as portfolio manager for and on behalf of certain accounts that it manages

Per: _____
Name: Joe Morin
Title: Portfolio Manager

IN WITNESS WHEREOF, this Agreement has been agreed and accepted as of the date first written above.

BLACK PRESS LTD.

Per: _____
Name:
Title:

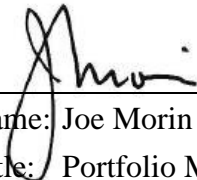
311773 B.C. LTD.

Per: _____
Name:
Title:

CARPENTER NEWSMEDIA, LLC

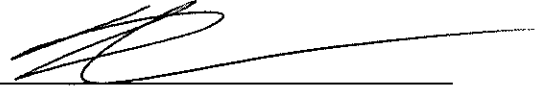
Per: _____
Name: Todd H. Carpenter
Title: President

CANSO INVESTMENT COUNSEL LTD., in its capacity as portfolio manager for and on behalf of certain accounts that it manages

Per:  _____
Name: Joe Morin
Title: Portfolio Manager

DEANS KNIGHT CAPITAL MANAGEMENT LTD., in its capacity as portfolio manager for and on behalf of certain accounts that it manages

Per: _____



Name: Dillon Cameron

Title: Partner

SCHEDULE A

DEFINITIONS

“**3117**” has the meaning set forth in the preamble to this Agreement.

“**affiliate**” of any Person shall mean any Person directly or indirectly controlling, controlled by, or under common control with, such Person; provided, that, for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. For greater certainty, an affiliate of a Person shall include such Person’s investment funds and managed accounts and any funds managed or directed by the same investment adviser.

“**Agreement**” has the meaning set forth in the preamble to this Agreement.

“**Amended and Restated Initial Order**” has the meaning set forth in Section 5(b)(iii).

“**Black Press**” has the meaning set forth in the preamble to this Agreement.

“**Board**” means, as applicable, the boards of directors of the Company.

“**Business Day**” means each day, other than a Saturday or Sunday or a statutory or civic holiday, on which banks are open for business in Toronto, Ontario and Vancouver, British Columbia.

“**Canadian Court**” has the meaning set forth in the preamble to this Agreement.

“**CCAA**” has the meaning set forth in the preamble to this Agreement.

“**CCAA Proceedings**” has the meaning set forth in the preamble to this Agreement.

“**Chapter 15 Proceedings**” has the meaning set forth in the preamble to this Agreement.

“**Closing Date**” means the date on which the Transaction is completed.

“**CNL**” has the meaning set forth in the preamble to this Agreement.

“**CNL Advisors**” means Hayes Ingram LLC.

“**Company**” has the meaning set forth in the preamble to this Agreement.

“**Company Advisors**” means Cassels Brock & Blackwell LLP, Thompson Hines LLP and Blank Rome LLP.

“**Debtors**” means Black Press and 3117 and their respective direct and indirect subsidiaries, other than Black Press (Barbados) Ltd., Whidbey Press (Barbados) Inc., Driftwood Publishing Limited, Black Press Group Oregon LLC and Black Press Delaware LLC.

“**Definitive Documents**” has the meaning set forth in the Term Sheet.

“**DIP Charge**” has the meaning set forth in Section 5(b)(i).

“**DIP Financing**” has the meaning set forth in Section 5(b)(i).

“**DIP Lender**” has the meaning set forth in Section 5(b)(i).

“**Governmental Entity**” means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

“**Initial Order**” has the meaning set forth in Section 5(b)(i).

“**KERP**” has the meaning set forth in Section 4(f).

“**Law**” or “**Laws**” means any law, statute, order, decree, consent decree, judgment, rule regulation, ordinance or other pronouncement having the effect of law, whether in Canada, the United States or any other country, or any domestic or foreign state, county, province, city or other political subdivision or of any Governmental Entity.

“**Milestones**” means those milestones set forth in Section 5(b).

“**Monitor**” means KSV Restructuring Inc.

“**Monitor Advisors**” means Osler Hoskin & Harcourt LLP.

“**Note Indenture**” means the trust indenture between, inter alios, Black Press Group Ltd., as issuer, and Computershare Trust Company of Canada, as trustee, dated as of March 29, 2019 (as amended, modified, supplemented, extended, renewed, restated or replaced from time to time prior to the date hereof).

“**Noteholder Advisors**” means Bennett Jones LLP, Morrison & Foerster LLP and Longview Communications Inc.

“**Noteholders**” has the meaning set forth in the preamble to this Agreement.

“**Notes**” means the 12.0% First Lien Notes issued pursuant to the Note Indenture.

“**Original Agreement**” has the meaning set forth in the preamble to this Agreement.

“**Outside Date**” means March 15, 2024 or such later date as the Parties may agree, each in their sole discretion.

“**Parties**” and “**Party**” each have the meaning set forth in the preamble to this Agreement.

“**Person**” means any individual, sole proprietorship, limited or unlimited liability corporation, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, body corporate, joint venture, trust, pension fund, union, Governmental Entity, and a natural person including in such person’s capacity as trustee, heir, beneficiary, executor, administrator or other legal representative.

“**Purchaser**” has the meaning set forth in the preamble to this Agreement.

“**Representative**” means in respect of a particular Party, that Party’s directors, officers, managers, employees, auditors, financial advisors, legal advisors and other agents.

“**RVO**” means the approval and vesting order approving the Transaction and granting related relief, which shall be in form and substance acceptable to the Noteholders, CNL and the Company, in their discretion.

“**SISP**” means the sale and investment solicitation process to be conducted by the Company, under the supervision of the Monitor, substantially in the form attached hereto as **Appendix “B”** or may be amended satisfactory to the Parties.

“**SISP Order**” means the order approving the SISP, substantially in the form attached hereto as **Appendix “B”** or may be amended satisfactory to the Parties.

“**Term Sheet**” has the meaning set forth in the preamble to this Agreement.

“**Transaction**” has the meaning set forth in preamble to this Agreement.

“**Transaction Terms**” has the meaning set forth in Section 1.

“**US Court**” has the meaning set forth in the preamble to this Agreement.

APPENDIX A

TERM SHEET

[See attached]

TERM SHEET

This term sheet (the “**Term Sheet**”) describes the principal terms and conditions of a proposed stalking horse transaction involving Black Press Ltd. (“**Black Press**”) and 311773 B.C. Ltd. (“**3117**”, and together with Black Press, the “**Company**”) pursuant to which, if selected as the “Successful Bid” in the SISP (as defined below), the holders of notes under the Note Indenture (as defined below) (the “**Noteholders**”) and Carpenter Newsmedia, LLC (“**CNL**”), or one or more entities to be formed by the Noteholders and CNL (such entity or entities, the “**Purchaser**”), will restructure the Company through, among other things, an order (such order referred to herein as the “**RVO**”) approving the purchase of the Company by the Purchaser and the vesting out of all liabilities of the Debtors (save and except for the remaining secured obligations to the Noteholders (as amended herein), any obligations that are not capable of being vested out by the RVO, and such other obligations that are acceptable to the Noteholders and CNL) granted by the Supreme Court of British Columbia, Vancouver Registry (the “**Canadian Court**”) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**” and the Company’s proceedings thereunder, the “**CCAA Proceedings**”) and recognized by United States Bankruptcy Court for the District of Delaware (the “**US Court**”) under Chapter 15 of the United States Bankruptcy Code (the “**Chapter 15 Proceedings**”), or such other structure as may be acceptable to the Company, the Noteholders and CNL, and approved by courts of competent jurisdiction.

Capitalized terms used and not otherwise defined in this Term Sheet shall be as defined in Section 3 of this Term Sheet or the Amended and Restated Transaction Support Agreement dated January 22, 2024, among the Company, the Noteholders and CNL, to which this Term Sheet is attached.

1. TRANSACTION	
Debtors:	Black Press and 3117 and their respective direct and indirect subsidiaries, other than Black Press (Barbados) Ltd., Whidbey Press (Barbados) Inc., Driftwood Publishing Limited, Black Press Group Oregon LLC, and Black Press Delaware LLC (collectively, the “ Debtors ”)
SISP and Stalking Horse Bid:	The Debtors shall conduct a sale and investment solicitation process (the “ SISP ”, and the order approving the SISP in the CCAA Proceedings, the “ SISP Order ”), in form and substance acceptable to the Company, the Noteholders and CNL, each acting reasonably. The Transaction (defined below) shall serve as a stalking horse bid in the SISP (with the “ Bid Protections ” as set out in the Amended and Restated Transaction Support Agreement) and, pursuant to the SISP, the Company shall solicit binding transaction bids superior to the Transaction for a period of three-weeks following the granting of the SISP Order. In order to constitute a superior transaction, an alternate bid must provide will result in aggregate consideration in an amount equal to or greater than (a) all outstanding obligations under the Note Indenture, (b) all outstanding obligations under the DIP Financing (as defined below), (c) any obligations in priority to amounts owing under the DIP Financing, including any applicable charges granted in the CCAA Proceedings, (d) the amount of \$500,000 in cash to fund any professional fees incurred in connection with post-closing matters

	and/or to wind-up and terminate the CCAA Proceedings, the Chapter 15 Proceedings, and any further proceedings; and (e) the amount of \$1,750,000 in cash to satisfy the Bid Protections (as defined in the Amended and Restated Transaction Support Agreement).
Transaction:	The transaction will be structured as a share purchase and subscription agreement, in form and substance acceptable to the Company, the Noteholders and CNL, to be approved by way of an RVO granted in the CCAA Proceedings and recognition of such RVO in the Chapter 15 Proceedings or some other form of transaction structure reasonably acceptable to the Company, the Noteholders and CNL (the “ Transaction ”) pursuant to which the Purchaser will acquire all of the equity securities of Black Press and 3117. The final structure of the Transaction, including implementation steps, will be determined upon completion of the Purchaser’s tax analysis by no later than the Purchase Agreement Date (as defined below).
Consideration:	<p>At the Closing Time:</p> <ol style="list-style-type: none"> 1. CNL will contribute \$7 million in cash to the Purchaser in exchange for (i) 25% of the equity ownership interests of the Purchaser and (ii) a promissory note on terms acceptable to the Noteholders, CNL and the Company, to be used to capitalize the Company post-CCAA emergence; 2. The Noteholders will contribute \$7 million in aggregate to the Purchaser, by way of (i) assignment of \$6 million of the outstanding principal amount owing under the Notes, in order for the Purchaser to credit bid such debt as provided below and (ii) \$1 million in cash from the Noteholders or certain affiliates thereof, collectively in exchange for 75% of the equity ownership interests of the Purchaser,; and 3. The Purchaser shall acquire 100% of the equity of each Company by way of (i) a credit bid of \$6 million of the outstanding principal amount owing under the Notes, (ii) assumption of all amounts owing under the DIP Financing (as defined below), and (iii) payment in full in cash of any claims or charges then outstanding ranking in priority to the Notes.
Voting Control:	The Noteholders and CNL acknowledge that (a) the Company must be controlled in fact by a Canadian person or entity in order to meet certain requirements of Canadian law, which the Noteholders and CNL will work to facilitate prior to the Closing Time; and (b) that there are certain tax deductions available to advertisers in publications of the Company that require a certain percentage of the voting shares of the Company be beneficially owned by Canadians, and the Noteholders and CNL will work

	to ensure those tax deductions remain available to such advertisers from and after the Closing Time.
Note Indenture:	<p>At the Closing Time, the Note Indenture and the Notes will be amended as follows:</p> <ul style="list-style-type: none"> (a) The maturity date will be extended to five years from Closing Date at an interest rate of 10% per annum payable semi-annually in arrears. The Noteholders and CNL to agree on other payment terms which will include, without limitation, the following: <ul style="list-style-type: none"> (i) 100% of net proceeds from all asset dispositions to be used to repay the outstanding Debt, in accordance with the applicable existing Note Indenture terms, after any required payments to mortgage lenders; and (ii) until the Excess Cashflow Threshold Date (as defined below), 75% of excess cashflow (to be defined in a manner reasonably acceptable to the Noteholders and CNL, with related mechanics to also be reasonably acceptable to the Noteholders and CNL, and which for greater certainty will be net of scheduled Note Indenture payments and Management Fees) to be used to repay the outstanding Debt until such time as the aggregate outstanding principal amount of the Debt is not greater than \$20 million (the “Excess Cashflow Threshold Date”), with the remaining 25% of excess cashflow to be retained by the Company for working capital purposes. From and after the Excess Cashflow Threshold Date, excess cashflow to be applied in the following manner: (x) 50% to repay outstanding Debt; (y) subject to board approval up to 25% to each of the Noteholders and CNL as a distribution; and (z) the balance, if any, to be retained by the Company as for working capital purposes. (b) The Company will have the option to PIK interest for first 12 months. (c) Existing financial covenants in the Note Indenture will be deleted. (d) The Company may not (i) incur additional debt other than normal trade payables, purchase money or other debt for capital expenditures in an annual amount to be agreed upon

	<p>by the Noteholders and CNL, existing mortgage debt and any refinancing thereof on terms acceptable to the Noteholders and (ii) grant any other liens except for purchase money liens related to permitted capital expenditures, liens relating to permitted mortgage debt and liens in respect of the CIBC Credit Facility.</p> <p>(e) Existing terms of the Note Indenture to otherwise remain substantially unchanged.</p>
DIP:	<p>Canso Investment Counsel Ltd. as portfolio manager for and on behalf of Canso Strategic Credit Fund (the “DIP Lender”) will provide debtor-in-possession financing in an amount not to exceed \$5,500,000 from the Noteholders, which shall be on the term set forth in <u>Schedule “A”</u> (the “DIP Financing”).</p>
Conditions:	<p>The implementation of the Transaction will be subject to, among other things, the following key conditions:</p> <p>(a) the Debtors obtaining an Initial Order from the Canadian Court under the CCAA (the “Initial Order”), and recognition of the Initial Order in the Chapter 15 Proceedings, all in form and substance satisfactory to the Company, the Noteholders and CNL, each acting reasonably;</p> <p>(b) approval by the Canadian Court of the DIP Financing to fund the CCAA Proceedings and the Chapter 15 Proceedings, in form and substance satisfactory to the Company, the Noteholders and CNL, each acting reasonably;</p> <p>(c) the Debtors obtaining from the Canadian Court an amended and restated Initial Order under the CCAA (the “ARIO”), and recognition of the ARIO in the Chapter 15 Proceedings, in form and substance satisfactory to the Noteholders and CNL, each acting reasonably;</p> <p>(d) the Debtors obtaining from the Canadian Court the SISP Order, and recognition of the SISP Order in the Chapter 15 Proceedings, in form and substance satisfactory to the Noteholders and CNL, each acting reasonably;</p> <p>(e) approval of the RVO under the CCAA Proceedings, and recognition of the RVO in the Chapter 15 Proceedings, in form and substance satisfactory to the Company, the Noteholders and CNL, each in their sole discretion;</p>

	<ul style="list-style-type: none">(f) the Transaction being structured, including as to tax matters, in a manner satisfactory to the Company, the Noteholders and CNL, each acting reasonably;(g) the negotiation and execution of definitive legal documentation (the “Definitive Documents”) implementing the Transaction (including, without limitation, the RVO, the definitive share purchase and subscription or other transaction agreement (the “Purchase Agreement”) and the amendment to the Note Indenture), which Definitive Documents shall be in form and substance acceptable to the Company, the Noteholders and CNL, each acting reasonably and shall be binding as of the Closing Time;(h) the Company and its applicable subsidiaries having on hand at the Closing Date a one-month supply of customary inventory of newsprint, ink and printing plates in good condition, subject to the Company having sufficient availability under the DIP Financing prior to the Closing Date to acquire and maintain such inventory levels;(i) payment of the Wind-Up Reserve (as defined below) to the Monitor as provided herein;(j) the brokerage fees due to Dirks, Van Essen & April being paid in full;(k) payment of all amounts due under the KERP;(l) the claim of the Pension Benefit Guaranty Corporation against the Company shall have been compromised or resolved on terms satisfactory to the Noteholders and CNL in their sole discretion;(m) the outstanding principal balance of mortgage loans of the Company and its subsidiaries remaining outstanding in accordance with their terms in the cumulative amount not to exceed \$14,100,000;(n) all loans owing by the Company and/or its subsidiaries to the Shareholders and/or a related party of the Company being forgiven or otherwise extinguished as against the Debtors by the RVO in a manner satisfactory to the Noteholders and CNL in their sole discretion;(o) the Noteholders and CNL being satisfied that there are no other material liabilities of the Company, other than those
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	<p>liabilities set forth in the consolidated financial statements of the Company and acceptable to the Noteholders and CNL in their sole discretion, which have not been extinguished as against the Debtors by the RVO;</p> <p>(p) the Company having carried on their respective businesses in the ordinary course consistent with past practice from the date of the last financial statements provided to the Noteholders and CNL to the Closing Date;</p> <p>(q) no material adverse change in the financial condition, business or assets of the Company since the date hereof;</p> <p>(r) all outstanding fees and expenses owed to the respective advisors to the Noteholders and CNL (including legal counsel and communications consultants) having been paid in full in cash on the Closing Date;</p> <p>(s) all outstanding fees and expenses owing to the Company’s legal counsel, the Monitor and the Monitor’s legal counsel having been paid in full in cash on the Closing Date;</p> <p>(t) all necessary governmental and regulatory approvals shall have been received on terms and conditions satisfactory to the Noteholders and CNL in their sole discretion; and</p> <p>(u) other customary closing conditions as agreed to by the Company, the Noteholders and CNL, each acting reasonably, including customary bring down certificates.</p>
Documentation:	<p>The Noteholders, CNL and their respective advisors will work cooperatively with each other and the Company and its advisors to prepare and finalize all Definitive Documents and other documents referred to under “Conditions Precedent” required to implement the Transaction. Without limiting the foregoing, the Parties will settle the terms of the Purchase Agreement by no later than seven (7) Business Days prior to the binding bid deadline under the SISP (the “Purchase Agreement Date”).</p>
Shareholder Agreement:	<p>The Noteholders and CNL shall enter into a mutually acceptable shareholder agreement in respect of the Purchaser effective as of the Closing.</p>
Access to Information:	<p>The Company will make available to the Noteholders, CNL and their representatives, at all reasonable times, such information and material concerning the business, financial condition, operations, assets and liabilities of the Company and its subsidiaries, in written, printed, graphic,</p>

	electronic, oral or other form or medium, as Noteholders or CNL may request.
2. OTHER MATTERS	
Wind-Up Reserve:	On Closing, the Purchaser shall deliver to the Monitor the amount of \$500,000 to fund any professional fees (including of the counsel to the Company, the Monitor and counsel to the Monitor) incurred in connection with post-Closing matters and/or to wind-up and terminate the CCAA Proceedings, the Chapter 15 Proceedings, and any further proceedings involving the Debtors or any of their affiliates, including any residual entities established in connection with the RVO (the “ Wind-Up Reserve ”). The RVO shall provide that the Monitor shall return to the Purchaser any balance remaining in the Wind-Up Reserve following the completion, to the Monitor’s satisfaction, of all post-Closing matters and the wind-up and termination of the CCAA Proceedings, the Chapter 15 Proceedings, and any further proceedings involving the Debtors or any of their affiliates.
Tax Considerations:	The Transaction will be structured in a manner acceptable to the Company, Noteholders and CNL to effectuate the terms and conditions outlined herein in a tax efficient and acceptable manner for the Company, the Noteholders and CNL.
No Admission:	Nothing in this Term Sheet is or shall be deemed to be an admission of any kind.
Currency:	All amounts in this letter agreement are in Canadian dollars unless otherwise expressly indicated.
Notices:	All notices, requests, consents and other communications hereunder shall be contained in a written instrument and may be delivered in person or sent by recognized overnight courier or email.
Public Announcements:	No party shall issue any press release regarding the Transaction without the prior written consent of the other parties.
Governing Law:	This Term Sheet and any other agreement necessary to implement the Transaction shall be governed by the laws of the Province of British Columbia and the laws of Canada applicable therein.
Inconsistencies:	In the event that there is any inconsistency between the terms of this Term Sheet and the terms of the Amended and Restated Transaction Support Agreement, the terms of the Amended and Restated Transaction Support Agreement governs and prevails until such time as the Purchase Agreement is fully executed, at which time the Purchase Agreement governs and

	prevails in the event of any inconsistency with this Term Sheet or the Amended and Restated Transaction Support Agreement.
3. DEFINITIONS	
Definitions:	<p>“Closing Time” means the time at which the Transaction becomes effective.</p> <p>“Debt” means the principal amount of notes outstanding under the Note Indenture, which as of the date hereof is approximately \$57 million, plus accrued and unpaid interest of which approximately \$4 million will be outstanding as of January 1, 2024, less \$6,000,000 converted to Noteholders’ equity ownership as described under “Purchase Consideration”.</p> <p>“Note Indenture” means the trust indenture between, inter alios, Black Press Group Ltd., as issuer, and Computershare Trust Company of Canada, as trustee, dated as of March 29, 2019 (as amended, modified, supplemented, extended, renewed, restated or replaced from time to time prior to the date hereof).</p> <p>“Shareholders” means Black Press Holdings Ltd. and Metroland Media Group Ltd.</p>

Schedule "A"
DIP Financing Terms

Schedule "A"
DIP Financing Terms

DIP LOAN AGREEMENT

Dated as of January 12, 2024

WHEREAS, the Borrowers (as defined below), the Existing Lenders (as defined below) and Carpenter Newsmedia, LLC (“**CNL**”), among others, have entered into a transaction support agreement dated January 12, 2024 (the “**Transaction Support Agreement**”);

WHEREAS, pursuant to the Transaction Support Agreement, the DIP Lender (as defined below) has agreed to provide to the Borrowers (as defined below) financing to fund certain obligations of the Borrowers in connection with proceedings to be commenced under the *Companies' Creditors Arrangement Act* (Canada) (the “**CCAA**”, and such proceedings, the “**CCAA Proceedings**”) before the Supreme Court of British Columbia, Vancouver Registry (the “**Canadian Court**”) and ancillary proceedings in the United States Bankruptcy Court for the District of Delaware (the “**US Court**” and together with the Canadian Court, the “**Courts**”) under Chapter 15 of the United States Code (the “**US Bankruptcy Code**” and such ancillary proceedings thereunder the “**Chapter 15 Proceedings**” and together with the CCAA Proceedings, the “**Insolvency Proceedings**”) in accordance with the terms and conditions set out in this agreement (this “**DIP Agreement**”);

NOW THEREFORE the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

1. **BORROWERS:** All of the entities listed in **Schedule "A"** hereto (collectively, the “**Borrowers**”), acting jointly and severally.
2. **DIP LENDER:** Canso Investment Counsel Ltd. as portfolio manager for and on behalf of Canso Strategic Credit Fund in respect of the DIP Facility (in such capacity, the “**DIP Lender**”).
3. **PURPOSE:** As set out in Section 14(c) of this DIP Agreement.
4. **DIP FACILITY AND MAXIMUM AMOUNT** A super-priority, debtor-in-possession, non-revolving credit facility (the “**DIP Facility**”) up to the maximum principal amount of \$5,500,000 (the “**Maximum Amount**”). For greater certainty, any interest, expenses or fees that are capitalized and added to the principal amount owing hereunder as contemplated by the terms hereof shall not constitute part of the Maximum Amount, and the Borrowers are and shall be permitted to borrow up to the Maximum Amount without taking into account any such capitalized amounts, subject to the terms and conditions hereof.

Advances under the DIP Facility shall be made in accordance with Section 7 of this DIP Agreement.

5. REPAYMENT:

The aggregate principal amount owing under the DIP Facility, all accrued and unpaid interest, all fees and expenses incurred by the DIP Lender (including, without limitation, the Expenses (as defined below)), and all other obligations of the Borrowers to the DIP Lender under or in connection with the Insolvency Proceedings, this DIP Agreement, the DIP Facility or any other definitive security or other documents, agreements, registrations, financing statements and instruments in respect of the DIP Facility (collectively, the "**DIP Obligations**") shall be repaid in full on the earliest to occur of: (i) the occurrence of any Event of Default hereunder that has not been cured or waived in writing by the DIP Lender, in its sole discretion; (ii) the closing of one or more sale transactions for all or substantially all of the assets or shares in the capital of the Borrowers approved by an order of the Canadian Court pursuant to the Sale Process (as defined below) or otherwise; (iii) the implementation of a plan of compromise or arrangement (a "**Plan**") by the Borrowers pursuant to the CCAA; (iv) conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada) without the prior written consent of the DIP Lender; and (v) March 15, 2024 (the earliest of such dates being the "**Maturity Date**"). Provided that there is no Event of Default hereunder which is continuing, the Maturity Date may be extended at the request of the Borrowers, following consultation with the Monitor, and with the prior written consent of the DIP Lender, in its sole discretion, for such period and on such terms and conditions as the Borrowers and the DIP Lender may agree.

The commitment in respect of the DIP Facility shall expire automatically on the Maturity Date (unless extended according to the terms hereunder) and all DIP Obligations shall be repaid in full on the Maturity Date (or extended Maturity Date), without the DIP Lender being required to make demand upon the Borrowers or to give notice that the DIP Facility has expired and/or that the DIP Obligations are due and payable.

All payments received by the DIP Lender shall be applied first to any fees and expenses due hereunder (including, without limitation, the Expenses), then to accrued and unpaid interest and then, after all such fees, expenses and interest are brought current, to principal.

Notwithstanding the foregoing, in the DIP Lender's sole discretion: (i) subject to and in accordance with the terms of

the Sale Process, some or all of the DIP Obligations may be satisfied by the DIP Lender "credit bidding" such DIP Obligations for some or all of the assets of the Borrowers; and (ii) on the Maturity Date, the DIP Obligations may be satisfied through the issuance of one or more new notes or instruments providing for the repayment of the DIP Obligations over such time and on such terms as may be acceptable to the DIP Lender, provided that the rate of interest payable on such notes or instruments shall not exceed the interest rate set out herein.

6. CASH FLOW PROJECTIONS:

The Borrowers, in consultation with KSV Restructuring Inc., in its capacity as proposed court-appointed monitor (as appointed in such capacity, the "**Monitor**") in the CCAA Proceedings, have provided to the DIP Lender the cash flow projections attached at **Schedule "B"** hereto, which are in form and substance satisfactory to the DIP Lender and which are to be filed with the Canadian Court, reflecting the projected cash requirements of the Borrowers for the seven-week period from January 8, 2024, through the period ending March 17, 2024, calculated on a weekly basis (the "**Cash Flow Projection**").

The Borrowers shall keep the DIP Lender and the Monitor apprised of their cash flow requirements by providing: (i) an updated cash flow projection for the same period as the Cash Flow Projection by no later than 5:00 p.m. (Vancouver time) on the Wednesday of each week ending after the week in which the First DIP Advance (as defined below) occurs, such updated cash flow projection to be in a form consistent with the Cash Flow Projection (a "**Proposed Amended Cash Flow Projection**"), provided that the Borrowers, at their option, may provide a Proposed Amended Cash Flow Projection on a more frequent basis, but in any event, not more than twice in any calendar week; and (ii) on a weekly basis, (x) actual cash flow results from the immediately preceding one week period and (y) a comparison of the actual cash flow results from the immediately preceding one week period as against the DIP Agreement Cash Flow Projection (as defined below) for such week, such information described in this clause (ii) to be delivered to the DIP Lender and Monitor weekly by no later than 5:00 p.m. (Vancouver time) on the Wednesday of each week.

No Proposed Amended Cash Flow Projection shall be considered the DIP Agreement Cash Flow Projection unless the DIP Lender (which may be by email and by its counsel) has provided notice in writing to the Borrowers (which may

be to its counsel), with a copy to the Monitor, confirming its consent to such Proposed Amended Cash Flow Projection. Upon the DIP Lender delivering such notice to the Borrowers, with a copy to the Monitor, such Proposed Amended Cash Flow Projection shall be considered the DIP Agreement Cash Flow Projection.

At any given time, the cash flow projection in force and effect (whether the Cash Flow Projection or any subsequent Proposed Amended Cash Flow Projection which the DIP Lender has consented to in accordance herewith) shall be the "**DIP Agreement Cash Flow Projection**".

For greater certainty, neither the DIP Lender nor the Monitor, as the case may be, shall be required to initiate any DIP Advances pursuant to a Proposed Amended Cash Flow Projection, nor are the Borrowers entitled to utilize any DIP Advance to make payments set out in a Proposed Amended Cash Flow Projection, unless and until it has become effective as the DIP Agreement Cash Flow Projection in accordance with this Section 6.

7. ADVANCES UNDER DIP FACILITY:

I. DIP Advances from the DIP Lender

Pursuant to the terms and conditions of this DIP Agreement, the DIP Lender shall advance the following amounts as draws under the DIP Facility up to the Maximum Amount:

- (a) a first advance in the amount of \$500,000 ("**First DIP Advance**") shall be made by the DIP Lender to the Borrowers in accordance with Section 9 of this DIP Agreement, such First DIP Advance to be advanced following the satisfaction of each of the conditions to the First DIP Advance set out in Section 8 of this DIP Agreement.
- (b) A second advance in the amount of \$5,500,000 (the "**Second DIP Advance**") shall be made by the DIP Lender to the Monitor, in trust for the Borrowers, which shall be disbursed to the Borrowers in accordance with Sections 7II and 9 of this DIP Agreement and the DIP Agreement Cash Flow Projection.

II. Subsequent DIP Draws from the Monitor

Following the disbursement of the Second DIP Advance to the Monitor, the Borrowers shall apply to the DIP Lender, with a

copy to the Monitor, to draw on proceeds from the Second DIP Advance in accordance with the following process (a "**Subsequent DIP Draw**" and together with the First DIP Advance and the Second DIP Advance, the "**DIP Advances**" and each a "**DIP Advance**"):

- (a) The Borrowers shall issue a request for Subsequent DIP Draw by delivering a draw down certificate, substantially in the form attached hereto as **Schedule "C"** to the DIP Lender, with a copy to the Monitor, which request shall specify the amount of Subsequent DIP Draw requested and shall identify the intended uses for such Subsequent DIP Draw in accordance with the DIP Agreement Cash Flow Projection; and
- (b) Subsequent DIP Draws shall be in the minimum principal amount of \$100,000 and in increments of \$100,000 and will be funded by the Monitor to the Borrowers within three (3) business days following delivery of the request for a Subsequent DIP Draw, unless within two (2) business days of delivery of such request for a Subsequent DIP Draw the DIP Lender (after consultation with the Monitor) delivers to the Borrowers and the Monitor a notice of non-consent to such Subsequent DIP Draw as a result of one or more of the applicable conditions precedent not being met or the occurrence of an Event of Default that is continuing and such notice shall include reasonable details outlining any such unsatisfied applicable condition precedent or Event of Default. The DIP Lender may also consent, provided the Monitor has also confirmed its ability to do so, to the making of a Subsequent DIP Draw prior to the second (2nd) business day following delivery of the request for a Subsequent DIP Draw.

The proceeds of each DIP Advance provided to the Borrowers shall be applied by the Borrowers solely in accordance with the DIP Agreement Cash Flow Projection, subject to the Permitted Variance (as defined below), or as may otherwise be agreed to in writing by the DIP Lender, in its sole discretion, from time to time.

Notwithstanding anything to the contrary herein, unless the DIP Lender consents in advance in writing, the Borrowers shall be prohibited from using the proceeds of any DIP Advance to pay: (i) any expenses that are not of a type of

expense that falls within an expense line-item contained in the DIP Agreement Cash Flow Projection, subject to the Permitted Variance (and for certainty including the exceptions contained therein); (ii) professional fees of the Borrowers or any other party to contest, challenge or in any way oppose (or support any other person in contesting, challenging or opposing) the DIP Lender or the interests of the DIP Lender on any Court Order; (iii) subject to the preceding subsection (ii), the professional fees of any party, except for such professional fees incurred for and on behalf of the Borrowers, the Monitor, the DIP Lender, the Existing Lender (as defined below) or as otherwise required pursuant to the Transaction Support Agreement; and (iv) except as may be authorized or permitted by any Court Order and with the prior written consent of the Monitor and the Lender, any amounts (other than professional fees) outstanding as at the date of commencement of the CCAA Proceedings, including without limitation, any amounts owing to trade creditors and other lenders.

For the purposes of this DIP Agreement, "**Permitted Variance**" shall mean an adverse variance of not more than 10% of the aggregate disbursements in the DIP Agreement Cash Flow Projection on a cumulative basis starting on the start date of the initial Cash Flow Projection referred to in the first paragraph of this Section 7 above; provided, however, that the Permitted Variance calculation shall not take into account (i) the Expenses, and (ii) the fees and expenses (including advisor fees) of the Borrowers, the Monitor, CNL and Canso Investment Counsel Ltd. (the "**Existing Lender**"), in its capacity as portfolio manager for and on behalf of certain accounts which hold beneficial interests in the notes (the "**Existing Notes**") issued under that certain indenture dated March 29, 2019 among, *inter alios*, Black Press Group Ltd. and Computershare Trust Company of Canada (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "**Existing Indenture**").

8. CONDITIONS PRECEDENT TO DIP FACILITY ADVANCES

CONDITIONS TO FIRST DIP ADVANCE

The following conditions precedent shall be satisfied, or waived in writing by the DIP Lender, in its sole discretion, prior to the First DIP Advance hereunder:

- (a) The Canadian Court shall have issued an initial order in substantially the form attached as **Schedule "D"** hereto (the "**Initial Order**") on or before January 15,

2024, the effect of which, among other things, is to authorize and approve the DIP Facility on the terms and conditions hereof including without limitation the DIP Charge (as defined below) securing the principal amount of \$500,000, plus interest fees and expenses payable pursuant to this DIP Agreement, and the other DIP Obligations not constituting the principal amount thereof with the priority contemplated herein, and such Initial Order shall have been obtained on notice to such parties required by the DIP Lender;

- (b) The Borrowers shall have filed with the US Court a motion for entry of an order granting provisional relief to the Borrowers in form and substance acceptable to the DIP Lender in its sole discretion (the "**Provisional Relief Order**"), the effect of which shall be to, among other things, recognize the CCAA Proceedings and the Initial Order, impose a stay of enforcement actions against the Borrowers' assets and proceedings against the Borrowers, and approve the DIP Facility and the DIP Charge, in each case on a provisional basis and on terms acceptable to the DIP Lender in its sole discretion (which shall include, without limitation, a finding that the DIP Lender has acted in "good faith" and is entitled to the protections of sections 363(m) and 364(e) of the US Bankruptcy Code);
- (c) Delivery to the DIP Lender, with a copy to the Monitor of a drawdown certificate, in substantially the form set out in **Schedule "C"** hereto, executed by an officer on behalf of the Borrowers, certifying, *inter alia*, that the proceeds of the First DIP Advance requested thereby will be applied solely in accordance with the DIP Agreement Cash Flow Projection and Section 3 of this DIP Agreement, that the Borrowers are in compliance with the Court Orders, and that no Default or Event of Default has occurred or is continuing;
- (d) The Initial Order shall be in full force and effect and shall not have been vacated, stayed or otherwise caused to become ineffective, or amended in a manner prejudicial to the DIP Lender;
- (e) There is no Default or Event of Default that has occurred and is continuing, nor will any such event occur as a result of the First DIP Advance;

- (f) No material adverse change in the financial condition or operation of the Borrowers or otherwise affecting the Borrowers shall have occurred after the date hereof;
- (g) Each of the representations and warranties made in this DIP Agreement shall be true and correct in all material respects as of the date made or deemed made and as of the date of the First DIP Advance (unless any representation and warranty is qualified by materiality, in which case it shall be true and correct in all respects as of the date made or deemed made);
- (h) There are no pending motions or applications for leave to appeal, appeals, or injunctions relating to the Initial Order, the DIP Facility, the DIP Charge or this DIP Agreement, or pending litigation seeking to restrain, vary or prohibit the operation of all or any part of the Initial Order or this DIP Agreement;
- (i) The DIP Lender has received, as and when required hereunder, all information to which it is entitled hereunder (including, without limitation, the information and cash flow projections required pursuant to Section 6 of this DIP Agreement);
- (j) There shall be no liens or debts ranking in priority to the DIP Charge except for the: (i) Admin Charge; (ii) D&O Charge; (iii) KERP Charge; and (iv) CIBC Priority Interest solely in respect of the Deposit (each as defined below); and (v) secured Encumbrances (as defined below) the beneficiaries of which were not served with notice of the application for the Initial Order;
- (k) The Borrowers shall have paid all government statutory liens, trusts and other claims arising after the commencement of the Insolvency Proceedings (but for greater certainty, not including any such claims, including any pension-related claims, in existence at the time of the commencement of the Insolvency Proceedings) including, without limitation, source deductions (including similar employee remittances in respect of employees in the United States) except, in each case, for any such amounts that are not yet due and payable or which are in dispute; and

- (l) The Borrowers shall be in compliance with all Court Orders.

CONDITIONS TO SECOND DIP ADVANCE AND EACH SUBSEQUENT DIP DRAW

The following conditions precedent shall be satisfied, or waived in writing by the DIP Lender, in its sole discretion, prior to the Second DIP Advance and each Subsequent DIP Draw hereunder:

- (a) The US Court shall have issued the Provisional Relief Order, the effect of which shall be to, among other things, recognize the CCAA Proceedings and the Initial Order, impose a stay of enforcement actions against the Borrowers' assets and proceedings against the Borrowers, and approve the DIP Facility and the DIP Charge, in each case on a provisional basis and on terms acceptable to the DIP Lender in its sole discretion (which shall include, without limitation, a finding that the DIP Lender has acted in "good faith" and is entitled to the protections of sections 363(m) and 364(e) of the US Bankruptcy Code);
- (b) The Canadian Court shall have issued an amended and restated initial order in form and substance satisfactory to the DIP Lender in its sole discretion (the "**ARIO**") on or before January 25, 2024, the effect of which, among other things, is to authorize and approve the DIP Facility on the terms and conditions hereof including without limitation the DIP Charge securing the principal amount of \$5,500,000 and the other DIP Obligations not constituting the principal amount thereof with the priority contemplated herein, and such ARIO shall have been obtained on notice to all parties entitled thereto pursuant to the CCAA or otherwise required by the DIP Lender;
- (c) The Canadian Court shall have issued an Order (the "**Sale Process Order**") approving a sale and investment solicitation process in respect of the Borrowers' business and property (the "**Sale Process**"), each of which must be satisfactory to the DIP Lender in its sole discretion, on or before January 25, 2024;

- (d) The US Court shall have issued an Order Granting Additional Provisional Relief (the "**Additional Provisional Relief Order**"), the effect of which shall be to, among other things: (i) recognize the ARIIO and approve the DIP Facility and the DIP Charge in accordance with the terms of the ARIIO; and (ii) recognize the Sale Process Order, all on terms acceptable to the DIP Lender in its sole discretion;
- (e) Delivery to the DIP Lender, with a copy to the Monitor of a drawdown certificate, in substantially the form set out in **Schedule "C"** hereto, executed by an officer on behalf of the Borrowers, certifying, *inter alia*, that the proceeds of the Subsequent DIP Draw requested thereby will be applied solely in accordance with the DIP Agreement Cash Flow Projection and Section 3 of this DIP Agreement, that the Borrowers are in compliance with the Court Orders, and that no Default or Event of Default has occurred or is continuing;
- (f) The Initial Order, the Amended and Restated Initial Order, the Provisional Relief Order and the Additional Provisional Relief Order shall be in full force and effect and shall not have been vacated, stayed or otherwise caused to become ineffective, or amended in a manner prejudicial to the DIP Lender;
- (g) There is no Default or Event of Default that has occurred and is continuing, nor will any such event occur as a result of the Second DIP Advance or the Subsequent DIP Draw;
- (h) No material adverse change in the financial condition or operation of the Borrowers or otherwise affecting the Borrowers shall have occurred after the date hereof;
- (i) Each Subsequent DIP Draw (together with all previous DIP Advances) must be no greater in the aggregate than the Maximum Amount and shall be subject to the terms and conditions hereof;
- (j) Each of the representations and warranties made in this DIP Agreement shall be true and correct in all material respects as of the date made or deemed made and as of the date of the Second DIP Advance and each Subsequent DIP Draw (unless any representation and

warranty is qualified by materiality, in which case it shall be true and correct in all respects as of the date made or deemed made);

- (k) (A) There are no pending motions for leave to appeal, appeals, or injunctions relating to the DIP Facility, the DIP Charge or this DIP Agreement, or pending litigation seeking to restrain, vary or prohibit the operation of all or any part of this DIP Agreement and (B) there are no pending motions for leave to appeal, appeals, or injunctions relating to any Court Orders or pending litigation seeking to restrain, vary or prohibit the operation of all or any part of any Court Order that adversely impacts or could reasonably be expected to adversely impact the rights and interests of the DIP Lender;
- (l) There shall be no liens or debts ranking in priority to the DIP Charge except for the: (i) Admin Charge; (ii) D&O Charge; (iii) KERP Charge; and (iv) CIBC Priority Interest solely in respect of the Deposit.
- (m) The DIP Lender has received, as and when required hereunder, all information to which it is entitled hereunder (including, without limitation, the information and cash flow projections required pursuant to Section 6 of this DIP Agreement);
- (n) All Expenses for which invoices have been provided to the Borrowers shall have been paid, or arrangements satisfactory to the DIP Lender shall have been made to pay such amounts;
- (o) The Borrowers shall have paid all government statutory liens, trusts and other claims arising after the commencement of the Insolvency Proceedings (but for greater certainty, not including any such claims in existence at the time of the commencement of the Insolvency Proceedings) including, without limitation, source deductions (including similar employee remittances in respect of employees located in the United States), except, in each case, for any such amounts that are not yet due and payable or which are in dispute; and

- (p) The Borrowers shall be in compliance with all Court Orders.

Notwithstanding the foregoing or any other provision of this DIP Agreement, to the extent that an emergency cash need arises in the Borrowers' business that is not contemplated in the DIP Agreement Cash Flow Projection, the Borrowers may request a Subsequent DIP Draw from the DIP Lender by providing written particulars relating to such emergency cash need to the DIP Lender and the Monitor, which Subsequent DIP Draw shall only be permitted with the prior written consent of the DIP Lender delivered to the Borrowers and the Monitor, in the DIP Lender's sole and absolute discretion, and provided further that in no case shall the Maximum Amount be exceeded

9. DISBURSEMENTS

The proceeds of the First DIP Advance, shall be funded by the DIP Lender into the Borrowers' account noted in **Schedule "E"** hereto (the "Borrowers' Account").

The proceeds of the Second DIP Advance shall be funded by the DIP Lender into a segregated trust account to be established and maintained by the Monitor (the "Monitor's Trust Account") solely for the purpose of administering Subsequent DIP Draws in accordance with the terms of this DIP Agreement, the DIP Agreement Cash Flow Projection (subject to the permitted variances provided herein) and the Court Orders issued in the Insolvency Proceedings from time to time. The proceeds of the Second DIP Advance shall be held in trust by the Monitor in the Monitor's Trust Account, to be disbursed solely in accordance with the terms of this DIP Agreement and the Court Orders of the Courts issued in the Insolvency Proceedings from time to time.

The Monitor shall provide the DIP Lender with account details for the Monitor's Trust Account in writing no less than three (3) business days prior to each Subsequent DIP Draw.

The proceeds of each Subsequent DIP Draw shall be deposited by the Monitor by way of direct deposit to the Borrowers' Account.

Each of the DIP Lender and each Borrower agree in favour of the Monitor that the failure or delay by the Monitor in making any Subsequent DIP Draw or in complying with the draw conditions in connection with any Subsequent DIP Draw shall not result in any liability of the Monitor and shall not give rise

to any claim against the Monitor except where such failure or delay is caused by the Monitor's gross negligence or wilful misconduct.

The DIP Lender and each Borrower agrees to indemnify the Monitor and hold it harmless (and not jointly or jointly and severally) from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against the Monitor in any way relating to or arising out of this DIP Agreement, the making of any Subsequent DIP Draw or the transactions therein contemplated. However, neither the DIP Lender nor any Borrower shall be liable for any portion of such losses, claims, damages, liabilities and related expenses resulting from the Monitor's gross negligence or wilful misconduct.

The DIP Lender acknowledges that it has, independently and without reliance upon the Monitor, and based on such documents and information as it has deemed or will deem appropriate, made its own credit analysis and decision to enter into this DIP Agreement, and shall make its own credit analysis and decision related to authorizing any Subsequent DIP Draw.

The Monitor shall not be required to make any Subsequent DIP Draw until the Monitor has satisfied its own internal policies and all applicable laws, including any guidelines or orders thereunder, as relating to anti-money laundering, anti-terrorist financing, government sanction and "know your client" matters.

10. INTEREST RATE:

The outstanding principal amount of all DIP Advances shall bear interest from the date of advance at a rate per annum equal to 10% (the "**Interest Rate**"), and upon the occurrence and during the continuance of an Event of Default, the Interest Rate shall be increased by an additional 2% per annum, payable monthly in arrears on the last business day of each calendar month.

The Borrowers shall pay interest on all DIP Advances by adding such accrued interest to the principal amount of the DIP Obligations on the last business day of each calendar month. Amounts representing the interest payable hereunder that are added to the principal amount of the DIP Obligations

shall thereafter constitute principal and bear interest in accordance with this Section 10.

Interest on all DIP Advances shall accrue daily from and after the date of such DIP Advance to the Borrowers or the Monitor, as the case may be, to, but excluding, the date of repayment, as well as before and after maturity, demand and default and before and after judgment, and shall be calculated and compounded on a daily basis on the principal amount of such advances and any overdue interest remaining unpaid from time to time and on the basis of the actual number of days elapsed in a year of 365 days.

For the purposes of the *Interest Act* (Canada), the annual rates of interest referred to in this DIP Agreement calculated in accordance with the foregoing provisions of this DIP Agreement, are equivalent to the rates so calculated multiplied by the actual number of days in a calendar year and divided by 365 or 366, as the case may be.

If any provision of this DIP Agreement or any ancillary document in connection with this DIP Agreement would obligate the Borrowers to make any payment of interest or other amount payable to the DIP Lender in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the DIP Lender of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)) then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the DIP Lender of interest at a criminal rate and any such amounts actually paid by the Borrowers in excess of the adjusted amount shall be forthwith refunded to the Borrowers.

11. DIP SECURITY:

All of the DIP Obligations shall be secured by a Court-ordered charge (the "**DIP Charge**") over all present and after-acquired property, assets and undertakings of the Borrowers (including for greater certainty and without limitation, insurance proceeds, intellectual property, goods, documents of title, investment property, securities now owned or hereafter owned or acquired by or on behalf of the Borrowers and those assets set forth on the financial statements of the Borrowers), including all proceeds therefrom and all causes of action of the Borrowers, but excluding the \$500,000 cash deposit (the "**Deposit**") maintained by the Borrower in favour of the Canadian Imperial Bank of Commerce ("**CIBC**") pursuant to

a Cash Collateral Security Agreement dated December 21, 2023 between Black Press Group Ltd and CIBC (the “**CCSA**”), any interest CIBC has in the Deposit in accordance with the terms of the CCSA (the “**CIBC Priority Interest**”) until such time as CIBC releases its security interest in the Deposit (collectively, the “**Collateral**”).

The DIP Charge shall be a super-priority charge which shall rank ahead of all existing, liens, claims, trusts and charges in the Collateral (collectively, “**Encumbrances**”), but shall be subject to and shall rank behind: (a) an administration charge (the “**Admin Charge**”) in the maximum amount of \$1,500,000 to secure payment of the fees, expenses and disbursements of: (i) the Borrowers' Canadian and US counsel; and (ii) the Monitor and its Canadian and US counsel; (b) a charge in an amount not to exceed \$13,806,000 in favour of the officers and directors of the Borrowers (the “**D&O Charge**”) to secure the customary obligations and liabilities that they may incur in such capacity from and after the commencement of the Insolvency Proceedings as a backstop to any available directors' and officers' insurance and to the extent that any funds in trust for such persons are not sufficient to satisfy such claims; (c) a key employee retention plan charge (the “**KERP Charge**”) in an amount not to exceed \$61,500 and US\$70,000 in favour of the beneficiaries of the KERP (as defined in the Transaction Support Agreement); and (d) prior to the issuance of the ARIO, any beneficiaries of secured Encumbrances not served with notice of the application for the Initial Order, provided that such exception shall not apply following the granting of the ARIO.

12. MANDATORY REPAYMENTS:

The proceeds of any debt or equity issuance by the Borrowers that occurs from and after the date hereof, and the proceeds of Collateral (for greater certainty, net of reasonable costs and closing adjustments, as applicable), including, without limitation, arising from: (a) any sale of Collateral out of the ordinary course of business (including for greater certainty, any sale of all or substantially all of the Collateral); or (b) insurance proceeds in respect of any damage, loss or destruction of the Collateral (collectively, the “**Net Proceeds**”) shall be paid: (i) first, to satisfy the Admin Charge; (ii) second to satisfy the D&O Charge (if any amounts are payable); (iii) third, to satisfy the KERP Charge (if any amounts are payable); and (iv) fourth, to satisfy the DIP Obligations; (v) fifth, satisfy any other priority charges in accordance with their priorities; (vi) sixth, to satisfy other indebtedness and liabilities of the Borrowers as may be

ordered by the Court in accordance with their priorities; and (vii) seventh, to the Borrowers or such other persons as are entitled thereto in accordance with applicable law.

The Maximum Amount shall be permanently reduced in an amount equal to the Net Proceeds paid to the DIP Lender and applied to the aggregate principal amount of the DIP Advances in accordance with Section 5 of this DIP Agreement. For greater certainty, any mandatory repayments shall not be subject to any premium or penalty.

13. REPRESENTATIONS AND WARRANTIES:

Each of the Borrowers jointly and severally represents and warrants to the DIP Lender, upon which the DIP Lender relies in entering into this DIP Agreement, that subject to the entry of the Initial Order and the Provisional Relief Order:

- (a) Each Borrower is a corporation duly incorporated and validly existing under the laws of its governing jurisdiction and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary, except where the failure to have such qualification, license or registration would not have a Material Adverse Effect (as defined below). For the purpose of this DIP Agreement, "**Material Adverse Effect**" means a material adverse effect on: (i) the financial condition, business or assets of the Borrowers taken as a whole, other than as a result of the commencement of the Insolvency Proceedings; or (ii) the ability of the Borrowers to comply with their obligations hereunder or under any Court Order;
- (b) Subject to the granting of the Initial Order, the Provisional Relief Order, the ARIIO and the Additional Provisional Relief Order, as the case may be, each Borrower has all requisite corporate or other power and authority to: (i) carry on its business; (ii) own property, borrow monies and enter into agreements therefor; and (iii) execute and enter into this DIP Agreement and observe and perform the terms and provisions hereof;
- (c) Subject to the granting of the Initial Order, the Provisional Relief Order, the ARIIO or the Additional Provisional Relief Order, as the case may be, the execution and delivery of this DIP Agreement by each

Borrower and the performance by each Borrower of its obligations hereunder has been duly authorized by all necessary corporate or other action and any actions required under applicable laws. Except as has been obtained and is in full force and effect, no registration, declaration, consent, waiver or authorization of, or filing with or notice to, any governmental body is required to be obtained in connection with the performance by the Borrowers of their obligations under this DIP Agreement;

- (d) Subject to the granting of the Initial Order, Provisional Relief Order, the ARIIO or the Additional Provisional Relief Order, as the case may be, this DIP Agreement has been duly executed and delivered by each Borrower and constitutes a legal, valid and binding obligation of each Borrower, enforceable against it in accordance with its terms, subject only to any limitation under applicable laws relating to: (i) bankruptcy, insolvency, reorganization, moratorium or creditors' rights generally; (ii) the fact that specific performance and injunctive relief may only be given at the discretion of the courts; and (iii) the equitable or statutory powers of the courts to stay proceedings before them and to stay the execution of judgments;
- (e) The execution and delivery of this DIP Agreement by each Borrower and the performance by each Borrower of its obligations hereunder and compliance with the terms, conditions and provisions hereof, will not conflict with or result in a breach in any material respect of any of the terms, conditions or provisions of: (i) its constituting documents (including any shareholders' agreements) or by-laws; (ii) any applicable laws; (iii) except as stayed pursuant to the Insolvency Proceedings by the terms of the Initial Order, the Provisional Relief Order, the ARIIO or the Additional Provisional Relief Order, as the case may be, any contractual restriction binding on or affecting it or its material properties; or (iv) any material judgment, injunction, determination or award which is binding on it;
- (f) Each Borrower is in compliance with all applicable laws of each jurisdiction in which its business has been or is being carried on, non-compliance with which

would reasonably be expected to have a Material Adverse Effect;

- (g) Unless previously disclosed or otherwise known to the DIP Lender or the Existing Lender, to the Borrowers' Knowledge (as defined below), there are no actions, suits or proceedings pending, taken or, threatened, before or by any governmental body or by any elected or appointed public official or private person in Canada or elsewhere, whether or not having the force of law, which would reasonably be expected to have a Material Adverse Effect and have not been stayed pursuant to the Insolvency Proceedings. For the purpose of this DIP Agreement "**Borrowers' Knowledge**" means the actual knowledge of the senior officers and directors of the Borrowers and the knowledge that such individuals would have had if they had conducted a reasonably diligent inquiry into the relevant subject matter;
- (h) The DIP Agreement Cash Flow Projection includes a provision for payment of all projected obligations of any kind whatsoever reasonably anticipated by the Borrowers on the date hereof that, if not paid, could result in statutory liens ranking in priority to the DIP Charge, except for purchase money security interests;
- (i) As at the date of the Initial Order, the Borrowers have good and marketable title to all of the Collateral;
- (j) Each Borrower maintains insurance policies and coverage that: (i) is sufficient for compliance with any applicable law and all material agreements to which it is a party; and (ii) provide adequate insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons engaged in the same or similar business to the assets and operations of such Borrower;
- (k) Except as previously disclosed in writing by the Borrowers to the DIP Lender and set out on **Schedule "F"**, as at January 10, 2024, each Borrower has filed all material tax returns that are required to be filed and has in all material respects paid all taxes, interest and penalties, if any, which have become due pursuant to such returns or pursuant to any assessment received by

it, except any such assessment that is being contested in good faith by proper legal proceedings. Without limiting the foregoing, all employee source deductions (including in respect of income taxes, employment insurance and Canada Pension Plan) payroll taxes and workers' compensation dues are currently paid and up to date, subject to normal course accruals;

- (l) Except as set out on **Schedule "G"**, there are no actions, suits or proceedings (including any tax-related matter) by or before any arbitrator or governmental authority or by any other person pending against or threatened against or affecting each Borrower that could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect;
- (m) All factual information provided by or on behalf of each Borrower to the DIP Lender for the purposes of or in connection with this DIP Agreement or any transaction contemplated herein, is true and accurate in all material respects on the date as of which such information is dated or certified and remains true in all material respects as of the date provided and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided. With respect to any projections, future business plans or forward looking financial statements, the Borrowers are not guaranteeing in giving this representation and warranty that the actual future results will be as forecast or projected (but, for greater certainty, the DIP Lender has all of its rights hereunder in the event that such actual future results are not as forecast or projected, including, without limitation, as provided for in Section 17(g) of this DIP Agreement); and
- (n) As of the date hereof, each Borrower does have any outstanding payment obligations in respect of special payments or amortization payments, including without limitation, in respect of any pension plan, payments related to post-retirement benefits, solvency deficiencies or wind-up shortfalls in relation to any pension plan, other than as set out on **Schedule "H"**.

14. AFFIRMATIVE COVENANTS:

Each of the Borrowers jointly and severally covenants and agrees to do the following until such time as the DIP Obligations are indefeasibly repaid in full or otherwise satisfied through "credit bidding":

- (a) Keep the DIP Lender apprised on a timely basis of all material developments with respect to the Collateral and the business and affairs of the Borrowers;
- (b) Perform its obligations hereunder and under any other contract or agreement with the DIP Lender or any of its affiliates as and when required and in the manner required;
- (c) Use the proceeds of the DIP Facility (at all times solely in accordance with the terms hereof and the DIP Agreement Cash Flow Projection subject to the Permitted Variance) only for the limited purpose of facilitating the Insolvency Proceedings for the purpose of funding: (i) transaction costs and expenses incurred by the DIP Lender in connection with the DIP Facility; (ii) professional fees and expenses incurred by the Borrowers, the Monitor and the DIP Lender in respect of the Insolvency Proceedings; and (iii) operating costs, expenses, capital expenditures and ordinary course liabilities (including, without limitation, wages, vacation pay and active employee benefits) of the Borrowers;
- (d) Comply with the provisions of the court orders made in connection with the Insolvency Proceedings (collectively, the "**Court Orders**" and each a "**Court Order**");
- (e) Preserve, renew and keep in full force the Borrowers' corporate or other existence and all material licenses, permits or approvals required in respect of their respective business, properties, assets or any activities or operations carried out therein;
- (f) Maintain the insurance in existence of the date hereof with respect to the Collateral;
- (g) Conduct its activities in accordance with the DIP Agreement Cash Flow Projection, subject to the Permitted Variance;

- (h) Promptly notify the DIP Lender and the Monitor of the occurrence of any Event of Default, or of any event or circumstance (a "**Default**") that may, with the passage of time or the giving of notice, constitute an Event of Default;
- (i) Promptly notify the DIP Lender and the Monitor of the commencement of, or receipt of notice of intention to commence, any action, suit, investigation, litigation or proceeding before any court, governmental department, board, bureau, agency or similar body affecting the Borrowers;
- (j) Promptly after the same is available, but in no event later than the day that is three (3) business days prior to the date on which the same is to be served or if such advance notice is not possible then as soon as reasonably practicable prior to the date on which the same is to be served, provide copies to the DIP Lender of all pleadings, motion records, application records, judicial information, financial information and other documents filed by or on behalf of the Borrowers in the Insolvency Proceedings;
- (k) Subject to the CCAA and the Court Orders, comply in all material respects with all applicable laws, rules and regulations applicable to its business, including, without limitation, health and safety, and environmental laws;
- (l) With the consent of the DIP Lender, except where a stay of proceedings or Court Order otherwise applies, pay when due all government statutory liens, trust and other Crown claims including employee source deductions, outstanding source deductions, GST, HST, PST, employer health tax, and workplace safety and insurance premiums, but only with respect to: (i) payments that rank in priority to the DIP Charge; (ii) payments that are otherwise authorized pursuant to Court Order; or (iii) payments of commercial liability and directors' and officers' insurance premiums to maintain such insurance policies;
- (m) Treat as unaffected the DIP Obligations in a Plan, proposal or any other restructuring whatsoever;

- (n) At all times be and remain subject to the Insolvency Proceedings until the DIP Obligations are irrevocably and unconditionally repaid in full or otherwise satisfied through credit bidding, with no further right to DIP Advances;
- (o) Ensure that all motion records, pleadings, application records, orders and other documents (collectively, the "**Court Documents**") filed, proposed, sought or served by the Borrowers in or in connection with the Insolvency Proceeding shall be in form and substance reasonably satisfactory to the DIP Lender, and provide to the DIP Lender copies of such Court Documents as soon as practicable prior to any filing or service in the Insolvency Proceedings, but in no event later than the day that is three (3) business days prior to the date on which the same is to be served or if such advance notice is not possible then as soon as reasonably practicable prior to the date on which the same is to be served;
- (p) Subject to the Court Orders, grant the DIP Lender and its professional advisors reasonable access to the Collateral and their business, properties, and books and records;
- (q) Subject to the terms of the Sale Process and the Sale Process Order, keep the DIP Lender apprised on a timely basis of all material developments with respect to the Sale Process and cause its legal counsel to do the same; and
- (r) Conduct the Sale Process strictly in accordance with its terms (including milestones and timelines) and strictly comply with the Sale Process Order.

15. NEGATIVE COVENANTS:

Each of the Borrowers jointly and severally covenants and agrees not to do the following or permit any subsidiary to do the following while any DIP Obligations remain outstanding, other than with the prior written consent of the DIP Lender or pursuant to an Order of the Court:

- (a) Transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking except: (i) where permitted pursuant to the Initial Order or ARIIO; and (ii) where such transaction results in the repayment of

DIP Obligations in accordance with Section 12 of this DIP Agreement;

- (b) Make any payment of principal or interest in respect of any indebtedness outstanding prior to Initial Order ("**Existing Indebtedness**") other than as may be permitted or required herein or by a Court Order;
- (c) Create or permit to exist indebtedness for borrowed money other than: (i) Existing Indebtedness; (ii) debt contemplated by this DIP Facility; and (iii) post-filing trade credit obtained in the ordinary course of business, in accordance with the DIP Agreement Cash Flow Projection;
- (d) Permit any new liens to exist on any Collateral other than the Admin Charge, the DIP Charge, the KERP Charge, and the D&O Charge;
- (e) Either: (i) change its name, amalgamate, consolidate with or merge into, or enter into any similar transaction with any other entity; or (ii) make any changes to its organizational documents that could be adverse to the DIP Lender;
- (f) Other than as permitted by the terms of this DIP Agreement, make any acquisitions, investments or loans to any person or guarantee the obligations of any person, other than those in existence on the date hereof and disclosed to the DIP Lender in writing;
- (g) Enter into any transaction with any affiliate other than: (i) any transaction on terms and conditions at least as favourable to the Borrowers as could reasonably be obtained in an arm's-length transaction; or (ii) those in existence on the date hereof and disclosed to the DIP Lender in writing;
- (h) Pay any dividends, distributions or advances to shareholders of the Borrowers, or any management bonus or similar payments except for the KERP or to the extent provided for in the DIP Agreement Cash Flow Projection;
- (i) Engage in new businesses;
- (j) Change its fiscal year or accounting practices;

- (k) Issue any equity;
- (l) Take any action (or in any way support the taking of any action by another person) that has, or may have, a material adverse impact on the rights and interests of the DIP Lender, including, without limitation, any action in furtherance of challenging the validity, enforceability or amount of the DIP Obligations; and
- (m) Except in accordance with the Sale Process and the Sale Process Order and the Transaction Support Agreement, commence, continue or seek any stakeholder or court approval for any sale, restructuring transaction or Plan without the prior written consent of the DIP Lender in its sole discretion.

16. INDEMNITY AND RELEASE:

The Borrowers agree to indemnify and hold harmless the DIP Lender, the Existing Lender and each of their respective directors, officers, employees, partners, agents, attorneys, advisors and affiliates (all such persons and entities being referred to hereafter as "**Indemnified Persons**", and each, an "**Indemnified Person**") from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against or involve any Indemnified Person as a result of or arising out of or in any way related to or resulting from the Insolvency Proceedings, this DIP Agreement or any advance made hereunder, and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding (including, without limitation, any inquiry or investigation) or claim (whether or not any Indemnified Person is a party to any action or proceeding out of which any such expenses arise); provided, however, the Borrowers shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability to the extent it resulted from the gross negligence or willful misconduct of such Indemnified Person as finally determined by a court of competent jurisdiction.

The indemnities granted under this DIP Agreement shall survive any termination of the DIP Facility.

The Borrowers shall not contest, challenge or in any way oppose (or support any other person in contesting, challenging or opposing) the validity and enforceability of the DIP Obligations or any loan, security or other documents relating thereto. The Borrowers further covenant to, and do hereby, release the DIP Lender solely in its capacity as lender hereunder and its respective predecessors, successors, agents, advisors, representatives and assigns of and from all claims and liabilities relating to any act or omission related to this DIP Agreement that occurred prior to the date of this DIP Agreement.

17. EVENTS OF DEFAULT:

The occurrence of any one or more of the following events, without the prior written consent of the DIP Lender, shall constitute an event of default ("**Event of Default**") under this DIP Agreement:

- (a) The issuance of any Court Order or ruling terminating the CCAA Proceedings or the Chapter 15 Proceedings, or lifting the stay in the CCAA Proceedings or the Chapter 15 Proceedings to permit the enforcement of any security against any of the Borrowers or the Collateral (being Collateral with an aggregate fair market value as reasonably determined by the Borrowers in excess of \$100,000), or the appointment of a receiver and manager, receiver, interim receiver or similar official or the making of a bankruptcy order against any of the Borrowers or the Collateral, except with the prior written consent of the DIP Lender;
- (b) The issuance of any Court Order granting a lien of equal or superior status to that of the DIP Charge, other than as provided in Section 11 of this DIP Agreement;
- (c) The issuance of any Court Order or ruling: (i) staying, reversing, vacating or otherwise modifying the DIP Charge; or (ii) that adversely impacts or could reasonably be expected to adversely impact the rights and interests of the DIP Lender in connection with the Collateral or under this DIP Agreement or any Court Order, as determined by the DIP Lender in its sole discretion, acting reasonably; provided; however, that any such order that provides for payment in full

forthwith of all of the DIP Obligations shall not constitute an Event of Default;

- (d) Failure of the Borrowers to obtain final (i.e., non-provisional) recognition of the Initial Order from the US Court, in form and substance acceptable to the DIP Lender, within 23 days of the Initial Order being granted;
- (e) Failure of the Borrowers to obtain final (i.e., non-provisional) recognition of the ARIO and the Sales Process Order from the US Court, in form and substance acceptable to the DIP Lender, within 23 days of the ARIO and the Sales Process Order being granted, respectively;
- (f) Failure of the Borrowers to pay any principal, interest, fees or any other amounts, in each case when due and owing hereunder (subject to a three (3) business day cure period in the case of interest, fees and any other amounts (other than principal amounts) due hereunder);
- (g) Any update to the DIP Agreement Cash Flow Projection required to be made in accordance with Section 6 of this DIP Agreement indicating that the Borrowers would require additional funding above the Maximum Amount to meet their obligations at any time during the period of the DIP Agreement Cash Flow Projection;
- (h) Any representation or warranty by any of the Borrowers herein or in any certificate delivered by any of the Borrowers to the DIP Lender shall be incorrect or misleading in any material respect as of the date made or deemed made;
- (i) A Court Order or ruling is made, a liability arises or an event occurs, including any change in the business, assets, or conditions, financial or otherwise, of the Borrowers, that has or will have a Material Adverse Effect; provided that the forgoing shall exclude changes to the Borrowers' business or its performance solely as a result of the commencement, announcement or continuance of the Insolvency Proceedings;

- (j) Any breach of any Court Order that adversely impacts or could reasonably be expected to adversely impact the rights and interests of the DIP Lender upon receipt by the Borrowers of notice from the DIP Lender of such breach by the Borrowers;
- (k) The termination of the Transaction Support Agreement, except a termination pursuant to Section 8(c)(x) of the Transaction Support Agreement or a termination resulting from a breach of the terms thereof by the Noteholders (as defined in the Transaction Support Agreement) or CNL;
- (l) Failure of the Borrowers to perform or comply with any other term or covenant under this DIP Agreement and such Default shall continue unremedied for a period of three (3) business days after the earlier of (i) delivery of notice given by the DIP Lender to the Borrowers, with a copy to the Monitor or (ii) the Borrowers' Knowledge of such failure to perform or comply;
- (m) The commencement by any Borrower of an action or any other proceeding against the DIP Lender;
- (n) The expiry without further extension of the stay of proceedings provided for in the Initial Order or the ARIIO, as applicable;
- (o) Any change of control of the Borrowers; or
- (p) The seeking or support by the Borrowers, or the issuance, of any Court Order or ruling (in the Insolvency Proceedings or otherwise) that is materially inconsistent with the terms of this DIP Agreement or the Transaction Support Agreement.

18. REMEDIES:

Upon the occurrence and during the continuance of an Event of Default, whether or not there is availability under the DIP Facility: (a) without any notice to the Borrowers, the Borrowers shall have no right to receive any additional DIP Advances or other accommodation of credit from the DIP Lender except in the sole discretion of the DIP Lender; and (b) the DIP Lender may immediately terminate the DIP Facility and demand immediate payment of all of the DIP Obligations by providing such a notice and demand to the Borrowers, with a copy to the Monitor. With the leave of the

Canadian Court sought on not less than three (3) business days' notice to the Borrowers and the Monitor after the occurrence and during the continuance of an Event of Default, the DIP Lender shall have the right to: (a) enforce the DIP Charge and to exercise all other rights and remedies in respect of the DIP Obligations and the DIP Charge, including the right to realize on all Collateral and to apply to the Canadian Court for the appointment of a court-appointed receiver (and seek recognition of such appointment from the US Court), subject to the application of proceeds of realization to the Admin Charge, the KERP Charge, and the D&O Charge; (b) exercise the rights of a secured party under the Personal Property Security Act (British Columbia), or any other applicable law relating to the enforcement of liens by secured parties against any type of property, including the Collateral; (c) apply to the Canadian Court for an order on terms satisfactory to the Monitor and the DIP Lender, providing the Monitor with the power, in the name of and on behalf of the Borrowers, to take all necessary steps in the CCAA Proceedings; and (d) exercise all such other rights and remedies under the Court Orders and applicable law. No failure or delay by the DIP Lender in exercising any of its rights hereunder or at law shall be deemed a waiver of any kind, and the DIP Lender shall be entitled to exercise such rights in accordance with this DIP Agreement at any time. The rights and remedies of the DIP Lender under this DIP Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise, including under the CCAA.

19. LEGAL FEES:

The Borrowers shall pay by wire transfer, within three (3) days of receipt of a summary invoice, all reasonable and documented out-of-pocket expenses, including all reasonable legal expenses on a solicitor-client basis, incurred by the DIP Lender in connection with the Insolvency Proceedings, this DIP Agreement and the DIP Facility, including those with respect to any enforcement of the terms hereof or of the DIP Charge or otherwise incurred in connection with the DIP Facility (the "**Expenses**"). Subject to Court approval of this DIP Agreement, all Expenses shall be non-refundable under all circumstances.

20. DIP LENDER APPROVALS:

Any consent, approval, instruction or other expression of the DIP Lender to be delivered in writing may be delivered by any written instrument, including by way of email from legal

counsel to the DIP lender, by the DIP Lender pursuant to the terms hereof.

21. EVIDENCE OF INDEBTEDNESS

The DIP Lender's accounts and records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrowers to the DIP Lender under the DIP Facility.

22. TAXES:

All payments by the Borrowers under this DIP Agreement to the DIP Lender, including any payments required to be made from and after the exercise of any remedies available to the DIP Lender upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country, but excluding taxes on the income of the DIP Lender (collectively, "**Taxes**").

23. FURTHER ASSURANCES:

The Borrowers shall, at their expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents and things as the DIP Lender may reasonably request for the purpose of giving effect to this DIP Agreement. Without limiting the foregoing, the Borrowers agree that if so requested by the DIP Lender, acting reasonably, they shall promptly execute and deliver to the DIP Lender any general security agreement or other security documents securing their obligations to the DIP Lender hereunder in forms reasonable and customary for debtor in possession financings, provided however that the execution of any such security document shall not be a condition precedent to funding the Maximum Amount or DIP Advances hereunder.

24. ENTIRE AGREEMENT:

This DIP Agreement, including the schedules hereto constitutes the entire agreement between the parties relating to the subject matter hereof.

25. AMENDMENTS, WAIVERS, ETC.:

No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this DIP Agreement. Any

amendment to the terms of this DIP Agreement shall be made in writing and signed by the parties hereto.

26. ASSIGNMENT:

The DIP Lender may assign this DIP Agreement and its rights and obligations hereunder, in whole or in part, to any party acceptable to the DIP Lender in its sole and absolute discretion, provided that the Monitor shall have provided its prior written consent based solely on the Monitor being satisfied that the proposed assignee has the financial capacity to act as DIP Lender.

Neither this DIP Agreement nor any right and obligation hereunder may be assigned by the Borrowers.

27. SEVERABILITY:

Any provision in this DIP Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

28. COUNTERPARTS AND SIGNATURES:

This DIP Agreement may be executed in any number of counterparts and by electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this DIP Agreement by signing any counterpart of it.

29. DISCLOSURE

Except as required by applicable laws (including any Court Orders), the Borrowers shall not issue any press release or make any public announcement concerning this DIP Agreement, the Insolvency Proceedings or the operations of their business (the "**Communications**"), without the prior written consent of the DIP Lender, which is not to be unreasonably withheld. The Borrowers shall provide the DIP Lender with a reasonable opportunity to review and comment on all Communications in respect of this DIP Agreement, the Insolvency Proceedings or the operations of their business to their employees, contractors, business partners and contractual counter-parties or to the public prior to such Communications being issued or published.

30. NOTICES:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

(a) In the case of the Borrowers:

Black Press Ltd
15288 54A Avenue, Surrey, BC V3S 6T4,
Canada

Attention: Glenn Rogers, CEO
Email: glenn.rogers@blackpress.ca

With a copy to:

Cassels Brock & Blackwell LLP
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance Street
Toronto, ON M5H 0B4

Attention: Ryan Jacobs/Joseph Bellissimo/Michael Wunder
Email: rjacobs@cassels.com / jbellissimo@cassels.com /
mwunder@cassels.com

And to US counsel:

Thompson Hine LLP
Two Alliance Center
3560 Kenox Road, Suite 1600
Atlanta, Georgia 30326-4266

Attention: Sean Gordon
Email: Sean.Gordon@ThompsonHine.com

And with a copy to the Monitor:

KSV Restructuring Limited
220 Bay St. Suite 1300, Toronto
ON M5J 2W4
Attention: Noah Goldstein / Jason Knight
Email: ngoldstein@ksvadvisory.com /
jknight@ksvadvisory.com

And with a copy to the Monitor's Counsel:

Osler Hoskin & Harcourt LLP
100 King St W Suite 6200, Toronto
ON M5X 1B8

Attention: Marc Wasserman/Mary Buttery/David Rosenblat
Email: mwasserman@osler.com / mbuttery@osler.com /
drosenblat@osler.com

(b) In the case of the DIP Lender:

Canso Investment Counsel Ltd. as portfolio manager for and
on behalf of Canso Strategic Credit Fund
100 York Boulevard, Suite 550
Richmond Hill, Ontario L4B 1J8

Attention: Research Department
Email: research@cansofunds.com

With a copy to:

Bennett Jones LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Attention: Mark Rasile, Raj Sahni and Mike Shakra
Email: rasilem@bennettjones.com /
sahnir@bennettjones.com / shakram@bennettjones.com

And with a copy to:

Morrison & Foerster LLP
250 W 55th St,
New York, NY
10019, USA

Attention: Andrew Kissner
Email: akissner@mof.com

Any such notice shall be deemed to be given and received,
when received, unless received after 5:00 PT or on a day other
than a business day, in which case the notice shall be deemed
to be received the next business day.

**31. GOVERNING LAW
AND JURISDICTION:**

This DIP Agreement shall be governed by, and construed in
accordance with, the laws of the Province of British Columbia
and the federal laws of Canada applicable therein.

**32. CURRENCY AND
JUDGMENT CURRENCY:**

Unless otherwise specified herein, all dollar amounts are in
the lawful currency of Canada. The Borrowers shall pay to the

DIP Lender all payments on account of principal and interest hereunder in lawful money of Canada.


If in the recovery by the DIP Lender of any amount owing by the Borrowers hereunder in any currency, judgment can only be obtained in another currency and because of changes in the exchange rate of such currencies between the date of judgment and payment in full of the amount of such judgment, the amount received by the DIP Lender is less than the recovery provided for under the judgment, the Borrowers shall immediately pay any such shortfall to the DIP Lender and such shortfall can be claimed by the DIP Lender against the Borrowers as an alternative or additional cause of action.

[- Signature pages follow -]

IN WITNESS HEREOF, the parties hereby execute this DIP Agreement as at the date first above mentioned.

**Canso Investment Counsel Ltd. as
portfolio manager for and on behalf of
Canso Strategic Credit Fund**

Per:



Name: Joe Morin
Title: Portfolio Manager

BLACK PRESS LTD.

Per: Glenn Rogers

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the corporation

311773 B.C. LTD.

Per: Glenn Rogers

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the corporation

CENTRAL WEB OFFSET LTD.

Per: Glenn Rogers

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the corporation

BLACK PRESS GROUP LTD.

Per: Glenn Rogers

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the corporation

**SOUND PUBLISHING PROPERTIES,
INC.**

Per: Glenn Rogers

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the
corporation

**SOUND PUBLISHING HOLDING,
INC.**

Per: Glenn Rogers

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the
corporation

SOUND PUBLISHING, INC.

Per: Glenn Rogers

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the
corporation

**THE BEACON JOURNAL
PUBLISHING COMPANY**

Per: Glenn Rogers

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the
corporation

WWA (BPH) PUBLICATIONS, INC.

Per: *Glenn Rogers*

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the corporation

OAHU PUBLICATIONS, INC.

Per: *Glenn Rogers*

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the corporation

SAN FRANCISCO PRINT MEDIA CO.

Per: *Glenn Rogers*

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the corporation

0922015 B.C. LTD.

Per: *Glenn Rogers*

Name: Glenn Rogers

Title: CEO

I/We have the authority to bind the corporation

SCHEDULE "A"

BORROWERS

	Borrower	Jurisdiction
1.	Black Press Ltd.	British Columbia
2.	311773 B.C. Ltd.	British Columbia
3.	Central Web Offset Ltd.	British Columbia
4.	Black Press Group Ltd.	British Columbia
5.	Sound Publishing Properties, Inc.	Washington
6.	Sound Publishing Holding, Inc.	Washington
7.	Sound Publishing, Inc.	Washington
8.	The Beacon Journal Publishing Company	Ohio
9.	WWA (BPH) Publications, Inc.	Washington
10.	Oahu Publications, Inc.	Hawaii
11.	San Francisco Print Media Co.	Delaware
12.	0922015 B.C. Ltd.	British Columbia

SCHEDULE "B"
CASH FLOW PROJECTION

See attached.

Black Press Ltd. and 311773 B.C. Ltd. et. al.

Projected Weekly Cash Flow Statement (Consolidated)

January 8, 2024 to March 17, 2024

(Unaudited; \$CAD Thousands)

		Week ending										
	Note	14-Jan-24	21-Jan-24	28-Jan-24	04-Feb-24	11-Feb-24	18-Feb-24	25-Feb-24	03-Mar-24	10-Mar-24	17-Mar-24	Total
RECEIPTS												
Collections	2	5,516	4,716	4,716	4,169	4,569	4,169	4,169	4,656	5,456	4,656	46,793
DISBURSEMENTS												
<u>Operating Disbursements</u>												
Payroll	3	(3,064)	(1,913)	(2,486)	(1,919)	(2,215)	(1,913)	(595)	(3,196)	(1,540)	(3,196)	(22,038)
Newsprint, press supplies, ink, printing	4	(629)	(629)	(629)	(629)	(629)	(629)	(629)	(629)	(629)	(629)	(6,295)
Distributors	5	(947)	(203)	(947)	(423)	(947)	(203)	(947)	(423)	(947)	(203)	(6,191)
Sales taxes		-	-	(705)	-	-	-	(300)	-	(405)	-	(1,410)
Other operating costs	6	(1,161)	(1,711)	(1,411)	(1,539)	(1,161)	(961)	(1,211)	(1,539)	(1,161)	(961)	(12,812)
		(5,801)	(4,456)	(6,178)	(4,510)	(4,953)	(3,706)	(3,682)	(5,787)	(4,683)	(4,989)	(48,746)
<u>Other Disbursements (Income)</u>												
Restructuring costs	7	(34)	(279)	(916)	(1,293)	(546)	(848)	(384)	(325)	(248)	(719)	(5,594)
Key employee retention program	8	-	-	-	-	-	-	-	-	-	(156)	(156)
		(34)	(279)	(916)	(1,293)	(546)	(848)	(384)	(325)	(248)	(875)	(5,750)
Total Disbursements		(5,835)	(4,736)	(7,094)	(5,803)	(5,499)	(4,554)	(4,066)	(6,113)	(4,931)	(5,865)	(54,496)
Net Cash Flow		(319)	(20)	(2,379)	(1,634)	(930)	(385)	103	(1,456)	526	(1,208)	(7,703)
Opening cash balance		2,279	1,960	1,940	-	-	-	-	103	-	526	2,279
Net cash flow		(319)	(20)	(2,379)	(1,634)	(930)	(385)	103	(1,456)	526	(1,208)	(7,703)
DIP facility advances		-	-	438	1,634	930	385	-	1,354	-	683	5,424
Ending cash balance		1,960	1,940	-	-	-	-	103	-	526	(0)	-

Notes to Projected Weekly Cash Flow Statement (Consolidated)

January 8, 2024 to March 17, 2024

(Unaudited; \$CAD Thousands)

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of Black Press Ltd., 311773 B.C. Ltd. and the following other petitioner companies (collectively, the "Petitioners") from January 8, 2024 to March 17, 2024 (the "Period") in respect of the proceedings under the Companies' Creditors Arrangement Act ("CCAA"). Certain Petitioners' receipts and disbursements were forecasted in US dollars, converted at a rate of 1.3507:1.

- Black Press Group Ltd.
- 0922015 B.C. Ltd.
- Central Web Offset Ltd.
- Sound Publishing Holding, Inc.
- Sound Publishing Properties, Inc.
- Sound Publishing, Inc.
- Oahu Publications, Inc.
- The Beacon Journal Publishing Company
- WWA (BPH) Publications, Inc.
- San Francisco Print Media Co.

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical

2. Represents collection of revenue from operations.

Most Probable

3. Represents employee payroll, vacation pay and benefits for the Petitioners.
4. Represents the various input costs associated with producing the Petitioners' publications.
5. Represents amounts payable to the various entities that distribute the Petitioners' publications.
6. Represents other critical expenses, including technology, delivery costs, marketing, rent, insurance, and administration expenses.
7. Includes fees of the monitor, its counsel, the Petitioners' US and Canadian counsel, and Canso's US and Canadian counsel.
8. Represents payment of the key employees retention plan that the Petitioners' will seek to have approved at the Comeback Hearing.

SCHEDULE "C"

FORM OF DRAWDOWN CERTIFICATE

TO: Canso Investment Counsel Ltd. as portfolio manager for and on behalf of Canso Strategic Credit Fund (the "**DIP Lender**") and KSV Restructuring Inc. (the "**Monitor**")

FROM: The parties identified in Appendix "A" hereto (collectively, the "**Borrowers**")

DATE: [●]

1. This certificate is delivered to you in connection with a request for a Subsequent DIP Draw pursuant to the DIP Agreement made as of January [●], 2024, between the Borrowers and the DIP Lender, as amended, supplemented, restated or replaced from time to time (the "**DIP Agreement**"). All capitalized terms used, but not otherwise defined, in this certificate shall have the respective meanings set forth in the DIP Agreement, unless the context requires otherwise.

2. The Borrowers hereby request a DIP Advance as follows:

(a) Date of DIP Advance: _____

(b) Aggregate amount of requested DIP Advance: \$[●]

to be transferred into the Borrowers' Account by the DIP Lender or the Monitor, as applicable, by direct deposit in accordance with the DIP Agreement.

3. All of the representations and warranties of the Borrowers as set forth in the DIP Agreement are true and correct as at the date hereof, as though made on and as of the date hereof (except for any representations and warranties made as of a specific date, which shall be true and correct as of the specific date made).

4. All of the covenants of the Borrowers contained in the DIP Agreement and all other terms and conditions contained in the DIP Agreement to be complied with by the Borrowers, and not waived in writing by or on behalf of the DIP Lender, have been complied with.

5. The Borrowers are in compliance with all Court Orders.

6. The proceeds of the DIP Advance hereby requested will be applied solely in accordance with the DIP Agreement Cash Flow Projection, or as has been otherwise agreed to by the DIP Lender in advance in writing, and shall be utilized exclusively to fund the expense items listed on Appendix "B" hereto.

7. No Default or Event of Default has occurred and is continuing nor will any such event occur as a result of the DIP Advance hereby requested.

[Borrowers]

By: _____

Name:

Title:

cc: [●]

Appendix "A"
Borrowers

[To be populated]

Appendix "B"
Approved Expense Items

Expense Item	Amount
●	\$●
TOTAL:	\$●

SCHEDULE "D"
INITIAL ORDER

See attached.

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS AMENDED

AND

**IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"**

PETITIONERS

O R D E R MADE AFTER APPLICATION

(INITIAL ORDER)

BEFORE THE HONOURABLE)
JUSTICE STEPHENS) January 15, 2024
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 15th day of January, 2024 (the "**Order Date**"); AND ON HEARING Vicki Tickle and Jared Enns, counsel for the Petitioners and the non-petitioner affiliates of the Petitioners listed in Schedule "B" hereto (the "**Non-Petitioner Stay Parties**" and collectively with the Petitioners, the "**Black Press Entities**"), and those other counsel listed on Schedule "C" hereto; AND UPON READING the material filed, including the First Affidavit of Christopher Hargreaves made January [12], 2024 (the "**First Hargreaves Affidavit**"), the consent of KSV Restructuring Inc. to act as the Monitor, the Pre-Filing Report of KSV Restructuring Inc. dated January [●], 2024; AND UPON BEING ADVISED that the secured creditors who are likely to be affected by the charges created herein were given notice; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.

JURISDICTION

2. The Petitioners are companies to which the CCAA applies.

SUBSEQUENT HEARING DATE

3. The hearing of the Petitioners' application for an extension of the Stay Period (as defined in paragraph 16 of this Order) and for any ancillary relief shall be held at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at [time] on Thursday, the 25th day of January, 2024 or such other date as this Court may order.

PLAN OF ARRANGEMENT

4. The Petitioners shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

POSSESSION OF PROPERTY AND OPERATIONS

5. Subject to this Order and any further Order of this Court, the Petitioners shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (excluding the CIBC Cash Collateral (as defined in the First Hargreaves Affidavit), provided that if and when Canadian Imperial Bank of Commerce releases its security interest in such monies then such monies will automatically and without any further action constitute and be deemed to form part of the Property) (the "**Property**"), and continue to carry on their business (the "**Business**") in the ordinary course and in a manner consistent with the preservation of the Business and the

Property. The Petitioners shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

Cash Management System

6. The Petitioners shall be entitled to continue to utilize the cash management system currently in place as described in the First Hargreaves Affidavit or, with the prior written consent of the Monitor and the Interim Lender, replace it with another substantially similar central cash management system (the “**Cash Management System**”), and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by any of the Petitioners of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Petitioners, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan (if any) with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. Subject to the terms of the DIP Term Sheet and Definitive Documents (both as hereinafter defined), the Petitioners shall be entitled, but not required, to pay the following expenses which may have been incurred prior to the Order Date:

- (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Order Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively “**Wages**”);

- (b) the fees and disbursements of any Assistants retained or employed by the Petitioners which are related to the Petitioners' restructuring, at their standard rates and charges, including payment of the reasonable fees and disbursements of legal counsel retained by the Petitioners, whenever and wherever incurred, in respect of:
 - (i) these proceedings or any other similar proceedings in other jurisdictions in which any of the Petitioners or any subsidiaries or affiliated companies of the Petitioners are domiciled;
 - (ii) any litigation in which any of the Petitioners are named as a party or are otherwise involved, whether commenced before or after the Order Date;
 - (iii) any related corporate matters; and
- (c) with the written consent of the Monitor, amounts owing for goods and services actually supplied to the Petitioners prior to the Order Date, if in the opinion of the Petitioners the supplier is critical to the Business and ongoing operations of the Petitioners, consistent with existing policies and procedures.

8. Except as otherwise provided herein and subject to the terms of the DIP Term Sheet and the Definitive Documents, the Petitioners shall be entitled to pay all expenses reasonably incurred by the Petitioners in carrying on the Business in the ordinary course following the Order Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services, provided that any capital expenditure exceeding \$100,000 shall be approved by the Monitor;
- (b) all obligations incurred by the Petitioners after the Order Date, including without limitation, with respect to goods and services actually supplied to the Petitioners following the Order Date (including those under purchase orders outstanding at the Order Date but excluding any interest on the Petitioners' obligations incurred prior to the Order Date); and

- (c) fees and disbursements of the kind referred to in paragraph 7(b) which may be incurred after the Order Date.

9. The Petitioners are authorized to remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;
- (b) all goods and services or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Petitioners in connection with the sale of goods and services by the Petitioners, but only where such Sales Taxes accrue or are collected after the Order Date, or where such Sales Taxes accrued or were collected prior to the Order Date but not required to be remitted until on or after the Order Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.

10. Until such time as a real property lease is disclaimed in accordance with the CCAA, the Petitioners shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease, but excluding, for greater certainty, accelerated rent or penalties, fees or other charges arising as a result of the insolvency of the Petitioners or the making of this Order) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Petitioner and the landlord from time to time (“**Rent**”), for the period commencing from and including the Order Date, twice-monthly in equal payments on the first and fifteenth day of the month in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including Order Date shall also be paid.

11. Except as specifically permitted herein, the Petitioners are hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any of the Petitioners to any of their respective creditors as of the Order Date except as authorized by this Order;
- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of their Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;
- (d) to not grant credit except in the ordinary course of the Business only to their customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by the Petitioners to such customers as of the Order Date; and
- (e) to not incur liabilities except in the ordinary course of Business.

RESTRUCTURING

12. Subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Term Sheet and Definitive Documents, the Petitioners shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down all or any part of their Business or operations and commence marketing efforts in respect of any of their redundant or non-material assets and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$500,000 in the aggregate;
- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate; and
- (c) pursue all avenues of refinancing for their Business or Property, in whole or part;

all of the foregoing to permit the Petitioners to proceed with an orderly restructuring of the Business (the "**Restructuring**").

13. The Petitioners shall provide each of the relevant landlords with notice of the Petitioners' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Petitioners' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors who claim a security interest in the fixtures, such landlord and the Petitioners, or by further Order of this Court upon application by the Petitioners', the landlord or the applicable secured creditors on at least two (2) clear days' notice to the other parties. If the Petitioners disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any dispute concerning such fixtures (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Petitioners' claim to the fixtures in dispute.

14. If a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours on giving the Petitioners and the Monitor 24 hours' prior written notice; and (b) at the effective time of the disclaimer, the landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims the landlord may have against the Petitioners, or any other rights the landlord might have, in respect of such lease or leased premises and the landlord shall be entitled to notify the Petitioners of the basis on which it is taking possession and gain possession of and re-lease such leased premises to any third party or parties on such terms as the landlord considers advisable, provided that nothing herein shall relieve the landlord of its obligation to mitigate any damages claimed in connection therewith.

15. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronics Documents Act*, S.C. 2000, c. 5 and Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, and any regulations promulgated under authority of either Act, as applicable (the "**Relevant Enactment**"), the Petitioners, in the course of these proceedings, are permitted

to, and hereby shall, disclose personal information of identifiable individuals in their possession or control to stakeholders, their advisors, prospective investors, financiers, buyers or strategic partners (collectively, "**Third Parties**"), but only to the extent desirable or required to negotiate and complete the Restructuring or to prepare and implement the Plan or transactions for that purpose; provided that the Third Parties to whom such personal information is disclosed enter into confidentiality agreements with the Petitioners binding them in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the Relevant Enactment, and limiting the use of such information to the extent desirable or required to negotiate or complete the Restructuring or to prepare and implement the Plan or transactions for that purpose, and attorning to the jurisdiction of this Court for the purposes of that agreement. Upon the completion of the use of personal information for the limited purposes set out herein, the Third Parties shall return the personal information to the Petitioners or destroy it. If the Third Parties acquire personal information as part of the Restructuring or the preparation and implementation of the Plan or transactions in furtherance thereof, such Third Parties may, subject to this paragraph and any Relevant Enactment, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioners.

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

16. Until and including January 25, 2024, or such later date as this Court may order (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") against or in respect of any of the Black Press Entities or the Monitor, or affecting the Business, the Property or the Non-Petitioner Stay Parties' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Non-Petitioner Stay Parties' Property**"), shall be commenced or continued except with the prior written consent of the Black Press Entities and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Black Press Entities or affecting the Business, the Property or the Non-Petitioner Stay Parties' Property are hereby stayed and suspended pending further Order of this Court.

17. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of any of the Black Press Entities or the Monitor, or affecting the Business, the Property or the Non-Petitioner Stay Parties'

Property, are hereby stayed and suspended except with the prior written consent of the Black Press Entities and the Monitor or leave of this Court.

18. Nothing in this Order, including paragraphs 16 and 17, shall: (i) empower the Black Press Entities to carry on any business which the Black Press Entities are not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided, however: (a) that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the applicable Black Press Entities; and (b) that any deemed trust claims or other claims of any government agency in Canada or any province or territory thereof or any foreign governmental agency shall not be perfected or rank as secured claims and shall rank as unsecured claims, including pursuant to section 38 of the CCAA.

NO INTERFERENCE WITH RIGHTS

19. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence, or permit in favour of or held by any of the Black Press Entities, except with the prior written consent of the applicable Black Press Entity(s) and the Monitor or leave of this Court.

CONTINUATION OF SERVICES

20. During the Stay Period, all Persons having oral or written agreements with any of the Black Press Entities or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, banking services, payroll services, insurance, transportation, utility, or other services, to the Business or any of the Black Press Entities, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by any of the Black Press Entities, and that the Black Press

Entities shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Order Date are paid by the Black Press Entities in accordance with normal payment practices of the Black Press Entities or such other practices as may be agreed upon by the supplier or service provider and the applicable Black Press Entitie(s) and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

21. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Order Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Black Press Entities on or after the Order Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

22. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of any of the Black Press Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of any of the Black Press Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Petitioners, if one is filed, is sanctioned by this Court or is refused by the creditors of the Petitioners or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of any of the Black Press Entities that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

DIRECTORS AND OFFICERS INDEMNIFICATION AND CHARGE

23. The Black Press Entities shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the applicable Black Press Entities after the commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

24. The directors and officers of the Black Press Entities shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$10,674,000, as security for the indemnity provided in paragraph 23 of this Order. The Directors' Charge shall have the priority set out in paragraphs 41 and 43 herein.

25. Notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Black Press Entities' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23 of this Order.

APPOINTMENT OF MONITOR

26. KSV Restructuring Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Petitioners with the powers and obligations set out in the CCAA or set forth herein, and that the Petitioners and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Petitioners pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

27. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Petitioners' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, the DIP Term Sheet, the Definitive Documents and such other matters as may be relevant to the proceedings herein;
- (c) assist the Petitioners, to the extent required by the Petitioners, in their dissemination, to the Interim Lender (as hereinafter defined) and their counsel, as and when required or permitted under the DIP Term Sheet or the Definitive Documents, of financial and other information as agreed to between the Petitioners and the Interim Lender which may be used in these proceedings including reporting on a basis to be agreed with the Interim Lender;
- (d) advise the Petitioners in their preparation of the Petitioners' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel as and when required under the DIP Term Sheet and Definitive Documents, or as otherwise agreed to by the Interim Lender;
- (e) advise the Petitioners in their development of the Plan (if any) and any amendments to the Plan;
- (f) assist the Petitioners, to the extent required by the Petitioners, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) monitor all payments, obligations and transfers as between the Petitioners and their affiliates;
- (h) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Petitioners, to the extent that is necessary to adequately assess the Petitioners' business and financial affairs or to perform its duties arising under this Order;

- (i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (j) assist the Foreign Representative (as defined below) and its legal counsel as may be required to give effect to the terms of this Order; and
- (k) perform such other duties as are required by this Order or by this Court from time to time.

28. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

29. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the *British Columbia Environmental Management Act*, the *British Columbia Fish Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

30. The Monitor shall provide any creditor of the Petitioners and the Interim Lender with information provided by the Petitioners in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Petitioners is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Petitioners may agree.

31. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

32. The Monitor, counsel to the Monitor, and counsel to the Petitioners shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioners as part of the cost of these proceedings. The Petitioners are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Petitioners on a periodic basis and, in addition, the Petitioners are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Petitioners, retainers, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

33. 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 British Columbia Supreme Court who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.

34. The Monitor, counsel to the Monitor, and counsel to the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$750,000, as security for their

respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order which are related to the Petitioners' restructuring. The Administration Charge shall have the priority set out in paragraphs 41 and 43 hereof.

INTERIM FINANCING

35. The Petitioners are hereby authorized and empowered to obtain and borrow under a credit facility (the "**DIP Facility**") from Canso Investment Counsel Ltd. as portfolio manager for and on behalf of Canso Strategic Credit Fund (the "**Interim Lender**") in order to finance the continuation of the Business and preservation of the Property, provided that borrowings under such credit facility shall not exceed the aggregate principal amount of \$500,000 unless permitted by further Order of this Court.

36. The DIP Facility shall be on the terms and subject to the conditions set forth in the term sheet between the Petitioners and the Interim Lender dated as of January 12, 2024 (the "**DIP Term Sheet**"), attached to the First Hargreaves Affidavit, as Exhibit "M".

37. The Petitioners are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Term Sheet or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Petitioners are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the Interim Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

38. The Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property up to the maximum amount of \$500,000 (plus accrued and unpaid interest, fees and expenses). The Interim Lender's Charge shall not secure an obligation that exists before this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs 41 and 43 hereof.

39. Notwithstanding any other provision of this Order:

- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence and during the continuance of an Event of Default (as defined in the DIP Term Sheet), the Interim Lender, upon 3 business days notice to the Petitioner and the Monitor, may exercise any and all of its rights and remedies against the Petitioners or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the Interim Lender's Charge, including without limitation, to cease making advances to the Petitioners and set off and/or consolidate any amounts owing by the Interim Lender to the Petitioners against the obligations of the Petitioners to the Interim Lender under the DIP Term Sheet, the Definitive Documents or the Interim Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Petitioners and for the appointment of a trustee in bankruptcy of the Petitioners; and
- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Petitioners or the Property.

40. The Interim Lender, in such capacity, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

41. The priorities of the Administration Charge, the Directors' Charge and the Interim Lender's Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$750,000);

Second – Directors' Charge (to the maximum amount of \$10,674,000); and

Third – Interim Lender’s Charge (to the maximum amount of \$500,000 plus accrued and unpaid interest, fees and expenses).

42. Any security documentation evidencing, or the filing, registration or perfection of, the Charges shall not be required, and the Charges shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect any such Charges.

43. Each of the Charges shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”), in favour of any Person, save and except those claims contemplated by section 11.8(8) of the CCAA. Notwithstanding the foregoing, the Charges shall rank behind Encumbrances in favour of any Persons that have not been served with notice of this application. The Petitioners and the beneficiaries of the Charges shall be entitled to seek priority of the Charges ahead of such Encumbrances on a subsequent application on notice to those parties.

44. Except as otherwise expressly provided herein, or as may be approved by this Court, the Petitioners shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Petitioners obtain the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Administration Charge and the Directors’ Charge.

45. The Administration Charge, the Directors’ Charge, the DIP Term Sheet, the Definitive Documents and the Interim Lender’s Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) and/or the Interim Lender shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings,

incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Petitioners; and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by any of the Petitioners of any Agreement to which any of the Petitioners is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Petitioners entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Petitioners pursuant to this Order, the DIP Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

46. Any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Petitioners’ interest in such real property leases.

SERVICE AND NOTICE

47. The Monitor shall (i) without delay, publish in *The Globe and Mail* (National Edition) a notice containing the information prescribed under the CCAA, and (ii) within five days after Order Date, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Petitioners of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

48. The Petitioners and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Petitioners' creditors or other interested parties at their respective addresses as last shown on the records of the Petitioners and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

49. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on its website at: www.ksvadvisory.com/experience/case/black-press.

50. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on its website at: www.ksvadvisory.com/experience/case/black-press.

51. Notwithstanding paragraphs 48 and 49 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

52. The Petitioners or the Monitor may from time to time apply to this Court for directions in the discharge of their powers and duties hereunder.

53. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Petitioners, the Business or the Property.

54. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Foreign Representative, the Petitioners 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 Petitioners in any foreign proceeding, or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

55. Black Press Ltd. is hereby authorized and empowered to act as the foreign representative (the “**Foreign Representative**”) in respect of these proceedings for the purpose of having these proceedings recognized in a foreign jurisdiction and 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 and the Foreign Representative is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of the Petitioners to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Code Bankruptcy Code*, 11 U.S.C., §§ 101 – 1532, as amended.

56. The Petitioners may (subject to the provisions of the CCAA and the BIA) at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if and when the Petitioners determine that such a filing is appropriate.

57. The Petitioners are hereby at liberty to apply for such further interim or interlocutory relief as they deem advisable within the time limited for Persons to file and serve Responses to the Petition.

58. Leave is hereby granted to hear any application in these proceedings on two (2) clear days’ notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

59. Any interested party (including the Petitioners and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order, provided, however, that the Chargees shall be entitled to rely on this Order as granted and on the Charges and priorities set forth in paragraphs 41 and 43 hereof with respect to any fees, expenses, liabilities and disbursements incurred, as applicable until the date this Order may be amended, varied or stayed.

60. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

61. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

62. Leave is hereby granted for counsel to appear at future hearings in this matter remotely by video.

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

Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT

REGISTRAR

SCHEDULE "A"
Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

SCHEDULE "B"
Non-Petitioner Stay Parties

Black Press (Barbados) Ltd.

Whidbey Press (Barbados) Inc.

Black Press Delaware LLC

Black Press Group Oregon LLC

SCHEDULE "C"
LIST OF COUNSEL

Name of Counsel	Party Represented

SCHEDULE "E"

BORROWERS' ACCOUNT INFORMATION

See attached.

WIRE PAYMENT INSTRUCTIONS - WORLDWIDE IN ANY CURRENCY**Pay by Swift MT103 to:**

CAD	CIBCCATT	CIBC, TORONTO, CANADA
USD	PNBPUS3NNYC	WELLS FARGO BANK, N.A. NEW YORK, USA
EUR	SOGEFRPP	SOCIETE GENERALE, PARIS, FRANCE
GBP	BARCGB22	BARCLAYS BANK PLC, LONDON, U.K.

*Others**Contact CIBC for 'Remit To' Bank information.***Mandatory fields 50, 57A & 59 must be completed as shown:**

ORDERING CUSTOMER Swift F50 – Ordering Customer	/Ordering customer account number Ordering customer name Street address City, Province/State, Country
---	--

BRANCH OF ACCOUNT Swift F57A – Account with Institution (Provide full address of the branch if Swift BIC CIBCCATT is not used)	// CC001000010 CIBCCATT
--	--

BENEFICIARY Swift F59-Beneficiary Customer	/82-03911 BLACK PRESS GROUP LTD. 212-15288 54-A, AVENUE SURREY, BC, Canada V3S 6T4
--	--

* //CC = Canadian Clearing Code 0010 = Institution number for CIBC NNNNN = 5-digit Branch Transit

WIRE PAYMENT INSTRUCTIONS - USD CURRENCY FROM THE USA

REMIT TO:	WELLS FARGO BANK, N.A.
BIC:	PNBPUS3NNYC
CHIPS:	UID 0509
FEDWIRE:	ABA 026005092
PAYMENT TYPE	CTR TAG 3600

Mandatory fields must be completed as shown:

ORDERING CUSTOMER CHIPS Tag 502 - Originator info. FEDWIRE Tag 5000 - Originator	/Ordering customer account number Ordering customer name Street address City, Province/State, Country
---	--

BRANCH OF ACCOUNT CHIPS Tag 410 – Beneficiary's Bank FEDWIRE Tag 4100 – Beneficiary's FI	//CC0010NNNNN* CIBC Street address City, Province/State, Country
---	---

BENEFICIARY CHIPS Tag 420 - Beneficiary info. FEDWIRE Tag 4200 - Beneficiary	/Beneficiary account number Name of beneficiary Street address City, Province/State, Country
---	---

* //CC = Canadian Clearing Code 0010 = Institution number for CIBC NNNNN = 5-digit Branch Transit

*****IMPORTANT: email REMITTANCE SLIP to eft-payments@blackpress.ca*****

Callback Details:
Chris Hargreaves (778-887-9670)

SCHEDULE "F"
TAXES AND SOURCE DEDUCTIONS

None.

SCHEDULE "G"

LITIGATION

1. Class Action Complaint: *Pradeep Arora, on behalf of himself and all others similarly situated v Honolulu Star-Advertiser and Oahu Publications Inc.*, in the United States District Court for the District of Hawai'i, Case 1:23-cv-00480

SCHEDULE "H"
PENSION DISCLOSURE

Oahu Publications Inc.

Amounts owed to Stephens Media LLC on account of TNSG withdrawal liability

Oahu TNSG Multiemployer Withdrawal Liability								
Paid to Stephens Media LLC								
Total payments				1,281,613.20				
Discount rate				6.0%				
Annual payments								
Payments over 20 years								
				Opening Liability	Interest Component	Principal Reduction	Payment	Closing Liability
1	2015	Aug		735,000.00	44,100.00	19,980.66	64,080.66	715,019.34
2	2016	Aug		715,019.34	42,901.16	21,179.50	64,080.66	693,839.84
3	2017	Aug		693,839.84	41,630.39	22,450.27	64,080.66	671,389.57
4	2018	Aug		671,389.57	40,283.37	23,797.29	64,080.66	647,592.29
5	2019	Aug		647,592.29	38,855.54	25,225.12	64,080.66	622,367.16
6	2020	Aug		622,367.16	37,342.03	26,738.63	64,080.66	595,628.53
7	2021	Aug		595,628.53	35,737.71	28,342.95	64,080.66	567,285.58
8	2022	Aug		567,285.58	34,037.14	30,043.52	64,080.66	537,242.06
9	2023	Aug		537,242.06	32,234.52	31,846.14	64,080.66	505,395.92
10	2024	Aug		505,395.92	30,323.76	33,756.90	64,080.66	471,639.02
11	2025	Aug		471,639.02	28,298.34	35,782.32	64,080.66	435,856.70
12	2026	Aug		435,856.70	26,151.40	37,929.26	64,080.66	397,927.44
13	2027	Aug		397,927.44	23,875.65	40,205.01	64,080.66	357,722.43
14	2028	Aug		357,722.43	21,463.35	42,617.31	64,080.66	315,105.11
15	2029	Aug		315,105.11	18,906.31	45,174.35	64,080.66	269,930.76
16	2030	Aug		269,930.76	16,195.85	47,884.81	64,080.66	222,045.95
17	2031	Aug		222,045.95	13,322.76	50,757.90	64,080.66	171,288.04
18	2032	Aug		171,288.04	10,277.28	53,803.38	64,080.66	117,484.66
19	2033	Aug		117,484.66	7,049.08	57,031.58	64,080.66	60,453.08
20	2034	Aug		60,453.08	3,627.19	60,453.47	64,080.66	(0.39)
					546,612.81	735,000.39	1,281,613.20	

The Beacon Journal Publishing Company

A. GCIU Multi-employer Pension Withdrawal Liability

See next pages.

Akron - Mulyi-employer Pension Withdrawal liability

GCIU IBT

Total Payments		1,516,461.60		
Discount rate		4500.00%		
Monthly payments			Recorded estimage at year end	956,400.00
Payments over 20 years				
Apr	30		Actual per below	996,850.00
May	31			
June	30		Increase accrual in September	42,450.00
July	31			
Aug	31		September payment	
Sept	30		Interest	33,263.99
Oct	31		Principal	23,603.32
Nov	30			
Dec	31			
Jan	31			
Feb	28			
Mar	31			
	365			

		Opening Liability	Interest Component	Principal Resolution	Payment	Closing Liability	
1	2014 Jan	996,850.00	3,817.52	2,501.07	6,318.59	996,348.93	
2	2014 Feb	996,348.93	3,439.45	2,879.14	6,318.59	993,469.79	
3	2014 Mar	993,469.79	3,796.96	2,521.63	6,318.59	990,948.16	
4	2014 Apr	990,948.16	3,665.15	2,653.44	6,318.59	988,294.72	
5	2014 May	988,294.72	3,777.18	2,541.41	6,318.59	985,753.32	
6	2014 June	985,753.32	3,645.94	2,672.65	6,318.59	983,080.66	
7	2014 July	983,080.66	3,757.25	2,561.34	6,318.59	980,519.33	
8	2014 Aug	980,519.33	3,747.46	2,571.13	6,318.59	977,948.20	
9	2014 Sept	977,948.20	3,617.07	2,701.52	6,318.59	975,246.68	56,867.31 Payment in September
10	2014 Oct	975,246.68	3,727.31	2,591.28	6,318.59	972,655.40	
11	2014 Nov	972,655.40	3,597.49	2,721.10	6,318.59	969,934.30	
12	2014 Dec	969,934.30	3,707.01	2,611.58	6,318.59	967,322.72	
13	2015 Jan	967,322.72	3,697.03	2,621.56	6,318.59	964,701.16	
14	2015 Feb	964,701.16	3,330.20	2,988.39	6,318.59	961,712.77	
15	2015 March	961,712.77	3,675.59	2,643.00	6,318.59	959,069.77	
16	2015 Apr	959,069.77	3,547.24	2,771.35	6,318.59	956,298.42	
17	2015 May	956,298.42	3,654.89	2,663.70	6,318.59	953,634.73	
18	2015 June	953,634.73	3,527.14	2,791.45	6,318.59	950,843.28	
19	2015 July	950,843.28	3,634.04	2,684.55	6,318.59	948,158.74	
20	2015 Aug	948,158.74	3,623.78	2,694.81	6,318.59	945,463.93	
21	2015 Sept	945,463.93	3,496.92	2,821.67	6,318.59	942,642.26	
22	2015 Oct	942,642.26	3,602.70	2,715.89	6,318.59	939,926.37	
23	2015 Nov	939,926.37	3,476.44	2,842.15	6,318.59	937,084.22	
24	2015 Dec	937,084.22	3,581.46	2,737.13	6,318.59	934,347.09	
25	2016 Jan	934,347.09	3,571.00	2,747.59	6,318.59	931,599.50	
26	2016 Feb	931,599.50	3,215.93	3,102.66	6,318.59	928,496.84	
27	2016 Mar	928,496.84	3,548.64	2,769.95	6,318.59	925,726.89	
28	2016 Apr	925,726.89	3,423.92	2,894.67	6,318.59	922,832.22	
29	2016 May	922,832.22	3,526.99	2,791.60	6,318.59	920,040.62	
30	2016 June	920,040.62	3,402.89	2,915.70	6,318.59	917,124.92	
31	2016 July	917,124.92	3,505.18	2,813.41	6,318.59	914,311.51	
32	2016 Aug	914,311.51	3,494.42	2,824.17	6,318.59	911,487.34	
33	2016 Sept	911,487.34	3,371.25	2,947.34	6,318.59	908,540.00	
34	2016 Oct	908,540.00	3,472.37	2,846.22	6,318.59	905,693.78	
35	2016 Nov	905,693.78	3,349.83	2,968.76	6,318.59	902,725.02	
36	2016 Dec	902,725.02	3,450.14	2,868.45	6,318.59	899,856.57	
37	2017 Jan	899,856.57	3,439.18	2,879.41	6,318.59	896,977.15	
38	2017 Feb	896,977.15	3,096.41	3,222.18	6,318.59	893,754.98	
39	2017 Mar	893,754.98	3,415.86	2,902.73	6,318.59	890,852.25	
40	2017 Apr	890,852.25	3,294.93	3,023.66	6,318.59	887,828.59	
41	2017 May	887,828.59	3,393.21	2,925.38	6,318.59	884,903.21	
42	2017 June	884,903.21	3,272.93	3,045.66	6,318.59	881,857.55	
43	2017 July	881,857.55	3,370.39	2,948.20	6,318.59	878,909.34	
44	2017 Aug	878,909.34	3,359.12	2,959.47	6,318.59	875,949.87	
45	2017 Sept	875,949.87	3,239.81	3,078.78	6,318.59	872,671.10	
46	2017 Oct	872,671.10	3,336.04	2,982.55	6,318.59	869,898.55	
47	2017 Nov	869,898.55	3,217.40	3,101.19	6,318.59	866,787.36	
48	2017 Dec	866,787.36	3,312.79	3,005.80	6,318.59	863,781.56	
49	2018 Jan	863,781.56	3,301.30	3,017.29	6,318.59	860,764.27	
50	2018 Feb	860,764.27	2,971.41	3,347.18	6,318.59	857,417.08	
51	2018 Mar	857,417.08	3,270.98	3,041.61	6,318.59	854,375.47	
52	2018 Apr	854,375.47	3,180.02	3,158.57	6,318.59	851,216.90	
53	2018 May	851,216.90	3,253.28	3,065.31	6,318.59	848,151.59	

		Opening Liability	Interest Component	Principal Resolution	Payment	Closing Liability
54	2018 June	948,151.59	3,137.00	3,181.59	8,318.59	944,970.00
55	2018 July	944,970.00	3,229.41	3,089.18	6,318.59	941,880.62
56	2018 Aug	941,880.82	3,217.60	3,100.99	6,318.59	938,779.83
57	2018 Sept	938,779.83	3,102.34	3,216.25	6,318.59	935,563.57
58	2018 Oct	935,563.57	3,193.46	3,125.13	6,318.59	932,438.44
59	2018 Nov	932,438.44	3,078.88	3,239.71	6,318.59	929,198.73
60	2018 Dec	929,198.73	3,169.13	3,149.46	6,318.59	926,049.27
61	2019 Jan	926,049.27	3,157.09	3,161.50	6,318.59	922,887.71
62	2019 Feb	922,887.77	2,840.85	3,477.94	6,318.59	919,409.83
63	2019 Mar	919,409.83	3,131.72	3,186.87	6,318.59	916,222.96
84	2019 Apr	916,222.96	3,018.91	3,299.68	6,318.59	912,923.28
65	2019 May	912,923.28	3,106.93	3,211.66	6,318.59	909,711.61
66	2019 June	909,711.61	2,994.82	3,323.77	6,318.59	906,387.85
67	2019 July	906,387.85	3,081.95	3,236.64	6,318.59	903,151.21
88	2019 Aug	903,151.21	3,069.58	3,249.01	6,318.59	799,902.19
69	2019 Sept	799,902.19	2,958.54	3,360.05	6,318.59	796,542.15
70	2019 Oct	796,542.15	3,044.32	3,274.27	6,318.59	793,267.89
71	2019 Nov	793,267.89	2,934.00	3,384.59	6,318.59	789,983.29
72	2019 Dec	789,983.29	3,018.67	3,299.72	6,318.59	786,533.57
73	2020 Jan	786,533.57	3,006.26	3,312.33	6,318.59	783,271.24
74	2020 Feb	783,271.24	2,703.90	3,614.69	6,318.59	779,656.54
75	2020 Mar	779,656.54	2,979.78	3,338.81	6,318.59	776,317.73
76	2020 Apr	770,312.73	2,871.31	3,447.28	6,318.59	772,870.46
77	2020 May	772,870.48	2,953.85	3,364.74	6,318.59	769,505.71
78	2020 June	769,505.71	2,848.12	3,472.47	6,318.59	766,033.24
79	2020 July	766,033.24	2,927.72	3,390.87	6,318.59	762,642.37
80	2020 Aug	762,642.37	2,914.76	3,403.83	6,318.59	759,238.53
81	2020 Sept	759,238.53	2,908.14	3,510.45	6,318.59	755,728.09
82	2020 Oct	755,728.09	2,898.33	3,430.26	6,318.59	752,207.83
83	2020 Nov	752,297.63	2,782.47	3,538.12	6,318.59	748,761.71
84	2020 Dec	748,761.71	2,881.71	3,458.65	6,318.59	745,304.82
85	2021 Jan	745,304.82	2,848.49	3,470.10	6,318.59	741,634.73
86	2021 Feb	741,634.73	2,560.85	3,757.74	6,318.59	738,076.99
87	2021 Mar	738,076.99	2,820.87	3,497.72	6,318.59	734,579.27
88	2021 Apr	734,579.27	2,716.94	3,601.65	6,318.59	730,977.62
89	2021 May	730,977.62	2,793.74	3,524.65	6,318.59	727,452.78
90	2021 June	727,452.76	2,690.58	3,628.01	6,318.59	723,824.75
91	2021 July	723,824.75	2,766.40	3,552.19	6,318.59	720,272.56
92	2021 Aug	720,272.56	2,752.82	3,565.77	6,318.59	716,706.79
93	2021 Sept	716,706.79	2,950.83	3,687.78	6,318.59	713,039.04
94	2021 Oct	713,039.04	2,725.16	3,593.41	6,318.59	709,445.62
95	2021 Nov	709,445.62	2,623.98	3,694.61	6,318.59	705,751.01
96	2021 Dec	705,751.01	2,697.32	3,621.27	6,318.59	702,129.74
97	2022 Jan	702,129.24	2,683.48	3,235.11	6,318.59	698,494.64
98	2022 Feb	698,494.54	2,411.24	3,907.35	6,318.59	694,587.29
99	2022 Mar	694,587.29	2,854.68	3,663.93	6,318.59	690,923.36
100	2022 Apr	690,923.35	2,555.47	3,763.12	6,318.59	687,160.23
101	2022 May	687,160.23	2,626.27	3,692.32	6,318.59	683,457.91
102	2022 June	683,487.91	2,527.90	3,790.69	6,318.59	679,677.22
103	2022 July	679,677.22	2,597.67	3,720.92	6,318.59	675,956.30
104	2022 Aug	675,956.30	2,583.45	3,735.14	6,318.59	672,221.16
105	2022 Sept	672,221.15	2,486.30	3,632.29	6,318.59	668,388.87
106	2022 Oct	668,389.67	2,254.53	3,764.06	6,318.59	664,624.80
107	2022 Nov	664,624.80	2,458.20	3,860.39	6,318.59	660,764.41
108	2022 Dec	660,764.41	2,525.39	3,793.20	6,318.59	656,971.21
109	2023 Jan	656,271.21	2,510.89	3,807.70	6,318.59	653,163.51
110	2023 Feb	653,163.51	2,254.76	4,063.83	6,318.59	649,099.68
111	2023 Mar	649,099.68	2,480.81	3,837.75	6,318.59	645,281.89
112	2023 Apr	645,261.89	2,385.59	3,932.00	6,318.59	641,329.89
113	2023 May	641,329.89	2,451.11	3,867.46	6,318.59	637,462.41
114	2023 June	637,462.41	2,357.74	3,960.65	6,318.59	633,501.59
115	2023 July	633,501.58	2,421.19	3,897.40	6,318.59	629,604.18
116	2023 Aug	629,604.18	2,406.30	3,912.29	6,318.59	625,691.88
117	2023 Sept	625,691.88	2,314.20	4,004.39	6,318.59	621,887.48
118	2023 Oct	621,687.46	2,376.04	3,942.55	6,318.59	617,744.92
119	2023 Nov	617,744.92	2,284.81	4,033.78	6,318.59	613,711.14
120	2023 Dec	613,711.14	2,345.55	3,973.04	6,318.59	609,738.11
121	2024 Jan	609,738.11	2,330.37	3,968.22	6,318.59	605,749.89
122	2024 Feb	605,749.69	2,091.08	4,227.51	6,318.59	601,522.38
123	2024 Mar	601,522.38	2,298.97	4,019.62	6,318.59	597,502.76
124	2024 Apr	597,502.76	2,209.94	4,108.65	6,318.59	593,394.11
125	2024 May	593,394.11	2,257.90	4,050.69	6,318.59	589,343.42
126	2024 June	589,343.42	2,179.76	4,138.83	6,318.59	585,204.60
127	2024 July	585,204.60	2,236.60	4,081.99	6,318.59	581,122.61
128	2024 Aug	581,122.61	2,221.00	4,097.59	6,318.59	577,025.02
129	2024 Sept	577,025.02	2,134.20	4,184.39	6,318.59	572,840.63
130	2024 Oct	572,840.53	2,189.35	4,129.24	6,318.59	568,711.29

		Opening Liability	Interest Component	Principal Resolution	Payment	Closing Liability
131	2024 Nov	568,711.39	2,103.45	4,215.14	6,318.59	564,496.28
132	2024 Dec	564,496.28	2,157.46	4,161.13	6,318.59	560,335.13
133	2025 Jan	560,335.13	2,141.55	4,177.04	6,318.59	558,158.09
134	2025 Feb	558,158.09	1,919.89	4,398.70	6,318.59	551,759.39
135	2025 Mar	551,759.39	2,108.78	4,208.81	6,318.59	547,549.58
136	2025 Apr	547,549.56	2,025.18	4,293.41	6,318.59	543,258.17
137	2025 May	543,256.17	2,078.28	4,242.31	6,318.59	539,013.28
138	2025 June	539,013.68	1,993.61	4,324.98	6,318.59	534,688.88
139	2025 July	534,888.88	2,043.54	4,275.05	6,318.59	530,413.63
140	2025 Aug	530,413.83	2,027.20	4,291.39	6,318.59	526,122.44
141	2025 Sept	526,122.44	1,945.43	4,372.66	6,318.59	521,749.78
142	2025 Oct	521,749.78	1,994.07	4,324.51	6,318.59	517,425.28
143	2025 Nov	517,425.28	1,913.76	4,404.53	6,318.59	513,020.45
144	2025 Dec	513,020.45	1,960.72	4,357.87	6,318.59	508,662.58
145	2026 Jan	508,662.58	1,944.07	4,374.52	6,318.59	504,288.06
146	2026 Feb	504,288.00	1,740.83	4,577.75	6,318.59	499,710.30
147	2026 Mar	499,710.30	1,909.85	4,408.74	6,318.59	495,301.56
148	2026 Apr	495,301.56	1,831.94	4,486.65	6,318.59	490,814.91
149	2026 May	490,814.91	1,875.85	4,442.74	6,318.59	488,372.17
150	2026 June	488,372.17	1,798.91	4,519.63	6,318.59	481,852.49
151	2026 July	481,852.49	1,841.60	4,478.99	6,318.59	477,375.50
152	2026 Aug	477,375.50	1,824.49	4,494.10	6,318.59	472,881.40
153	2026 Sept	472,881.40	1,749.01	4,569.56	6,318.59	468,311.83
154	2026 Oct	468,311.83	1,769.85	4,528.74	6,318.59	463,783.09
155	2026 Nov	463,783.09	1,715.36	4,603.23	6,318.59	459,179.88
156	2026 Dec	459,179.66	1,754.95	4,583.64	6,318.59	454,616.22
157	2027 Jan	454,616.22	1,737.51	4,581.08	6,318.59	450,035.13
158	2027 Feb	450,035.13	1,553.55	4,765.04	6,318.59	445,270.09
159	2027 Mar	445,270.09	1,701.79	4,616.80	6,318.59	440,653.26
160	2027 Apr	440,253.28	1,629.81	4,688.78	6,318.59	435,964.51
161	2027 May	435,964.51	1,688.22	4,652.37	6,318.59	431,312.14
162	2027 June	431,312.14	1,595.26	4,723.33	6,318.59	426,588.81
163	2027 July	426,586.81	1,630.39	4,688.20	6,318.59	421,900.81
164	2027 Aug	421,900.61	1,612.47	4,706.12	6,318.59	417,194.49
165	2027 Sept	417,194.49	1,543.05	4,775.54	6,318.59	412,418.95

B. Graphic Arts Industry Multi-Employer Pension Withdrawal Liability

See next pages.

Akron - Multi-employer Pension Withdrawal liability

Graphic Arts Industry

Total payments 254,000.00

Discount rate 4.50%

Quarterly payments

Payments over 20 years

Jan	92
Apr	89
July	92
Oct	92
	365

		Opening Liability	Interest Component	Principal Reduction	Payment	Closing Liability
1	2014 Jan	166,400.00	1,887.39	1,287.61	3,175.00	165,112.39
2	2014 Apr	165,112.39	1,872.78	1,302.22	3,175.00	163,810.17
3	2014 July	163,810.17	1,858.01	1,316.99	3,175.00	162,493.18
4	2014 Oct	162,493.18	1,843.07	1,331.93	3,175.00	161,161.25
5	2015 Jan	161,161.25	1,827.97	1,347.03	3,175.00	159,814.22
6	2015 Apr	159,814.22	1,812.69	1,362.31	3,175.00	158,451.91
7	2015 July	158,451.91	1,797.24	1,377.76	3,175.00	157,074.14
8	2015 Oct	157,074.14	1,781.61	1,393.39	3,175.00	155,680.75
9	2016 Jan	155,680.75	1,765.80	1,409.20	3,175.00	154,271.55
10	2016 Apr	154,271.55	1,749.82	1,425.18	3,175.00	152,846.37
11	2016 July	152,846.37	1,733.65	1,441.35	3,175.00	151,405.03
12	2016 Oct	151,405.03	1,717.31	1,457.69	3,175.00	149,947.33
13	2017 Jan	149,947.33	1,700.77	1,474.23	3,175.00	148,473.11
14	2017 Apr	148,473.11	1,684.05	1,490.95	3,175.00	146,982.16
15	2017 July	146,982.16	1,667.14	1,507.86	3,175.00	145,474.30
16	2017 Oct	145,474.30	1,650.04	1,524.96	3,175.00	143,949.33
17	2018 Jan	143,949.33	1,632.74	1,542.26	3,175.00	142,407.07
18	2018 Apr	142,407.07	1,615.25	1,559.75	3,175.00	140,847.32
19	2018 July	140,847.32	1,597.56	1,577.44	3,175.00	139,269.88
20	2018 Oct	139,269.88	1,579.66	1,595.34	3,175.00	137,674.54
21	2019 Jan	137,674.54	1,561.57	1,613.43	3,175.00	136,061.11
22	2019 Apr	136,061.11	1,543.27	1,631.73	3,175.00	134,429.38
23	2019 July	134,429.38	1,524.76	1,650.24	3,175.00	132,779.14
24	2019 Oct	132,779.14	1,506.04	1,668.96	3,175.00	131,110.18
25	2020 Jan	131,110.18	1,487.11	1,687.89	3,175.00	129,422.30
26	2020 Apr	129,422.30	1,467.97	1,707.03	3,175.00	127,715.26
27	2020 July	127,715.26	1,448.61	1,726.39	3,175.00	125,988.87
28	2020 Oct	125,988.87	1,429.02	1,745.98	3,175.00	124,242.89
29	2021 Jan	124,242.89	1,409.22	1,765.78	3,175.00	122,477.11
30	2021 Apr	122,477.11	1,389.19	1,785.81	3,175.00	120,691.31
31	2021 July	120,691.31	1,368.94	1,806.06	3,175.00	118,885.24
32	2021 Oct	118,885.24	1,348.45	1,826.55	3,175.00	117,058.70
33	2022 Jan	117,058.70	1,327.73	1,847.27	3,175.00	115,211.43
34	2022 Apr	115,211.43	1,306.78	1,868.22	3,175.00	113,343.21

Akron - Multi-employer Pension Withdrawal liability

Graphic Arts Industry

Total payments 254,000.00

Discount rate 4.50%

Quarterly payments

Payments over 20 years

Jan	92
Apr	89
July	92
Oct	92
	365

		Opening Liability	Interest Component	Principal Reduction	Payment	Closing Liability
35	2022 July	113,343.21	1,285.59	1,889.41	3,175.00	111,453.80
36	2022 Oct	111,453.80	1,264.16	1,910.84	3,175.00	109,542.96
37	2023 Jan	109,542.96	1,242.49	1,932.51	3,175.00	107,610.45
38	2023 Apr	107,610.45	1,220.57	1,954.43	3,175.00	105,656.02
39	2023 July	105,656.02	1,198.40	1,976.60	3,175.00	103,679.42
40	2023 Oct	103,679.42	1,175.98	1,999.02	3,175.00	101,680.40
41	2024 Jan	101,680.40	1,153.31	2,021.69	3,175.00	99,658.71
42	2024 Apr	99,658.71	1,130.38	2,044.62	3,175.00	97,614.08
43	2024 July	97,614.08	1,107.18	2,067.82	3,175.00	95,546.27
44	2024 Oct	95,546.27	1,083.73	2,091.27	3,175.00	93,455.00
45	2025 Jan	93,455.00	1,060.01	2,114.99	3,175.00	91,340.01
46	2025 Apr	91,340.01	1,036.02	2,138.98	3,175.00	89,201.03
47	2025 July	89,201.03	1,011.76	2,163.24	3,175.00	87,037.79
48	2025 Oct	87,037.79	987.22	2,187.78	3,175.00	84,850.01
49	2026 Jan	84,850.01	962.41	2,212.59	3,175.00	82,637.42
50	2026 Apr	82,637.42	937.31	2,237.69	3,175.00	80,399.73
51	2026 July	80,399.73	911.93	2,263.07	3,175.00	78,136.66
52	2026 Oct	78,136.66	886.26	2,288.74	3,175.00	75,847.92
53	2027 Jan	75,847.92	860.30	2,314.70	3,175.00	73,533.23
54	2027 Apr	73,533.23	834.05	2,340.95	3,175.00	71,192.27
55	2027 July	71,192.27	807.50	2,367.50	3,175.00	68,824.77
56	2027 Oct	68,824.77	780.64	2,394.36	3,175.00	66,430.41
57	2028 Jan	66,430.41	753.48	2,421.52	3,175.00	64,008.90
58	2028 Apr	64,008.90	726.02	2,448.98	3,175.00	61,559.92
59	2028 July	61,559.92	698.24	2,476.76	3,175.00	59,083.16
60	2028 Oct	59,083.16	670.15	2,504.85	3,175.00	56,578.31
61	2029 Jan	56,578.31	641.74	2,533.26	3,175.00	54,045.04
62	2029 Apr	54,045.04	613.00	2,562.00	3,175.00	51,483.05
63	2029 July	51,483.05	583.94	2,591.06	3,175.00	48,891.99
64	2029 Oct	48,891.99	554.56	2,620.44	3,175.00	46,271.55
65	2030 Jan	46,271.55	524.83	2,650.17	3,175.00	43,621.38
66	2030 Apr	43,621.38	494.77	2,680.23	3,175.00	40,941.16
67	2030 July	40,941.16	464.37	2,710.63	3,175.00	38,230.53
68	2030 Oct	38,230.53	433.63	2,741.37	3,175.00	35,489.16

Akron - Multi-employer Pension Withdrawal liability

Graphic Arts Industry

Total payments 254,000.00

Discount rate 4.50%

Quarterly payments

Payments over 20 years

Jan	92
Apr	89
July	92
Oct	92
	<hr/>
	365

		Opening Liability	Interest Component	Principal Reduction	Payment	Closing Liability
69	2031 Jan	35,489.16	402.53	2,772.47	3,175.00	32,716.69
70	2031 Apr	32,716.69	371.09	2,803.91	3,175.00	29,912.78
71	2031 July	29,912.78	339.28	2,835.72	3,175.00	27,077.07
72	2031 Oct	27,077.07	307.12	2,867.88	3,175.00	24,209.19
73	2032 Jan	24,209.19	274.59	2,900.41	3,175.00	21,308.75
74	2032 Apr	21,308.78	241.69	2,933.31	3,175.00	18,375.47
75	2032 July	16,375.47	208.42	2,968.58	3,175.00	15,408.89
76	2032 Oct	15,408.89	174.77	3,000.23	3,175.00	12,408.67
77	2033 Jan	12,408.67	140.74	3,034.25	3,175.00	9,374.41
78	2033 Apr	9,374.41	106.33	3,068.67	3,175.00	6,305.74
79	2033 July	6,305.74	71.52	3,103.49	3,175.00	3,202.27
80	2033 Oct	3,202.27	36.32	3,138.69	3,175.00	63.59
			87,663.59	166,336.41	254,000.00	

Graphics Communications Multi-employer Pension Withdrawal Liability

See next pages.

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments	147,302.40
Discount rate	4.5%
Monthly payments	
Payments over 20 years	
Apr	30
May	31
June	30
July	31
Aug	31
Sept	30
Oct	31
Nov	30
Dec	31
Jan	31
Feb	28
Mar	31
	365

		Opening Liability	Interest Component	Principal Reduction	Payment	Closing Liability
1	2014 Apr	97,000.00	358.77	254.99	613.76	96,745.01
2	2014 May	96,745.01	369.76	244.01	613.76	96,501.00
3	2014 June	96,501.00	356.92	256.84	613.76	96,244.16
4	2014 July	96,244.16	367.84	245.92	613.76	95,998.24
5	2014 Aug	95,998.24	366.90	246.86	613.76	95,751.37
6	2014 Sept	95,751.37	354.15	259.61	613.76	95,491.76
7	2014 Oct	95,491.76	364.96	248.80	613.76	95,242.97
8	2014 Nov	95,242.97	352.27	261.49	613.76	94,981.47
9	2014 Dec	94,981.47	363.01	250.75	613.76	94,730.73
10	2015 Jan	94,730.73	362.05	251.71	613.76	94,479.02
11	2015 Feb	94,479.02	326.15	287.61	613.76	94,191.41
12	2015 Mar	94,191.41	359.99	253.77	613.76	93,937.64
13	2015 Apr	93,937.64	347.44	266.32	613.76	93,671.32
14	2015 May	93,671.32	358.00	255.76	613.76	93,415.56
15	2015 June	93,415.56	345.51	268.25	613.76	93,147.31
16	2015 July	93,147.31	356.00	257.76	613.76	92,889.55
17	2015 Aug	92,889.55	355.02	258.74	613.76	92,630.81
18	2015 Sept	92,630.81	342.61	271.15	613.76	92,359.66
19	2015 Oct	92,359.66	352.99	260.77	613.76	92,098.89
20	2015 Nov	92,098.89	340.64	273.12	613.76	91,825.77

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
21	2015 Dec	91,825.77	350.95	262.81	613.76	91,562.96
22	2016 Jan	91,562.96	349.95	263.81	613.76	91,299.14
23	2016 Feb	91,299.14	315.17	298.59	613.76	91,000.55
24	2016 Mar	91,000.55	347.80	265.96	613.76	90,734.59
25	2016 Apr	90,734.59	335.59	278.17	613.76	90,456.42
26	2016 May	90,456.42	345.72	268.04	613.76	90,188.38
27	2016 June	90,188.38	333.57	280.19	613.76	89,908.19
28	2016 July	89,908.19	343.62	270.14	613.76	89,638.06
29	2016 Aug	89,638.06	342.59	271.17	613.76	89,366.88
30	2016 Sept	89,366.88	330.54	283.22	613.76	89,083.66
31	2016 Oct	89,088.66	340.47	273.29	613.76	88,810.37
32	2016 Nov	88,810.37	328.48	285.28	613.76	88,525.09
33	2016 Dec	88,525.09	338.34	275.42	613.76	88,249.66
34	2017 Jan	88,249.66	337.28	276.48	613.76	87,973.19
35	2017 Feb	87,973.19	303.69	310.07	613.76	87,663.11
36	2017 Mar	87,663.11	335.04	278.72	613.76	87,384.39
37	2017 Apr	87,384.39	323.20	290.56	613.76	87,093.84
38	2017 May	87,093.84	332.87	280.89	613.76	86,812.94
39	2017 June	86,812.94	321.09	292.67	613.76	86,520.27
40	2017 July	86,520.27	330.67	283.09	613.76	86,237.19
41	2017 Aug	86,237.19	329.59	284.17	613.76	85,953.02
42	2017 Sept	85,953.02	317.91	295.85	613.76	85,657.17
43	2017 Oct	85,657.17	327.37	286.39	613.76	85,370.78

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
44	2017 Nov	85,370.78	315.75	298.01	613.76	85,072.77
45	2017 Dec	85,072.77	325.14	288.62	613.76	84,784.16
46	2018 Jan	84,784.16	324.04	289.72	613.76	84,494.42
47	2018 Feb	84,494.43	291.68	322.08	613.76	84,172.35
48	2018 Mar	84,172.35	321.70	292.06	613.76	83,880.29
49	2018 Apr	83,880.29	310.24	303.52	613.76	83,576.78
50	2018 May	83,576.78	319.42	294.34	613.76	83,282.44
51	2018 June	83,282.44	308.03	305.73	613.76	82,976.71
52	2018 July	82,976.71	317.13	296.63	613.76	82,680.08
53	2018 Aug	82,680.08	316.00	297.76	613.76	82,382.32
54	2018 Sept	82,382.32	304.70	309.06	613.76	82,073.26
55	2018 Oct	82,073.26	313.68	300.08	613.76	81,773.18
56	2018 Nov	81,773.18	302.45	311.31	613.76	81,461.86
57	2018 Dec	81,461.86	311.34	302.42	613.76	81,159.44
58	2019 Jan	81,159.44	310.18	303.58	613.76	80,855.87
59	2019 Feb	80,855.87	279.12	334.64	613.76	80,521.23
60	2019 Mar	80,521.23	307.75	306.01	613.76	80,215.21
61	2019 Apr	80,215.21	296.69	317.07	613.76	79,898.14
62	2019 May	79,898.14	305.36	308.40	613.76	79,589.74
63	2019 June	79,589.74	294.37	319.39	613.76	79,270.36
64	2019 July	79,270.36	302.96	310.80	613.76	78,959.56
65	2019 Aug	78,959.56	301.78	311.98	613.76	78,647.58
66	2019 Sept	78,647.58	290.89	322.87	613.76	78,324.71

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
67	2019 Oct	78,324.71	299.35	314.41	613.76	78,010.30
68	2019 Nov	78,010.30	288.53	325.23	613.76	77,685.07
69	2019 Dec	77,685.07	296.91	316.85	613.76	77,368.22
70	2020 Jan	77,368.22	295.69	318.07	613.76	77,050.15
71	2020 Feb	77,050.15	265.98	347.78	613.76	76,702.37
72	2020 Mar	76,702.37	293.15	320.61	613.76	76,381.76
73	2020 Apr	76,81.76	282.51	331.25	613.76	76,050.51
74	2020 May	76,050.51	290.66	323.10	613.76	75,727.41
75	2020 June	75,727.41	280.09	333.67	613.76	75,393.74
76	2020 July	75,393.74	288.15	325.61	613.76	75,068.12
77	2020 Aug	75,068.12	286.90	326.86	613.76	74,741.27
78	2020 Sept	74,741.27	276.44	337.32	613.76	74,403.95
79	2020 Oct	74,403.95	284.37	329.39	613.76	74,074.55
80	2020 Nov	74,074.55	273.97	339.79	613.76	73,734.77
81	2020 Dec	73,734.77	281.81	331.95	613.76	73,402.82
82	2021 Jan	73,402.82	280.54	333.22	613.76	73,069.60
83	2021 Feb	73,069.60	252.24	361.52	613.76	72,708.08
84	2021 Mar	72,708.08	277.88	335.88	613.76	72,372.20
85	2021 Apr	72,372.20	267.68	346.08	613.76	72,026.12
86	2021 May	72,026.12	275.28	338.48	613.76	71,687.64
87	2021 June	71,687.64	265.15	348.61	613.76	71,339.02
88	2021 July	71,339.02	272.65	341.11	613.76	70,997.92
89	2021 Aug	70,997.92	271.35	342.41	613.76	70,655.50

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
90	2021 Sept	70,655.50	261.33	352.43	613.76	70,303.07
91	2021 Oct	70,303.07	268.69	345.07	613.76	69,958.00
92	2021 Nov	69,958.00	258.75	355.01	613.76	69,602.99
93	2021 Dec	69,602.99	266.02	347.74	613.76	69,255.25
94	2022 Jan	69,255.25	264.69	349.07	613.76	68,906.18
95	2022 Feb	68,906.18	237.87	375.89	613.76	68,530.29
96	2022 Mar	68,530.29	261.92	351.84	613.76	68,178.44
97	2022 Apr	68,178.44	252.17	361.59	613.76	67,816.85
98	2022 May	67,816.85	259.19	354.57	613.76	67,462.28
99	2022 June	67,462.28	249.52	364.24	613.76	67,098.04
100	2022 July	67,098.04	256.44	357.32	613.76	66,740.72
101	2022 Aug	66,740.72	255.08	358.68	613.76	66,382.04
102	2022 Sept	66,382.04	245.52	368.24	613.76	66,013.80
103	2022 Oct	66,013.80	252.30	361.46	613.76	65,652.34
104	2022 Nov	65,652.34	242.82	370.94	613.76	65,281.41
105	2022 Dec	65,281.41	249.50	364.26	613.76	64,917.15
106	2023 Jan	64,917.15	248.11	365.65	613.76	64,551.49
107	2023 Feb	64,551.49	222.84	390.92	613.76	64,160.57
108	2023 Mar	64,160.57	245.22	368.54	613.76	63,792.03
109	2023 Apr	63,792.03	235.94	377.82	613.76	63,414.21
110	2023 May	63,414.21	242.36	371.40	613.76	63,042.81
111	2023 June	63,042.81	233.17	380.59	613.76	62,662.22
112	2023 July	62,662.22	239.49	374.27	613.76	62,287.95

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
113	2023 Aug	62,287.95	238.06	375.70	613.76	61,912.25
114	2023 Sept	61,912.25	228.99	384.77	613.76	61,527.48
115	2023 Oct	61,527.48	235.15	378.61	613.76	61,148.88
116	2023 Nov	61,148.88	226.17	387.59	613.76	60,761.28
117	2023 Dec	60,761.28	232.22	381.54	613.76	60,379.75
118	2024 Jan	60,379.75	230.77	382.99	613.76	59,996.76
119	2024 Feb	59,996.76	207.11	406.65	613.76	59,590.11
120	2024 Mar	59,590.11	227.75	386.01	613.76	59,204.10
121	2024 Apr	59,204.10	218.97	394.79	613.76	58,809.31
122	2024 May	58,809.31	224.76	389.00	613.76	58,420.31
123	2024 June	58,420.31	216.08	397.68	613.76	58,022.63
124	2024 July	58,022.63	221.76	392.00	613.76	57,630.63
125	2024 Aug	57,630.63	220.26	393.50	613.76	57,237.13
126	2024 Sept	57,237.13	211.70	402.06	613.76	56,835.07
127	2024 Oct	56,835.07	217.22	396.54	613.76	56,438.52
128	2024 Nov	56,438.52	208.75	405.81	613.76	56,033.51
129	2024 Dec	56,033.51	214.16	399.60	613.76	55,633.90
130	2025 Jan	55,633.90	212.63	401.13	613.76	55,232.77
131	2025 Feb	55,232.77	190.67	423.09	613.76	54,809.68
132	2025 Mar	54,809.68	209.48	404.28	613.76	54,405.40
133	2025 Apr	54,405.40	201.23	412.53	613.76	53,992.86
134	2025 May	53,992.86	205.36	407.40	613.76	53,585.46
135	2025 June	53,585.46	198.19	415.57	613.76	53,169.89

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
136	2025 July	53,169.89	203.21	410.55	613.76	52,795.34
137	2025 Aug	52,759.34	201.64	412.12	613.76	52,347.23
138	2025 Sept	52,347.23	193.61	420.15	613.76	51,927.08
139	2025 Oct	51,927.08	198.46	415.30	613.76	51,511.78
140	2025 Nov	51,511.78	190.52	423.24	613.76	51,088.54
141	2025 Dec	51,088.54	195.26	418.50	613.76	50,670.04
142	2026 Jan	50,600.04	193.66	420.10	613.76	50,249.94
143	2026 Feb	50,249.94	173.47	440.29	613.76	49,809.64
144	2026 Mar	49,809.64	190.37	423.39	613.76	49,386.25
145	2026 Apr	49,386.25	182.66	431.10	613.76	48,955.15
146	2026 May	48,955.15	187.10	426.66	613.76	48,528.49
147	2026 June	48,525.49	179.49	434.27	613.76	48,094.22
148	2026 July	48,094.22	183.81	429.95	613.76	47,664.27
149	2026 Aug	47,664.27	182.17	431.59	613.76	47,232.68
150	2026 Sept	47,232.68	174.70	439.06	613.76	46,793.62
151	2026 Oct	46,793.62	178.84	434.92	613.76	46,358.70
152	2026 Nov	46,358.70	171.46	442.30	613.76	45,916.40
153	2026 Dec	45,916.40	175.49	438.27	613.76	45,478.13
154	2027 Jan	45,478.13	173.81	439.95	613.76	45,038.19
155	2027 Feb	45,038.19	155.47	458.29	613.76	44,579.90
156	2027 Mar	44,579.90	170.38	443.38	613.76	44,136.32
157	2027 Apr	44,136.52	163.24	450.52	613.76	43,686.01
158	2027 May	43,686.01	166.95	446.80	613.76	43,239.21

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
159	2027 June	43,239.21	159.93	453.83	613.76	42,785.38
160	2027 July	42,785.38	163.52	450.24	613.76	42,335.14
161	2027 Aug	42,335.14	161.80	451.96	613.76	41,883.18
162	2027 Sept	41,883.18	154.91	458.85	613.76	41,424.33
163	2027 Oct	41,424.33	158.32	454.44	613.76	40,968.89
164	2027 Nov	40,968.89	151.53	462.23	613.76	40,506.66
165	2027 Dec	40,506.65	154.81	458.95	613.76	40,047.71
166	2028 Jan	40,047.71	153.06	460.70	613.76	39,587.01
167	2028 Feb	39,587.81	136.66	477.10	613.76	39,109.91
168	2028 Mar	39,019.91	149.47	464.29	613.76	38,645.62
169	2028 Apr	38,645.62	142.94	470.82	613.76	38,174.80
170	2028 May	38,174.80	145.90	467.86	613.76	37,706.94
171	2028 June	37,706.94	139.46	470.30	613.76	37,232.64
172	2028 July	37,232.64	142.30	471.46	613.76	36,761.18
173	2028 Aug	36,761.18	140.50	473.26	613.76	36,287.92
174	2028 Sept	36,287.92	134.22	479.54	613.76	35,808.38
175	2028 Oct	35,808.38	136.86	476.90	613.76	35,331.47
176	2028 Nov	35,331.47	130.68	483.08	613.76	34,848.39
177	2028 Dec	34,848.39	133.19	480.57	613.76	34,357.82
178	2029 Jan	34,367.82	131.35	482.41	613.76	33,885.41
179	2029 Feb	33,885.41	116.97	496.79	613.76	33,388.63
180	2029 Mar	33,388.63	127.61	486.15	613.76	32,902.47
181	2029 Apr	32,902.47	121.69	492.07	613.76	32,410.41

Akron - Multi-employer Pension Withdrawal liability

Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
182	2029 May	32,410.41	123.87	489.89	613.76	31,920.52
183	2029 June	31,920.52	118.06	495.70	613.76	31,424.82
184	2029 July	31,424.82	120.10	493.65	613.76	30,931.16
185	2029 Aug	30,931.16	118.22	495.54	613.76	30,435.62
186	2029 Sept	30,435.62	112.57	501.19	613.76	29,934.43
187	2029 Oct	29,934.43	114.41	499.35	613.76	29,435.08
188	2029 Nov	29,435.08	108.87	504.89	613.76	28,930.19
189	2029 Dec	28,930.19	110.57	503.19	613.76	28,427.00
190	2030 Jan	28,427.00	108.65	505.11	613.76	27,921.88
191	2030 Feb	27,921.88	96.39	517.37	613.76	27,404.51
192	2030 Mar	27,404.51	104.74	509.02	613.76	26,895.49
193	2030 Apr	26,895.49	99.48	514.29	613.76	26,381.20
194	2030 May	26,381.20	100.83	512.93	613.76	25,868.27
195	2030 June	25,868.27	95.68	518.08	613.76	25,350.19
196	2030 July	25,350.19	96.89	516.87	613.76	34,833.31
197	2030 Aug	24,833.31	94.91	518.85	613.76	34,314.46
198	2030 Sept	24,314.46	89.93	523.83	613.76	23,790.63
199	2030 Oct	23,790.63	90.93	522.83	613.76	23,267.80
200	2030 Nov	23,267.80	85.06	527.70	613.76	22,740.10
201	2030 Dec	22,740.10	86.91	528.85	613.76	22,213.25
202	2031 Jan	22,213.25	84.90	528.65	613.76	21,684.39
203	2031 Feb	21,684.39	74.85	538.90	613.76	21,245.48
204	2031 Mar	21,145.48	80.82	532.94	613.76	20,612.54

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
205	2031 Apr	20,612.54	76.24	537.52	613.76	20,075.02
206	2031 May	20,075.02	76.73	537.03	613.76	19,537.98
207	2031 June	19,537.98	72.26	541.50	613.76	18,996.49
208	2031 July	18,996.49	72.60	541.16	613.76	18,445.33
209	2031 Aug	18,455.33	70.53	543.23	613.76	17,912.10
210	2031 Sept	17,912.10	68.25	547.51	613.76	17,364.59
211	2031 Oct	17,364.59	66.37	547.39	613.76	16,817.20
212	2031 Nov	16,817.20	62.20	551.56	613.76	16,265.64
213	2031 Dec	16,265.64	62.17	551.59	613.76	15,714.05
214	2032 Jan	15,714.05	60.08	553.70	613.76	15,160.34
215	2032 Feb	15,160.34	52.33	561.43	613.76	14,598.92
216	2032 Mar	14,598.92	55.80	557.96	613.76	14,040.96
217	2032 Apr	14,040.96	51.93	561.83	613.76	13,479.13
218	2032 May	13,479.13	51.52	562.24	613.76	12,916.88
219	2032 June	12,916.88	47.77	565.99	613.76	12,350.90
220	2032 July	12,350.90	47.20	566.56	613.76	11,784.34
221	2032 Aug	11,784.34	45.04	568.72	613.76	11,215.62
222	2032 Sept	11,215.62	41.48	572.28	613.76	10,643.34
223	2032 Oct	10,643.34	40.68	573.08	613.76	10,070.26
224	2032 Nov	10,070.26	37.25	576.51	613.76	9,493.75
225	2032 Dec	9,493.75	36.28	577.48	613.76	8,916.27
226	2033 Jan	8,916.27	34.08	579.68	613.76	8,335.59
227	2033 Feb	8,336.59	28.78	584.98	613.76	7,751.61

Akron - Multi-employer Pension Withdrawal liability
Graphic Communications Conference of International Brotherhood of Teamsters

Total payments		147,302.40				
Discount rate		4.5%				
Monthly payments						
Payments over 20 years						
Apr		30				
May		31				
June		30				
July		31				
Aug		31				
Sept		30				
Oct		31				
Nov		30				
Dec		31				
Jan		31				
Feb		28				
Mar		31				
		365				
228	2033 Mar	7,751.61	29.63	584.13	613.76	7,187.47
229	2033 Apr	7,167.47	26.51	587.25	613.76	6,580.22
230	2033 May	6,580.22	25.15	588.61	613.76	5,991.61
231	2033 June	5,991.61	22.16	591.60	613.76	5,400.01
232	2033 July	5,400.01	20.64	593.12	613.76	4,806.89
233	2033 Aug	4,806.89	18.37	595.39	613.76	4,211.50
234	2033 Sept	4,211.50	15.58	598.18	613.76	3,613.32
235	2033 Oct	3,613.32	13.81	599.95	613.76	3,013.37
236	2033 Nov	3,013.37	11.15	602.61	613.76	2,410.76
237	2033 Dec	2,410.76	9.21	604.55	613.76	1,806.21
238	2034 Jan	1,806.21	6.90	606.86	613.76	1,199.35
239	2034 Feb	1,199.35	4.14	609.62	613.76	589.73
240	2034 Mar	589.73	2.25	611.51	613.76	-21.77
			50,280.63	97,021.77	147,302.40	

PBGC – Liability as at November 30, 2023

Opening Balance	Feb-22	(37,544,852.63)	1.3609	(51,094,789.94)
Pension Contributions		-	1.3515	-
Expense		-	1.3515	-
Interest expense		-	1.3515	-
Reassessment valuation 4.90% to 5.10% Canada		-	1.3515	-
Return on assets greater (less) than discount rate		-	1.3515	-
Obligation remeasurement			1.3515	-
FX Impact				101,371.10
Closing Balance	Nov-23	(37,544,852.63)	1.3582	(50,993,418.84)

Black Press Group Ltd.

Defined Benefit Pension Plan

Liability as at November 30, 2023

Opening Balance	Feb-22	(75,833.21)
Pension Contributions		102,540.00
Expense		-
Interest expense		(2,787.03)
Reassessment valuation 4.90% to 5.10% Canada		171,000.00
Return on assets greater (less) than discount rate		(66,057.48)
Obligation remeasurement		-
FX Impact		
Closing Balance	Nov-23	128,862.28

Ongoing Plan Funding

Black Press has already paid the full 2023 going concern payments while the plan was active. There is no further funding required until the wind-up actuarial valuation report as at December 31, 2023 is prepared to identify the wind-up financial position and the minimum funding requirements based on the 5-year amortization of the wind-up deficit, if any.

APPENDIX B

SISP ORDER

[See attached]

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS
AMENDED

AND

IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"

PETITIONERS

O R D E R MADE AFTER APPLICATION

(SISP APPROVAL ORDER)

BEFORE THE HONOURABLE)
JUSTICE) January 25, 2024
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 25th day of January, 2024 (the "**Order Date**"); AND ON HEARING Vicki Tickle and Jared Enns, counsel for the Petitioners and the non-petitioner affiliates of the Petitioners listed in Schedule "B" hereto (the "**Non-Petitioner Stay Parties**") and collectively with the Petitioners, the "**Black Press Entities**"), and those other counsel listed on Schedule "C" hereto; AND UPON READING the material filed, including the First Affidavit of Christopher Hargreaves made January 12, 2024 (the "**First Hargreaves Affidavit**"), the First Report of KSV Restructuring Inc. in its capacity as monitor of the Petitioners (the "**Monitor**") dated January [●], 2024 (the "**First Report**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.
2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sale and Investment Solicitation Process in respect of the business and assets of the Black Press Entities, in the form attached hereto as Schedule “D” (the “**SISP**”), the Amended and Restated Initial Order of this Court dated January 25, 2024 (the “**ARIO**”), or the First Hargreaves Affidavit, as applicable.

SALE AND INVESTMENT SOLICITATION PROCESS

3. The SISP is hereby approved and the Petitioners and the Monitor are hereby authorized and directed to implement the SISP pursuant to the terms thereof. The Petitioners and the Monitor are hereby authorized and directed to perform their respective obligations and to do all things reasonably necessary to perform their obligations thereunder, subject to prior approval of the Court being obtained before completion of any transaction(s) under the SISP.
4. The Petitioners and the Monitor and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the SISP, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Petitioners or the Monitor, as applicable, in performing their obligations under the SISP, as determined by this Court in a final order that is not subject to appeal or other review.

5. In conducting the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding.

STALKING HORSE PURCHASE AGREEMENT

6. The Petitioners are hereby authorized and empowered to enter into a definitive share purchase and subscription agreement with the Noteholders and CNL or one or more entities to be formed by the Noteholders and CNL (as applicable, the "**Stalking Horse Purchaser**"), which shall be substantially on the terms set out in the Stalking Horse Term Sheet attached as Appendix "A" to the Amended and Restated Transaction Support Agreement attached as Appendix ["●"] to the First Report and satisfactory to the Monitor (the "**Stalking Horse Transaction Agreement**"), such minor amendments as may be acceptable to each of the parties thereto, with the approval of the Monitor; provided that, nothing herein approves the sale and the vesting of any Property to the Stalking Horse Purchaser (or any of its designees) pursuant to the Stalking Horse Transaction Agreement and that the approval of any sale and vesting of any such Property shall be considered by this Court on a subsequent application made to this Court if the transaction set out in the Stalking Horse Transaction Agreement is the Successful Bid pursuant to the SISP.

7. As soon as reasonably practicable following the Petitioners and the Stalking Horse Purchaser executing the Stalking Horse Transaction Agreement, and in any event by no later than seven (7) Business Days prior to the Qualified Bid Deadline under the SISP, the Monitor shall post a copy thereof on its website, and the Petitioners shall: (a) serve a copy thereof on the Service List; and (b) provide a copy thereof to each SISP Participant (as hereinafter defined), excluding from the public record any confidential information that the Petitioners and the Stalking Horse Purchaser, with the consent of the Monitor, agree should be redacted.

BID PROTECTIONS

8. The Bid Protections are hereby approved and, subject to the entry of the Stalking Horse Transaction Agreement, the Petitioners are hereby authorized and directed to pay the Bid Protections to the Stalking Horse Purchaser (or to such other person as it may direct) in the manner and circumstances described in the Stalking Horse Transaction Agreement.

9. The Stalking Horse Purchaser shall be entitled to the benefit of and is hereby granted a charge (the "**Bid Protections Charge**") on the Property, which charge shall not exceed \$1,750,000, as security for payment of the Bid Protections in the manner and circumstances described in the Stalking Horse Transaction Agreement.

10. The filing, registration or perfection of the Bid Protections Charge shall not be required, and that the Bid Protections Charge shall be valid and enforceable for all purposes, including against any right, title or interest filed, registered, recorded or perfected subsequent to the Bid Protections Charge, notwithstanding any such failure to file, register, record or perfect.

11. The Bid Protections Charge shall constitute a charge on the Property and the Bid Protections Charge shall rank in priority to all other Encumbrances in favour of any Person notwithstanding the order of perfection or attachment, other than the Charges.

12. Except for the Charges or as may be approved by this Court on notice to parties in interest, the Petitioners shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Bid Protections Charge, unless the Petitioners also obtain the prior written consent of the Monitor and the Stalking Horse Purchaser.

13. The Bid Protections Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Purchaser in respect of the Bid Protections Charge shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the

declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Petitioners, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Bid Protections Charge nor the execution, delivery, perfection, registration or performance of the Stalking Horse Transaction Agreement shall create or be deemed to constitute a breach by any of the Petitioners of any Agreement to which any of the Petitioners is a party; and
- (b) the payments made by the Petitioners pursuant to this Order, the Stalking Horse Transaction Agreement and the granting of the Bid Protections Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

14. The Bid Protections Charge created by this Order over leases of real property shall only be a charge in the applicable Petitioner’s interest in such real property lease.

15. The Stalking Horse Purchaser, with respect to the Bid Protections Charge only, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the BIA.

PIPEDA

16. Pursuant to section 18(10)(o) of the *Personal Information Protection Act* (British Columbia), and any similar legislation in any other applicable jurisdictions, the Petitioners or the Monitor and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants that are party to a non-disclosure agreement with the Petitioners (each, a “**SISP Participant**”) and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the SISP (a “**Transaction**”). Each SISP Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the SISP Participant’s evaluation for the purpose of effecting a Transaction, and, if a SISP Participant does not complete a Transaction, shall return all such information to the Petitioners or the Monitor, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Petitioners or the Monitor.

GENERAL

17. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Petitioners, 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 Petitioners, the Foreign Representative and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

18. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

19. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

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

Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT

REGISTRAR

SCHEDULE "A"
Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

SCHEDULE "B"
Non-Petitioner Stay Parties

Black Press (Barbados) Ltd.

Whidbey Press (Barbados) Inc.

Black Press Delaware LLC

Black Press Group Oregon LLC

SCHEDULE "C"
LIST OF COUNSEL

Name of Counsel	Party Represented

SCHEDULE "D"
SISP

See attached.

Sale and Investment Solicitation Process

1. On January 15, 2024, the Supreme Court of British Columbia, Vancouver Registry (the “**CCAA Court**”) issued an Order (the “**Initial Order**”) granting certain relief to Black Press Ltd., 311773 B.C. Ltd., Black Press Group Ltd., 0922015 B.C. Ltd., Central Web Offset Ltd., Sound Publishing Holding, Inc., Sound Publishing Properties, Inc., Sound Publishing, Inc., Oahu Publications, Inc., The Beacon Journal Publishing Company, WWA (BPH) Publications, Inc., San Francisco Print Media Co. (collectively, the “**Petitioners**” and together with the Non-Petitioner Stay Parties (the “**Black Press Entities**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**” and the Petitioners proceedings thereunder, the “**CCAA Proceedings**”).
2. Pursuant to the Initial Order, KSV Restructuring Inc. was appointed as monitor (in such capacity, the “**Monitor**”) of the Petitioners in the CCAA Proceedings.
3. Pursuant to proceedings commenced in the United States Bankruptcy Court for the District of Delaware (the “**US Bankruptcy Court**”) under Chapter 15, Title 11, of the United States Code, the Petitioners obtained, among other things, recognition of the CCAA Proceedings.
4. On January 25, 2024, the CCAA Court granted:
 - (i) an Order amending and restating the Initial Order (the “**ARIO**”), and
 - (ii) an Order (the “**SISP Approval Order**”) that, among other things, authorized:
 - (a) the Petitioners to implement a sale and investment solicitation process in respect of the Black Press Entities (the “**SISP**”) in accordance with the terms hereof; (b) the Black Press Entities to negotiate and finalize a definitive Stalking Horse Transaction Agreement (the “**Stalking Horse Bid**”) with the Stalking Horse Purchaser; (c) approved the Bid Protections subject to entry of the Stalking Horse Transaction Agreement; and (d) granted the Bid Protections Charge.
5. Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the ARIO or the SISP Approval Order, as applicable. Copies of the ARIO and the SISP Approval Order can be found at www.ksvadvisory.com/experience/case/black-press (the “**Monitor's Website**”).
6. This SISP sets out the manner in which: (a) binding bids for executable transactions involving the business and/or assets of, or the equity interests in, the Black Press Entities will be solicited from interested parties; (b) any such bids received will be addressed; (c) any Successful Bid (as defined below) will be selected; and (d) CCAA Court approval of any Successful Bid will be sought.
7. The SISP shall be conducted by the Petitioners with the assistance and under the oversight of the Monitor and the Monitor shall be entitled to receive all information in relation to the SISP.
8. Parties who wish to have their bids considered must participate in the SISP.
9. The Black Press Entities and the Monitor, in accordance with section 10 below, shall:

- a) disseminate marketing materials and a process letter to potentially interested parties identified by the Black Press Entities and the Monitor;
 - b) solicit interest from parties with a view to such interested parties entering into non-disclosure agreements (each an “**NDA**”) (parties shall only obtain access to the virtual data room and be permitted to participate in the SISP if they execute an NDA, in form and substance satisfactory to the Black Press Entities; provided that those parties that have already executed a NDA with the Black Press Entities shall not be required to execute a further agreement unless such agreement has expired or will expire during the SISP);
 - c) provide applicable parties who have entered into an NDA with the Black Press Entities access to a virtual data room containing, among other things, diligence information; and
 - d) request that such parties submit a binding offer meeting at least the requirements set forth in Section 11 below, as determined by the Black Press Entities and the Monitor (each a “**Qualified Bid**”), by the Qualified Bid Deadline (as defined below).
10. The SISP shall be conducted subject to the terms hereof and the following key milestones, which milestones may be extended by the Black Press Entities, with the consent of the Monitor and the Stalking Horse Purchaser:¹
- a) the CCAA Court issues the SISP Approval Order by no later than January 25, 2024;
 - b) the Black Press Entities and the Monitor commence the solicitation process by no later than January 25, 2024, it being understood that the Black Press Entities and/or the Monitor shall be at liberty to contact, provide marketing materials and commence discussions with interested parties prior to such date as they consider appropriate;
 - c) deadline to submit a Qualified Bid – 5:00 p.m. Pacific Time on February 16, 2024 (the “**Qualified Bid Deadline**”);

¹ To the extent any dates fall on a non-business day in British Columbia, they shall be deemed to be the first business day thereafter.

- d) deadline to determine whether a bid is a Qualified Bid and, if applicable, to notify those parties who submitted a Qualified Bid of the Auction (as defined below) – by no later than 5:00 p.m. Pacific Time on February 21, 2024;
- e) the Black Press Entities and the Monitor to hold an Auction (if applicable) and select the successful bid(s) (the “**Successful Bid**”) – by no later than 10:00 a.m. Pacific Time on February 26, 2024 (the “**Definitive Agreement Deadline**”);
- f) Transaction Order (as defined below) hearing:
 - o (if there is no Auction) – by no later than March 1, 2024 subject to CCAA Court availability; or
 - o (if there is an Auction) – by no later than March 6, 2024, subject to CCAA Court availability; and
- g) closing of the Successful Bid as soon thereafter as possible and, in any event, by no later than 5:00 p.m. Pacific Time on March 15, 2024 (the “**Outside Date**”).

11. In order to constitute a Qualified Bid, a bid must comply with the following:

- a) it provides for aggregate consideration, payable in cash in full on closing in an amount equal to or greater than (i) all outstanding obligations under the Senior Secured Notes (as defined in the First Hargreaves Affidavit), (ii) all outstanding obligations under the DIP Term Sheet, (iii) any obligations in priority to amounts owing under the DIP Term Sheet, including any Charges, (iv) the amount of \$500,000 to fund any professional fees incurred in connection with the wind-up of the Petitioners’ CCAA proceedings and any further proceedings or wind-up costs; and (v) the amount of \$1,750,000 to satisfy the Bid Protections (the “**Consideration Value**”), and provides a detailed sources schedule that identifies, with specificity, the composition of the Consideration Value and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or being excluded;
- b) it contemplates closing of the proposed transaction by not later than the Outside Date;
- c) it contains:
 - i. duly executed binding definitive transaction document(s);
 - ii. the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of each of its equityholder(s);
 - iii. a redline to the Stalking Horse Transaction Agreement posted in the virtual data room;
 - iv. evidence of authorization and approval from the bidder’s board of directors (or equivalent governing body) and, if necessary to complete the transaction, the bidder’s equityholder(s);

- v. disclosure of any past or current connections or agreements with the Black Press Entities or any of their affiliates, any known, potential, prospective bidder, or any current or former officer, manager, director, member or known current or former equity security holder of any of the Black Press Entities or any of their affiliates;
 - vi. such other information reasonably requested by the Black Press Entities or the Monitor;
 - vii. indicates whether any Transaction Order (as defined below) approving the bid will require recognition from the US Bankruptcy Court;
- d) it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until closing of the Successful Bid; provided, that if such bid is not selected as the Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid (such bid, the “**Back-Up Bid**”) it shall only remain irrevocable until selection of the Successful Bid;
- e) it provides that the bid will serve as a Back-Up Bid if it is not selected as the Successful Bid and if selected as the Back-Up Bid it will remain irrevocable until the earlier of: (i) closing of the Successful Bid; or (ii) closing of the Back-Up Bid;
- f) it provides written evidence of a bidder’s ability to fully fund and consummate the transaction (and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid;
- g) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- h) it is not conditional upon:
- i. approval from the bidder’s board of directors (or equivalent governing body) or equityholder(s);
 - ii. the outcome of any unperformed due diligence by the bidder; or
 - iii. the bidder obtaining financing;
- i) it includes acknowledgments and representations that the bidder: (i) has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid; (ii) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Black Press Entities, the Monitor and their respective employees, officers, directors, agents, advisors and other representatives, regarding the proposed transactions, this SISF, or any information (or the

completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents; (iii) is making its bid on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Black Press Entities, the Monitor or any of their respective employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transactions documents; (iv) is bound by this SISP and the SISP Approval Order; and (v) is subject to the exclusive jurisdiction of the CCAA Court with respect to any disputes or other controversies arising under or in connection with the SISP or its bid;

- j) it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the transaction (including the anticipated timing necessary to obtain such approvals);
 - k) it includes full details of the bidder’s intended treatment of the Petitioners’ employees, customers, contracts, collective bargaining agreements, pension and benefit obligations and vendors under the proposed bid;
 - l) it is accompanied by a cash deposit (the “**Deposit**”) paid by wire transfer of immediately available funds in an amount equal to at least 10% of the Consideration Value, which Deposit shall be retained by the Monitor in an interest-bearing trust account in accordance with the terms hereof;
 - m) it includes a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
 - n) it is received by the Black Press Entities, with a copy the Monitor, by the Qualified Bid Deadline at the email addresses specified on Schedule “A” hereto.
12. The Black Press Entities, with the consent of the Monitor, may in their sole discretion waive compliance with any one or more of the requirements specified in Section 11 above and deem a non-compliant bid to be a Qualified Bid, provided that requirements 11(a), 11(b) and 11(l) may not be waived without the consent of the Stalking Horse Bidder.
13. Notwithstanding the requirements specified in Section 11 above, the transaction contemplated by the Stalking Horse Transaction Agreement (the “**Stalking Horse Bid**”), is deemed to be a Qualified Bid, provided that, for greater certainty, no Deposit shall be required to be submitted in connection with the Stalking Horse Bid.
14. If one or more Qualified Bids (other than the Stalking Horse Bid) has been received by the Black Press Entities on or before the Qualified Bid Deadline, the Black Press Entities shall proceed with an auction process to determine the successful bid(s) (the “**Auction**”), which Auction shall be administered in accordance with Schedule “B” hereto. The successful bid(s) selected pursuant to the Auction shall constitute the “**Successful Bid(s)**”. Forthwith upon determining to proceed with an Auction, the Black Press Entities shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Bid) of which Qualified Bid is the highest or otherwise best bid (as determined by the Black Press Entities, in consultation with the Monitor) along with a copy of such bid.

15. If by the Qualified Bid Deadline, no Qualified Bid (other than the Stalking Horse Bid) has been received by the Black Press Entities, then the Stalking Horse Bid shall be deemed the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Transaction Agreement.
16. Following selection of a Successful Bid, if any, the Black Press Entities, with the assistance of its advisors, and in consultation with the Monitor, shall seek to finalize any remaining necessary definitive agreement(s) with respect to the Successful Bid in accordance with the milestones set out in Section 10. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the Black Press Entities in consultation with the Monitor, the Petitioners shall apply to the CCAA Court for an order or orders approving such Successful Bid and/or the mechanics to authorize the Petitioners to complete the transactions contemplated thereby, as applicable, and authorizing the Petitioners to: (a) enter into any and all necessary agreements and related documentation with respect to the Successful Bid; (b) undertake such other actions as may be necessary to give effect to such Successful Bid; and (c) implement the transaction(s) contemplated in such Successful Bid (each, a "**Transaction Order**"). If the Successful Bid is not consummated in accordance with its terms, the Black Press Entities shall be authorized, but not required, to elect that the Back-Up Bid (if any) is the Successful Bid.
17. The highest Qualified Bid may not necessarily be accepted by the Black Press Entities. The Black Press Entities, with the written consent of the Monitor, reserve the right not to accept any Qualified Bid or to otherwise terminate the SISP. The Black Press Entities, with the written consent of the Monitor, reserve the right to deal with one or more Qualified Bidders to the exclusion of others, to accept a Qualified Bid for different parts of the Black Press Entities business and assets or to accept multiple Qualified Bids and enter into definitive agreements in respect of all such bids, provide that the aggregate of such Qualified Bids satisfies the requirements of Section 11(a) and (b).
18. If a Successful Bid is selected and a Transaction Order authorizing the consummation of the transaction contemplated thereunder is granted by the Court, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a Qualified Bid that is not selected as a Successful Bid will be returned to the applicable bidder as soon as reasonably practicable (but not later than ten (10) business days) after the date upon which the Successful Bid is approved pursuant to a Transaction Order or such earlier date as may be determined by the Black Press Entities, in consultation with the Monitor; provided, the Deposit in respect of the Back-Up Bid shall not be returned to the applicable bidder until the closing of the Successful Bid.
19. The Black Press Entities shall be permitted, in their discretion, to provide general updates and information in respect of the SISP to legal counsel to any creditor (each a "**Creditor**") on a confidential basis, upon: (a) irrevocable confirmation in writing from such counsel that the applicable Creditor will not submit any bid in the SISP; and (b) counsel to such Creditor entering into confidentiality arrangements with the Black Press Entities, in form and substance satisfactory to the Black Press Entities and the Monitor.
20. The Interim Lender shall only be entitled to the consultation rights specified herein in its favour and confidential updates and information from the Black Press Entities and the

Monitor in respect of the SISP, including copies of any Qualified Bids, upon the Interim Lender (in its capacity as Stalking Horse Bidder) irrevocably confirming in writing to the Petitioners and the Monitor that it will not submit any bid in the SISP except for the Stalking Horse Agreement and will not participate in the Auction.

21. Any amendments to this SISP may only be made by the Black Press Entities with the written consent of the Monitor and the Interim Lender or by further order of the court.

SCHEDULE "A": E-MAIL ADDRESSES FOR DELIVERY OF BIDS

To the counsel for the Black Press Entities:

vtickle@cassels.com; jenns@cassels.com; rjacobs@cassels.com; jbello@cassels.com;
jbornstein@cassels.com

and with a copy to the Monitor:

ngoldstein@ksvadvisory.com; jknights@ksvadvisory.com; ebrenner@ksvadvisory.com

SCHEDULE “B”: AUCTION PROCEDURES

1. **Auction.** If the Black Press Entities receive at least one Qualified Bid (other than the Stalking Horse Bid), the Black Press Entities will conduct and administer the Auction in accordance with the terms of the SISP. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.

2. **Participation.** Only parties that provided a Qualified Bid by the Qualified Bid Deadline, including, for greater certainty, the Stalking Horse Bid (collectively, the “**Qualified Parties**” and each a “**Qualified Party**”), shall be eligible to participate in the Auction. No later than 5:00 p.m. Pacific Time on the day prior to the Auction, each Qualified Party must inform the Black Press Entities and the Monitor in writing whether it intends to participate in the Auction. The Black Press Entities will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party (including the Stalking Horse Purchaser) provides such expression of intent, the highest or otherwise best Qualified Bid as determined by the Black Press Entities, in consultation with the Monitor, shall be designated as the Successful Bid (as defined below).

3. **Auction Procedures.** The Auction shall be governed by the following procedures:

- a. **Attendance.** Only the Black Press Entities, the Qualified Parties and the Monitor, and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any Overbids (as defined below) at the Auction;
- b. **No Collusion.** Each Qualified Party participating at the Auction shall be required to confirm on the record at the Auction that: (a) it has not engaged in any collusion with respect to the Auction and the bid process; and (b) its bid is a good-faith *bona fide* offer, it is irrevocable and it intends to consummate the proposed transaction if selected as the Successful Party (as defined below);
- c. **Minimum Overbid and Back-Up Bid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Black Press Entities, in consultation with the Monitor (the “**Initial Bid**”), and any bid made at the Auction by a Qualified Party subsequent to the Black Press Entities’ announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of \$100,000, and all such Overbids shall be irrevocable until closing of the Successful Bid; provided, that if such Overbid is not selected as the Successful Bid or as the Back-Up Bid (if any) it shall only remain irrevocable until selection of the Successful Bid;
- d. **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each

subsequent Qualified Bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Black Press Entities, in their discretion, may establish separate video conference rooms to permit interim discussions among the Black Press Entities, the Monitor and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;

- e. **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit an Overbid with full knowledge and confirmation of the then-existing highest or otherwise best bid and no Qualified Party submits an Overbid; and
- f. **No Post-Auction Bids.** No bids will be considered for any purpose after the Successful Bid has been designated, and therefore the Auction has concluded.

Selection of Successful Bid

4. **Selection.** During the Auction, the Black Press Entities, in consultation with the Monitor, will: (a) review each subsequent Qualified Bid, considering the factors set out in Section 11 of the SISP and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in (i) above, (iii) the likelihood of the Qualified Party's ability to close a transaction by not later than the Outside Date (including factors such as: the transaction structure and execution risk; conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court's approval of the Successful Bid, (v) the net benefit to the Black Press Entities and their stakeholders and (vi) any other factors the directors or officers of the Black Press Entities may, consistent with their fiduciary duties, reasonably deem relevant; and (b) identify the highest or otherwise best bid received at the Auction (the "**Successful Bid**" and the Qualified Party making such bid, the "**Successful Party**").

5. **Acknowledgement.** The Successful Party shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one business day of the Successful Bid being selected as such, unless extended by the Black Press Entities in their sole discretion, subject to the milestones set forth in Section 10 of the SISP.

APPENDIX C

[ATTACHED]

TERM SHEET

This term sheet (the “**Term Sheet**”) describes the principal terms and conditions of a proposed stalking horse transaction involving Black Press Ltd. (“**Black Press**”) and 311773 B.C. Ltd. (“**3117**”, and together with Black Press, the “**Company**”) pursuant to which, if selected as the “Successful Bid” in the SISP (as defined below), the holders of notes under the Note Indenture (as defined below) (the “**Noteholders**”) and Carpenter Newsmedia, LLC (“**CNL**”), or one or more entities to be formed by the Noteholders and CNL (such entity or entities, the “**Purchaser**”), will restructure the Company through, among other things, an order (such order referred to herein as the “**RVO**”) approving the purchase of the Company by the Purchaser and the vesting out of all liabilities of the Debtors (save and except for the remaining secured obligations to the Noteholders (as amended herein), any obligations that are not capable of being vested out by the RVO, and such other obligations that are acceptable to the Noteholders and CNL) granted by the Supreme Court of British Columbia, Vancouver Registry (the “**Canadian Court**”) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**” and the Company’s proceedings thereunder, the “**CCAA Proceedings**”) and recognized by United States Bankruptcy Court for the District of Delaware (the “**US Court**”) under Chapter 15 of the United States Bankruptcy Code (the “**Chapter 15 Proceedings**”), or such other structure as may be acceptable to the Company, the Noteholders and CNL, and approved by courts of competent jurisdiction.

Capitalized terms used and not otherwise defined in this Term Sheet shall be as defined in Section 3 of this Term Sheet or the [Amended and Restated](#) Transaction Support Agreement dated January ~~12~~²², 2024, among the Company, the Noteholders and CNL, to which this Term Sheet is attached.

1. TRANSACTION	
Debtors:	Black Press and 3117 and their respective direct and indirect subsidiaries, other than Black Press (Barbados) Ltd., Whidbey Press (Barbados) Inc., Driftwood Publishing Limited, Black Press Group Oregon LLC, and Black Press Delaware LLC (collectively, the “ Debtors ”)
SISP and Stalking Horse Bid:	The Debtors shall conduct a sale and investment solicitation process (the “ SISP ”, and the order approving the SISP in the CCAA Proceedings, the “ SISP Order ”), in form and substance acceptable to the Company, the Noteholders and CNL, each acting reasonably. The Transaction (defined below) shall serve as a stalking horse bid in the SISP (with the “Bid Protections” as set out in the Amended and Restated Transaction Support Agreement) and, pursuant to the SISP, the Company shall solicit binding transaction bids superior to the Transaction for a period of three-weeks following the granting of the SISP Order. In order to constitute a superior transaction, an alternate bid must provide will result in aggregate consideration in an amount equal to or greater than (a) all outstanding obligations under the Note Indenture, (b) all outstanding obligations under the DIP Financing (as defined below), (c) any obligations in priority to amounts owing under the DIP Financing, including any applicable charges granted in the CCAA Proceedings, (d) the amount of \$500,000 in cash to

	fund any professional fees incurred in connection with post-closing matters and/or to wind-up and terminate the CCAA Proceedings, the Chapter 15 Proceedings, and any further proceedings; and (e) the amount of \$1,750,000 in cash to satisfy the Bid Protections (as defined in the Amended and Restated Transaction Support Agreement).
Transaction:	The transaction will be structured as a share purchase and subscription agreement, in form and substance acceptable to the Company, the Noteholders and CNL, to be approved by way of an RVO granted in the CCAA Proceedings and recognition of such RVO in the Chapter 15 Proceedings or some other form of transaction structure reasonably acceptable to the Company, the Noteholders and CNL (the “ Transaction ”) pursuant to which the Purchaser will acquire all of the equity securities of Black Press and 3117. The final structure of the Transaction, including implementation steps, will be determined upon completion of the Purchaser’s tax analysis by no later than the Purchase Agreement Date (as defined below).
Consideration:	At the Closing Time: <ol style="list-style-type: none"> 1. CNL will contribute \$7 million in cash to the Purchaser in exchange for 50(i) 25% of the equity ownership interests of the Purchaser <u>and (ii) a promissory note on terms acceptable to the Noteholders, CNL and the Company</u>, to be used to capitalize the Company post-CCAA emergence; 2. The Noteholders will contribute \$7 million in aggregate to the Purchaser, by way of (i) assignment of \$6 million of the outstanding principal amount owing under the Notes in exchange for 50% of the equity ownership interests of the Purchaser, in order for the Purchaser to credit bid such debt as provided below and (ii) \$1 million in cash from the Noteholders or certain affiliates thereof, <u>collectively in exchange for 75% of the equity ownership interests of the Purchaser</u>; and 3. The Purchaser shall acquire 100% of the equity of each Company by way of (i) a credit bid of \$6 million of the outstanding principal amount owing under the Notes, (ii) assumption of all amounts owing under the DIP Financing (as defined below), and (iii) payment in full in cash of any claims or charges then outstanding ranking in priority to the Notes.
Voting Control:	The Noteholders and CNL acknowledge that (a) the Company must be controlled in fact by a Canadian person or entity in order to meet certain requirements of Canadian law, which the Noteholders and CNL will work to facilitate prior to the Closing Time; and (b) that there are certain tax deductions available to advertisers in publications of the Company that

	<p>require a certain percentage of the voting shares of the Company be beneficially owned by Canadians, and the Noteholders and CNL will work to ensure those tax deductions remain available to such advertisers from and after the Closing Time.</p>
<p>Note Indenture:</p>	<p>At the Closing Time, the Note Indenture and the Notes will be amended as follows:</p> <ul style="list-style-type: none"> (a) The maturity date will be extended to five years from Closing Date at an interest rate of 10% per annum payable semi-annually in arrears. The Noteholders and CNL to agree on other payment terms which will include, without limitation, the following: <ul style="list-style-type: none"> (i) 100% of net proceeds from all asset dispositions to be used to repay the outstanding Debt, in accordance with the applicable existing Note Indenture terms, after any required payments to mortgage lenders; and (ii) until the Excess Cashflow Threshold Date (as defined below), 75% of excess cashflow (to be defined in a manner reasonably acceptable to the Noteholders and CNL, with related mechanics to also be reasonably acceptable to the Noteholders and CNL, and which for greater certainty will be net of scheduled Note Indenture payments and Management Fees) to be used to repay the outstanding Debt until such time as the aggregate outstanding principal amount of the Debt is not greater than \$20 million (the “Excess Cashflow Threshold Date”), with the remaining 25% of excess cashflow to be retained by the Company for working capital purposes. From and after the Excess Cashflow Threshold Date, excess cashflow to be applied in the following manner: (x) 50% to repay outstanding Debt; (y) subject to board approval up to 25% to each of the Noteholders and CNL as a distribution; and (z) the balance, if any, to be retained by the Company as for working capital purposes. (b) The Company will have the option to PIK interest for first 12 months. (c) Existing financial covenants in the Note Indenture will be

	<p>deleted.</p> <p>(d) The Company may not (i) incur additional debt other than normal trade payables, purchase money or other debt for capital expenditures in an annual amount to be agreed upon by the Noteholders and CNL, existing mortgage debt and any refinancing thereof on terms acceptable to the Noteholders and (ii) grant any other liens except for purchase money liens related to permitted capital expenditures, liens relating to permitted mortgage debt and liens in respect of the CIBC Credit Facility.</p> <p>(e) Existing terms of the Note Indenture to otherwise remain substantially unchanged.</p>
DIP:	<p>Canso Investment Counsel Ltd. as portfolio manager for and on behalf of Canso Strategic Credit Fund (the “DIP Lender”) will provide debtor-in-possession financing in an amount not to exceed \$5,500,000 from the Noteholders, which shall be on the term set forth in <u>Schedule “A”</u> (the “DIP Financing”).</p>
Conditions:	<p>The implementation of the Transaction will be subject to, among other things, the following key conditions:</p> <p>(a) the Debtors obtaining an Initial Order from the Canadian Court under the CCAA (the “Initial Order”), and recognition of the Initial Order in the Chapter 15 Proceedings, all in form and substance satisfactory to the Company, the Noteholders and CNL, each acting reasonably;</p> <p>(b) approval by the Canadian Court of the DIP Financing to fund the CCAA Proceedings and the Chapter 15 Proceedings, in form and substance satisfactory to the Company, the Noteholders and CNL, each acting reasonably;</p> <p>(c) the Debtors obtaining from the Canadian Court an amended and restated Initial Order under the CCAA (the “ARIO”), and recognition of the ARIO in the Chapter 15 Proceedings, in form and substance satisfactory to the Noteholders and CNL, each acting reasonably;</p> <p>(d) the Debtors obtaining from the Canadian Court the SISP Order, and recognition of the SISP Order in the Chapter 15 Proceedings, in form and substance satisfactory to the</p>

	<p>Noteholders and CNL, each acting reasonably;</p> <ul style="list-style-type: none"> (e) approval of the RVO under the CCAA Proceedings, and recognition of the RVO in the Chapter 15 Proceedings, in form and substance satisfactory to the Company, the Noteholders and CNL, each in their sole discretion; (f) the Transaction being structured, including as to tax matters, in a manner satisfactory to the Company, the Noteholders and CNL, each acting reasonably; (g) the negotiation and execution of definitive legal documentation (the “Definitive Documents”) implementing the Transaction (including, without limitation, the RVO, the definitive share purchase and subscription or other transaction agreement (the “Purchase Agreement”) and the amendment to the Note Indenture), which Definitive Documents shall be in form and substance acceptable to the Company, the Noteholders and CNL, each acting reasonably and shall be binding as of the Closing Time; (h) the Company and its applicable subsidiaries having on hand at the Closing Date a one-month supply of customary inventory of newsprint, ink and printing plates in good condition, subject to the Company having sufficient availability under the DIP Financing prior to the Closing Date to acquire and maintain such inventory levels; (i) payment of the Wind-Up Reserve (as defined below) to the Monitor as provided herein; (j) the brokerage fees due to Dirks, Van Essen & April being paid in full; (k) payment of all amounts due under the KERP; (l) the claim of the Pension Benefit Guaranty Corporation against the Company shall have been compromised or resolved on terms satisfactory to the Noteholders and CNL in their sole discretion; (m) the outstanding principal balance of mortgage loans of the Company and its subsidiaries remaining outstanding in accordance with their terms in the cumulative amount not to exceed \$14,100,000; (n) all loans owing by the Company and/or its subsidiaries to
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	<p>the Shareholders and/or a related party of the Company being forgiven or otherwise extinguished as against the Debtors by the RVO in a manner satisfactory to the Noteholders and CNL in their sole discretion;</p> <p>(o) the Noteholders and CNL being satisfied that there are no other material liabilities of the Company, other than those liabilities set forth in the consolidated financial statements of the Company and acceptable to the Noteholders and CNL in their sole discretion, which have not been extinguished as against the Debtors by the RVO;</p> <p>(p) the Company having carried on their respective businesses in the ordinary course consistent with past practice from the date of the last financial statements provided to the Noteholders and CNL to the Closing Date;</p> <p>(q) no material adverse change in the financial condition, business or assets of the Company since the date hereof;</p> <p>(r) all outstanding fees and expenses owed to the respective advisors to the Noteholders and CNL (including legal counsel and communications consultants) having been paid in full in cash on the Closing Date;</p> <p>(s) all outstanding fees and expenses owing to the Company’s legal counsel, the Monitor and the Monitor’s legal counsel having been paid in full in cash on the Closing Date;</p> <p>(t) all necessary governmental and regulatory approvals shall have been received on terms and conditions satisfactory to the Noteholders and CNL in their sole discretion; and</p> <p>(u) other customary closing conditions as agreed to by the Company, the Noteholders and CNL, each acting reasonably, including customary bring down certificates.</p>
Documentation:	The Noteholders, CNL and their respective advisors will work cooperatively with each other and the Company and its advisors to prepare and finalize all Definitive Documents and other documents referred to under “Conditions Precedent” required to implement the Transaction. Without limiting the foregoing, the Parties will settle the terms of the Purchase Agreement by no later than seven (7) Business Days prior to the binding bid deadline under the SISP (the “ Purchase Agreement Date ”).
Shareholder Agreement:	The Noteholders and CNL shall enter into a mutually acceptable shareholder agreement in respect of the Purchaser effective as of the

	Closing.
Access to Information:	The Company will make available to the Noteholders, CNL and their representatives, at all reasonable times, such information and material concerning the business, financial condition, operations, assets and liabilities of the Company and its subsidiaries, in written, printed, graphic, electronic, oral or other form or medium, as Noteholders or CNL may request.
2. OTHER MATTERS	
Wind-Up Reserve:	On Closing, the Purchaser shall deliver to the Monitor the amount of \$500,000 to fund any professional fees (including of the counsel to the Company, the Monitor and counsel to the Monitor) incurred in connection with post-Closing matters and/or to wind-up and terminate the CCAA Proceedings, the Chapter 15 Proceedings, and any further proceedings involving the Debtors or any of their affiliates, including any residual entities established in connection with the RVO (the “ Wind-Up Reserve ”). The RVO shall provide that the Monitor shall return to the Purchaser any balance remaining in the Wind-Up Reserve following the completion, to the Monitor’s satisfaction, of all post-Closing matters and the wind-up and termination of the CCAA Proceedings, the Chapter 15 Proceedings, and any further proceedings involving the Debtors or any of their affiliates.
Tax Considerations:	The Transaction will be structured in a manner acceptable to the Company, Noteholders and CNL to effectuate the terms and conditions outlined herein in a tax efficient and acceptable manner for the Company, the Noteholders and CNL.
No Admission:	Nothing in this Term Sheet is or shall be deemed to be an admission of any kind.
Currency:	All amounts in this letter agreement are in Canadian dollars unless otherwise expressly indicated.
Notices:	All notices, requests, consents and other communications hereunder shall be contained in a written instrument and may be delivered in person or sent by recognized overnight courier or email.
Public Announcements:	No party shall issue any press release regarding the Transaction without the prior written consent of the other parties.
Governing Law:	This Term Sheet and any other agreement necessary to implement the Transaction shall be governed by the laws of the Province of British Columbia and the laws of Canada applicable therein.

<p>Inconsistencies:</p>	<p>In the event that there is any inconsistency between the terms of this Term Sheet and the terms of the Amended and Restated Transaction Support Agreement, the terms of the Amended and Restated Transaction Support Agreement governs and prevails until such time as the Purchase Agreement is fully executed, at which time the Purchase Agreement governs and prevails in the event of any inconsistency with this Term Sheet or the Amended and Restated Transaction Support Agreement.</p>
<p>3. DEFINITIONS</p>	
<p>Definitions:</p>	<p>“Closing Time” means the time at which the Transaction becomes effective.</p> <p>“Debt” means the principal amount of notes outstanding under the Note Indenture, which as of the date hereof is approximately \$57 million, plus accrued and unpaid interest of which approximately \$4 million will be outstanding as of January 1, 2024, less \$6,000,000 converted to Noteholders’ equity ownership as described under “Purchase Consideration”.</p> <p>“Note Indenture” means the trust indenture between, inter alios, Black Press Group Ltd., as issuer, and Computershare Trust Company of Canada, as trustee, dated as of March 29, 2019 (as amended, modified, supplemented, extended, renewed, restated or replaced from time to time prior to the date hereof).</p> <p>“Shareholders” means Black Press Holdings Ltd. and Metroland Media Group Ltd.</p>

Schedule "A"
DIP Financing Terms

Summary report:	
Litera Compare for Word 11.6.0.100 Document comparison done on 1/22/2024 11:24:48 AM	
Style name: JB Style	
Intelligent Table Comparison: Active	
Original DMS: iw://workweb.casselsbrock.lan/LEGAL/61421111/1	
Modified DMS: iw://workweb.casselsbrock.lan/LEGAL/61506615/2	
Changes:	
<u>Add</u>	13
Delete	3
Move From	2
<u>Move To</u>	2
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<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	20

~~No.~~

No. S-240259

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"

PETITIONERS

O R D E R MADE AFTER APPLICATION

(SISP APPROVAL ORDER)

BEFORE THE HONOURABLE)
JUSTICE) January 25, 2024
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 25th day of January, 2024 (the "**Order Date**"); AND ON HEARING Vicki Tickle and Jared Enns, counsel for the Petitioners and the non-petitioner affiliates of the Petitioners listed in Schedule "B" hereto (the "**Non-Petitioner Stay Parties**" and collectively with the Petitioners, the "**Black Press Entities**"), and those other counsel listed on Schedule "C" hereto; AND UPON READING the material filed, including the First Affidavit of Christopher Hargreaves made January [12], 2024 (the "**First Hargreaves Affidavit**"), the First Report of KSV Restructuring Inc. in its capacity as monitor of the Petitioners (the "**Monitor**") dated January [●], 2024 (the "**First Report**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.
2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sale and Investment Solicitation Process in respect of the business and assets of the Black Press Entities, in the form attached hereto as Schedule “D” (the “**SISP**”), the Amended and Restated Initial Order of this Court dated January 25, 2024 (the “**ARIO**”), or the First Hargreaves Affidavit, as applicable.

SALE AND INVESTMENT SOLICITATION PROCESS

3. The SISP is hereby approved and the Petitioners and the Monitor are hereby authorized and directed to implement the SISP pursuant to the terms thereof. The Petitioners and the Monitor are hereby authorized and directed to perform their respective obligations and to do all things reasonably necessary to perform their obligations thereunder, subject to prior approval of the Court being obtained before completion of any transaction(s) under the SISP.
4. The Petitioners and the Monitor and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the SISP, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Petitioners or the Monitor, as applicable, in performing their obligations under the SISP, as determined by this Court in a final order that is not subject to appeal or other review.

5. In conducting the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding.

STALKING HORSE PURCHASE AGREEMENT

6. The Petitioners are hereby authorized and empowered to enter into a definitive share purchase and subscription agreement with the Noteholders and CNL or one or more entities to be formed by the Noteholders and CNL (as applicable, the "**Stalking Horse Purchaser**"), which shall be substantially on the terms set out in the Stalking Horse Term Sheet attached as Appendix "A" to the [Amended and Restated](#) Transaction Support Agreement (~~as defined in the First Hargreaves Affidavit~~) attached as ~~Exhibit "O"~~ [Appendix \["●"\]](#) to the First ~~Hargreaves Affidavit~~ [Report](#) and satisfactory to the Monitor (the "**Stalking Horse Transaction Agreement**"), such minor amendments as may be acceptable to each of the parties thereto, with the approval of the Monitor; provided that, nothing herein approves the sale and the vesting of any Property to the Stalking Horse Purchaser (or any of its designees) pursuant to the Stalking Horse Transaction Agreement and that the approval of any sale and vesting of any such Property shall be considered by this Court on a subsequent application made to this Court if the transaction set out in the Stalking Horse Transaction Agreement is the Successful Bid pursuant to the SISP.

7. As soon as reasonably practicable following the Petitioners and the Stalking Horse Purchaser executing the Stalking Horse Transaction Agreement, and in any event by no later than seven (7) Business Days prior to the Qualified Bid Deadline under the SISP, the Monitor shall post a copy thereof on its website, and the Petitioners shall: (a) serve a copy thereof on the Service List; and (b) provide a copy thereof to each SISP Participant (as hereinafter

defined), excluding from the public record any confidential information that the Petitioners and the Stalking Horse Purchaser, with the consent of the Monitor, agree should be redacted.

BID PROTECTIONS

8. The Bid Protections are hereby approved and, subject to the entry of the Stalking Horse Transaction Agreement, the Petitioners are hereby authorized and directed to pay the Bid Protections to the Stalking Horse Purchaser (or to such other person as it may direct) in the manner and circumstances described in the Stalking Horse Transaction Agreement.

9. The Stalking Horse Purchaser shall be entitled to the benefit of and is hereby granted a charge (the “**Bid Protections Charge**”) on the Property, which charge shall not exceed \$1,750,000, as security for payment of the Bid Protections in the manner and circumstances described in the Stalking Horse Transaction Agreement.

10. The filing, registration or perfection of the Bid Protections Charge shall not be required, and that the Bid Protections Charge shall be valid and enforceable for all purposes, including against any right, title or interest filed, registered, recorded or perfected subsequent to the Bid Protections Charge, notwithstanding any such failure to file, register, record or perfect.

11. The Bid Protections Charge shall constitute a charge on the Property and the Bid Protections Charge shall rank in priority to all other Encumbrances in favour of any Person notwithstanding the order of perfection or attachment, other than the Charges.

12. Except for the Charges or as may be approved by this Court on notice to parties in interest, the Petitioners shall not grant any Encumbrances over any Property that rank in

priority to, or *pari passu* with, the Bid Protections Charge, unless the Petitioners also obtain the prior written consent of the Monitor and the Stalking Horse Purchaser.

13. The Bid Protections Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Purchaser in respect of the Bid Protections Charge shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Petitioners, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Bid Protections Charge nor the execution, delivery, perfection, registration or performance of the Stalking Horse Transaction Agreement shall create or be deemed to constitute a breach by any of the Petitioners of any Agreement to which any of the Petitioners is a party; and
- (b) the payments made by the Petitioners pursuant to this Order, the Stalking Horse Transaction Agreement and the granting of the Bid Protections Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

14. The Bid Protections Charge created by this Order over leases of real property shall only be a charge in the applicable Petitioner's interest in such real property lease.

15. The Stalking Horse Purchaser, with respect to the Bid Protections Charge only, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the BIA.

PIPEDA

16. Pursuant to section 18(10)(o) of the *Personal Information Protection Act* (British Columbia), and any similar legislation in any other applicable jurisdictions, the Petitioners or the Monitor and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants that are party to a non-disclosure agreement with the Petitioners (each, a "**SISP Participant**") and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the SISP (a "**Transaction**"). Each SISP Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the SISP Participant's evaluation for the purpose of effecting a Transaction, and, if a SISP Participant does not complete a Transaction, shall return all such information to the Petitioners or the Monitor, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Petitioners or the Monitor.

GENERAL

17. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Petitioners, 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 Petitioners, the Foreign Representative and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

18. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

19. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

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

Signature of Vicki Tickle
Lawyer for the Petitioners

BY THE COURT

REGISTRAR

SCHEDULE “A”

Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.

SCHEDULE "B"
Non-Petitioner Stay Parties

Black Press (Barbados) Ltd.

Whidbey Press (Barbados) Inc.

Black Press Delaware LLC

Black Press Group Oregon LLC

SCHEDULE "C"
LIST OF COUNSEL

Name of Counsel	Party Represented

SCHEDULE "D"
SISP

See attached.

Summary report:	
Litera Compare for Word 11.6.0.100 Document comparison done on 1/22/2024 10:41:56 AM	
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Intelligent Table Comparison: Active	
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Delete	6
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<u>Move To</u>	0
<u>Table Insert</u>	0
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Sale and Investment Solicitation Process

1. On January 15, 2024, the Supreme Court of British Columbia, Vancouver Registry (the "**CCAA Court**") issued an Order (the "**Initial Order**") granting certain relief to Black Press Ltd., 311773 B.C. Ltd., Black Press Group Ltd., 0922015 B.C. Ltd., Central Web Offset Ltd., Sound Publishing Holding, Inc., Sound Publishing Properties, Inc., Sound Publishing, Inc., Oahu Publications, Inc., The Beacon Journal Publishing Company, WWA (BPH) Publications, Inc., San Francisco Print Media Co. (collectively, the "**Petitioners**" and together with the Non-Petitioner Stay Parties (the "**Black Press Entities**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**" and the Petitioners proceedings thereunder, the "**CCAA Proceedings**").
2. Pursuant to the Initial Order, KSV Restructuring Inc. was appointed as monitor (in such capacity, the "**Monitor**") of the Petitioners in the CCAA Proceedings.
3. Pursuant to proceedings commenced in the United States Bankruptcy Court for the District of Delaware (the "**US Bankruptcy Court**") under Chapter 15, Title 11, of the United States Code, the Petitioners obtained, among other things, recognition of the CCAA Proceedings.
4. On January 25, 2024, the CCAA Court granted:
 - (i) an Order amending and restating the Initial Order (the "**ARIO**"), and
 - (ii) an Order (the "**SISP Approval Order**") that, among other things, authorized:
 - (a) the Petitioners to implement a sale and investment solicitation process in respect of the Black Press Entities (the "**SISP**") in accordance with the terms hereof; (b) the Black Press Entities to ~~enter into the~~[negotiate and finalize a definitive Stalking Horse Transaction Agreement](#) (the "**Stalking Horse Bid**") with the Stalking Horse Purchaser; (c) approved the Bid Protections [subject to entry of the Stalking Horse Transaction Agreement](#); and (d) granted the Bid Protections Charge.
5. Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the ARIO or the SISP Approval Order, as applicable. Copies of the ARIO and the SISP Approval Order can be found at www.ksvadvisory.com/experience/case/black-press (the "**Monitor's Website**").
6. This SISP sets out the manner in which: (a) binding bids for executable transactions involving the business and/or assets of, or the equity interests in, the Black Press Entities will be solicited from interested parties; (b) any such bids received will be addressed; (c) any Successful Bid (as defined below) will be selected; and (d) CCAA Court approval of any Successful Bid will be sought.
7. The SISP shall be conducted by the Petitioners with the assistance and under the oversight of the Monitor and the Monitor shall be entitled to receive all information in relation to the SISP.
8. Parties who wish to have their bids considered must participate in the SISP.

9. The Black Press Entities and the Monitor, in accordance with section 10 below, shall:
- a) disseminate marketing materials and a process letter to potentially interested parties identified by the Black Press Entities and the Monitor;
 - b) solicit interest from parties with a view to such interested parties entering into non-disclosure agreements (each an “**NDA**”) (parties shall only obtain access to the virtual data room and be permitted to participate in the SISP if they execute an NDA, in form and substance satisfactory to the Black Press Entities; provided that those parties that have already executed a NDA with the Black Press Entities shall not be required to execute a further agreement unless such agreement has expired or will expire during the SISP);
 - c) provide applicable parties who have entered into an NDA with the Black Press Entities access to a virtual data room containing, among other things, diligence information; and
 - d) request that such parties submit a binding offer meeting at least the requirements set forth in Section 11 below, as determined by the Black Press Entities and the Monitor (each a “**Qualified Bid**”), by the Qualified Bid Deadline (as defined below).
10. The SISP shall be conducted subject to the terms hereof and the following key milestones, which milestones may be extended by the Black Press Entities, with the consent of the Monitor and the Stalking Horse Purchaser:¹
- a) the CCAA Court issues the SISP Approval Order by no later than January 25, 2024;
 - b) the Black Press Entities and the Monitor commence the solicitation process by no later than January 25, 2024, it being understood that the Black Press Entities and/or the Monitor shall be at liberty to contact, provide marketing materials and commence discussions with interested parties prior to such date as they consider appropriate;
 - c) deadline to submit a Qualified Bid – 5:00 p.m. Pacific Time on February 16, 2024 (the “**Qualified Bid Deadline**”);

¹ To the extent any dates fall on a non-business day in British Columbia, they shall be deemed to be the first business day thereafter.

- d) deadline to determine whether a bid is a Qualified Bid and, if applicable, to notify those parties who submitted a Qualified Bid of the Auction (as defined below) – by no later than 5:00 p.m. Pacific Time on February 21, 2024;
- e) the Black Press Entities and the Monitor to hold an Auction (if applicable) and select the successful bid(s) (the “**Successful Bid**”) – by no later than 10:00 a.m. Pacific Time on February 26, 2024 (the “**Definitive Agreement Deadline**”);
- f) Transaction Order (as defined below) hearing:
 - o (if there is no Auction) – by no later than March 1, 2024 subject to CCAA Court availability; or
 - o (if there is an Auction) – by no later than March 6, 2024, subject to CCAA Court availability; and
- g) closing of the Successful Bid as soon thereafter as possible and, in any event, by no later than 5:00 p.m. Pacific Time on March 15, 2024 (the “**Outside Date**”).

11. In order to constitute a Qualified Bid, a bid must comply with the following:

- a) it provides for aggregate consideration, payable in cash in full on closing in an amount equal to or greater than (i) all outstanding obligations under the Senior Secured Notes (as defined in the First Hargreaves Affidavit), (ii) all outstanding obligations under the DIP Term Sheet, (iii) any obligations in priority to amounts owing under the DIP Term Sheet, including any Charges, (iv) the amount of \$500,000 ~~in-cash~~ to fund any professional fees incurred in connection with the wind-up of the Petitioners’ CCAA proceedings and any further proceedings or wind-up costs; and (v) the amount of \$1,750,000 ~~in-cash~~ to satisfy the Bid Protections (the “**Consideration Value**”), and provides a detailed sources schedule that identifies, with specificity, the composition of the Consideration Value and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or being excluded;
- b) it contemplates closing of the proposed transaction by not later than the Outside Date;
- c) it contains:
 - i. duly executed binding definitive transaction document(s);
 - ii. the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of each of its equityholder(s);
 - iii. a redline to the Stalking Horse Transaction Agreement posted in the virtual data room;
 - iv. evidence of authorization and approval from the bidder’s board of directors (or equivalent governing body) and, if necessary to complete the

transaction, the bidder's equityholder(s);

- v. disclosure of any past or current connections or agreements with the Black Press Entities or any of their affiliates, any known, potential, prospective bidder, or any current or former officer, manager, director, member or known current or former equity security holder of any of the Black Press Entities or any of their affiliates;
 - vi. such other information reasonably requested by the Black Press Entities or the Monitor;
 - vii. indicates whether any Transaction Order (as defined below) approving the bid will require recognition from the US Bankruptcy Court;
- d) it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until closing of the Successful Bid; provided, that if such bid is not selected as the Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid (such bid, the "**Back-Up Bid**") it shall only remain irrevocable until selection of the Successful Bid;
- e) it provides that the bid will serve as a Back-Up Bid if it is not selected as the Successful Bid and if selected as the Back-Up Bid it will remain irrevocable until the earlier of: (i) closing of the Successful Bid; or (ii) closing of the Back-Up Bid;
- f) it provides written evidence of a bidder's ability to fully fund and consummate the transaction (and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid;
- g) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- h) it is not conditional upon:
- i. approval from the bidder's board of directors (or equivalent governing body) or equityholder(s);
 - ii. the outcome of any unperformed due diligence by the bidder; or
 - iii. the bidder obtaining financing;
- i) it includes acknowledgments and representations that the bidder: (i) has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid; (ii) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Black Press Entities, the Monitor and their respective employees, officers, directors, agents, advisors and other

representatives, regarding the proposed transactions, this SISP, or any information (or the completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents; (iii) is making its bid on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Black Press Entities, the Monitor or any of their respective employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transactions documents; (iv) is bound by this SISP and the SISP Approval Order; and (v) is subject to the exclusive jurisdiction of the CCAA Court with respect to any disputes or other controversies arising under or in connection with the SISP or its bid;

- j) it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the transaction (including the anticipated timing necessary to obtain such approvals);
 - k) it includes full details of the bidder’s intended treatment of the Petitioners’ employees, customers, contracts, collective bargaining agreements, pension and benefit obligations and vendors under the proposed bid;
 - l) it is accompanied by a cash deposit (the “**Deposit**”) paid by wire transfer of immediately available funds in an amount equal to at least 10% of the Consideration Value, which Deposit shall be retained by the Monitor in an interest-bearing trust account in accordance with the terms hereof;
 - m) it includes a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
 - n) it is received by the Black Press Entities, with a copy the Monitor, by the Qualified Bid Deadline at the email addresses specified on Schedule “A” hereto.
12. The Black Press Entities, with the consent of the Monitor, may in their sole discretion waive compliance with any one or more of the requirements specified in Section 11 above and deem a non-compliant bid to be a Qualified Bid, provided that requirements 11(a), 11(b) and 11(l) may not be waived without the consent of the Stalking Horse Bidder.
13. Notwithstanding the requirements specified in Section 11 above, the transaction contemplated by the Stalking Horse Transaction Agreement (the “**Stalking Horse Bid**”), is deemed to be a Qualified Bid, provided that, for greater certainty, no Deposit shall be required to be submitted in connection with the Stalking Horse Bid.
14. If one or more Qualified Bids (other than the Stalking Horse Bid) has been received by the Black Press Entities on or before the Qualified Bid Deadline, the Black Press Entities shall proceed with an auction process to determine the successful bid(s) (the “**Auction**”), which Auction shall be administered in accordance with Schedule “B” hereto. The successful bid(s) selected pursuant to the Auction shall constitute the “**Successful Bid(s)**”. Forthwith upon determining to proceed with an Auction, the Black Press Entities shall provide written notice to each party that submitted a Qualified Bid

(including the Stalking Horse Bid) of which Qualified Bid is the highest or otherwise best bid (as determined by the Black Press Entities, in consultation with the Monitor) along with a copy of such bid.

15. If by the Qualified Bid Deadline, no Qualified Bid (other than the Stalking Horse Bid) has been received by the Black Press Entities, then the Stalking Horse Bid shall be deemed the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Transaction Agreement.
16. Following selection of a Successful Bid, if any, the Black Press Entities, with the assistance of its advisors, and in consultation with the Monitor, shall seek to finalize any remaining necessary definitive agreement(s) with respect to the Successful Bid in accordance with the milestones set out in Section 10. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the Black Press Entities in consultation with the Monitor, the Petitioners shall apply to the CCAA Court for an order or orders approving such Successful Bid and/or the mechanics to authorize the Petitioners to complete the transactions contemplated thereby, as applicable, and authorizing the Petitioners to: (a) enter into any and all necessary agreements and related documentation with respect to the Successful Bid; (b) undertake such other actions as may be necessary to give effect to such Successful Bid; and (c) implement the transaction(s) contemplated in such Successful Bid (each, a **"Transaction Order"**). If the Successful Bid is not consummated in accordance with its terms, the Black Press Entities shall be authorized, but not required, to elect that the Back-Up Bid (if any) is the Successful Bid.
17. The highest Qualified Bid may not necessarily be accepted by the Black Press Entities. The Black Press Entities, with the written consent of the Monitor, reserve the right not to accept any Qualified Bid or to otherwise terminate the SISP. The Black Press Entities, with the written consent of the Monitor, reserve the right to deal with one or more Qualified Bidders to the exclusion of others, to accept a Qualified Bid for different parts of the Black Press Entities business and assets or to accept multiple Qualified Bids and enter into definitive agreements in respect of all such bids, provide that the aggregate of such Qualified Bids satisfies the requirements of Section 11(a) and (b).
18. If a Successful Bid is selected and a Transaction Order authorizing the consummation of the transaction contemplated thereunder is granted by the Court, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a Qualified Bid that is not selected as a Successful Bid will be returned to the applicable bidder as soon as reasonably practicable (but not later than ten (10) business days) after the date upon which the Successful Bid is approved pursuant to a Transaction Order or such earlier date as may be determined by the Black Press Entities, in consultation with the Monitor; provided, the Deposit in respect of the Back-Up Bid shall not be returned to the applicable bidder until the closing of the Successful Bid.
19. The Black Press Entities shall be permitted, in their discretion, to provide general updates and information in respect of the SISP to legal counsel to any creditor (each a **"Creditor"**) on a confidential basis, upon: (a) irrevocable confirmation in writing from

such counsel that the applicable Creditor will not submit any bid in the SISP; and (b) counsel to such Creditor entering into confidentiality arrangements with the Black Press Entities, in form and substance satisfactory to the Black Press Entities and the Monitor.

20. The Interim Lender shall only be entitled to the consultation rights specified herein in its favour and confidential updates and information from the Black Press Entities and the Monitor in respect of the SISP, including copies of any Qualified Bids, upon the Interim Lender (in its capacity as Stalking Horse Bidder) irrevocably confirming in writing to the Petitioners and the Monitor that it will not submit any bid in the SISP except for the Stalking Horse Agreement and will not participate in the Auction.
21. Any amendments to this SISP may only be made by the Black Press Entities with the written consent of the Monitor and the Interim Lender or by further order of the court.

SCHEDULE "A": E-MAIL ADDRESSES FOR DELIVERY OF BIDS

To the counsel for the Black Press Entities:

vtickle@cassels.com; jenns@cassels.com; rjacobs@cassels.com; jbellissimo@cassels.com;
jbornstein@cassels.com

and with a copy to the Monitor:

ngoldstein@ksvadvisory.com; jknight@ksvadvisory.com; ebrenner@ksvadvisory.com

SCHEDULE “B”: AUCTION PROCEDURES

1. **Auction.** If the Black Press Entities receive at least one Qualified Bid (other than the Stalking Horse Bid), the Black Press Entities will conduct and administer the Auction in accordance with the terms of the SISP. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.

2. **Participation.** Only parties that provided a Qualified Bid by the Qualified Bid Deadline, including, for greater certainty, the Stalking Horse Bid (collectively, the “**Qualified Parties**” and each a “**Qualified Party**”), shall be eligible to participate in the Auction. No later than 5:00 p.m. Pacific Time on the day prior to the Auction, each Qualified Party must inform the Black Press Entities and the Monitor in writing whether it intends to participate in the Auction. The Black Press Entities will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party (including the Stalking Horse Purchaser) provides such expression of intent, the highest or otherwise best Qualified Bid as determined by the Black Press Entities, in consultation with the Monitor, shall be designated as the Successful Bid (as defined below).

3. **Auction Procedures.** The Auction shall be governed by the following procedures:

- a. **Attendance.** Only the Black Press Entities, the Qualified Parties and the Monitor, and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any Overbids (as defined below) at the Auction;
- b. **No Collusion.** Each Qualified Party participating at the Auction shall be required to confirm on the record at the Auction that: (a) it has not engaged in any collusion with respect to the Auction and the bid process; and (b) its bid is a good-faith *bona fide* offer, it is irrevocable and it intends to consummate the proposed transaction if selected as the Successful Party (as defined below);
- c. **Minimum Overbid and Back-Up Bid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Black Press Entities, in consultation with the Monitor (the “**Initial Bid**”), and any bid made at the Auction by a Qualified Party subsequent to the Black Press Entities’ announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of \$100,000, and all such Overbids shall be irrevocable until closing of the Successful Bid; provided, that if such Overbid is not selected as the Successful Bid or as the Back-Up Bid (if any) it shall only remain irrevocable until selection of the Successful Bid;
- d. **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding

with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each subsequent Qualified Bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Black Press Entities, in their discretion, may establish separate video conference rooms to permit interim discussions among the Black Press Entities, the Monitor and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;

- e. **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit an Overbid with full knowledge and confirmation of the then-existing highest or otherwise best bid and no Qualified Party submits an Overbid; and
- f. **No Post-Auction Bids.** No bids will be considered for any purpose after the Successful Bid has been designated, and therefore the Auction has concluded.

Selection of Successful Bid

4. Selection. During the Auction, the Black Press Entities, in consultation with the Monitor, will: (a) review each subsequent Qualified Bid, considering the factors set out in Section 11 of the SISP and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in (i) above, (iii) the likelihood of the Qualified Party's ability to close a transaction by not later than the Outside Date (including factors such as: the transaction structure and execution risk; conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court's approval of the Successful Bid, (v) the net benefit to the Black Press Entities and their stakeholders and (vi) any other factors the directors or officers of the Black Press Entities may, consistent with their fiduciary duties, reasonably deem relevant; and (b) identify the highest or otherwise best bid received at the Auction (the "**Successful Bid**" and the Qualified Party making such bid, the "**Successful Party**").

5. Acknowledgement. The Successful Party shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one business day of the Successful Bid being selected as such, unless extended by the Black Press Entities in their sole discretion, subject to the milestones set forth in Section 10 of the SISP.

Summary report:	
Litera Compare for Word 11.6.0.100 Document comparison done on 1/22/2024 10:40:46 AM	
Style name: JB Style	
Intelligent Table Comparison: Active	
Original DMS: iw://workweb.casselsbrock.lan/LEGAL/61420846/1	
Modified DMS: iw://workweb.casselsbrock.lan/LEGAL/61397350/4	
Changes:	
<u>Add</u>	6
Delete	4
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	10

APPENDIX D

[ATTACHED]



**Stalking Horse Break Fee Analysis
Current as at December 27, 2023**

Debtor	Purchaser	Proceeding Type	Trustee	APA date	Jurisdiction	Industry	A Termination Fee	B Expense Reimbursement	C = A + B Total Break Fee ("BF")	Estimated Transaction Value ("TV")	BF as a % of TV	APA in Document Library?	Note
Lighthouse Immersive Inc. and Lighthouse Immersive USA	SCS Finance, Inc. Macquarie Equipment Finance Limited and Far North Power Corp.	CCAA	B. Riley Farber	05-Oct-23	Ontario	Other	-	-	-	-	-	Yes	
Validus Power Corp. et al.		CCAA	KSV	19-Oct-23	Ontario	Professional Services	1,260,000	1,000,000	2,260,000	59,000,000	3.9%	Yes	
Aleafia Health Inc. et al.	RWB (PV) Canada Inc.	CCAA	KSV	10-Aug-23	Ontario	Cannabis	-	500,000	500,000	25,000,000 - 29,000,000	1.72-2%	Yes	
NextPoint Financial Inc. et al.	Certain lenders to NextPoint	CCAA	FTI	01-Jul-23	British Columbia	Financial Services	700,000	Reasonable expenses also covered	700,000	175,000,000	40.0%	Yes	
DecisionOne	STC Lender LP	NOI	KPMG	22-May-23	New Brunswick	Technology	-	-	-	US 3,000,000	-	Yes	
Datatax Business Services Limited	2872802 Ontario Inc.	NOI	KPMG	11-Aug-23	Alberta	Professional Services	400,000	-	400,000	40,700,000	1.0%	Yes	
Edward Collins Contracting Ltd.	92712 Newfoundland & Labrador Inc.	CCAA	Grant Thornton	17-May-23	Newfoundland	Construction	144,800	30,000	144,800	7,240,000	2.4%	Yes	
Digital Orthodontic Care Inc.	Ortho Studios Express, Inc.	Receivership	Richter	10-Aug-23	Ontario	Healthcare	85,000	-	85,000	\$3 million credit bid	2.8%	Yes	
Pathway Health Corp. (TSV: PHC) and Pathway Health Services Corp.	AvonleaDrewry Holdings Inc.	Interim Receivership	KSV	02-Oct-23	Ontario	Healthcare			62,500	1,250,000	5.0%	Yes	
Aereus Technologies Inc.	1000608245 Ontario Inc.	NOI	B. Riley Farber	04-Aug-23	Ontario	Manufacturing	21,600	-	21,600	Credit bid plus assumed liabilities	-	Yes	
IE CA 3 Holdings Limited	NYDIG ABL LLC	Receivership	PwC	07-Jun-23	British Columbia	Financial Services	USD 630,000	-	USD 630,000	USD 21,000,000	3.0%	Yes	
Fire & Flower Inc. et al.	2707031 Ontario Inc. (the DIP lender)	CCAA	FTI	15-Jun-23	Ontario	Cannabis	650,000	100,000	750,000	Credit bid (release of all obligations owing under DIP loan and bridge loan)	3.4%	Yes	
1194038 Alberta Ltd.	2262576 Alberta Ltd.	Receivership	EY	05-Jun-23	Alberta	Real Estate	125,000		125,000	4,375,000	2.8%	Yes	

GreenSpace Brands Inc.	2762454 Ontario Inc.	Ontario	PwC	05-Apr-23	Ontario	Food & Accommodation	150,000	-	150,000	~9 million, plus certain assumed liabilities and other amounts	1.7%	No
FlexTy Solutions Inc. and FlexTy Holdings Inc.	BHG-BC Holdings Ltd	NOI	Farber	29-Mar-23	Ontario	Technology	-	-	-	11.1 million		Yes
LoyaltyOne Co. (dba AIR MILES®)	BMO	CCAA	KSV	10-Mar-23	Ontario	Other	3 million	1 million	4 million	US 160 million	2.5%	Yes
DCL Corporation	Pigments Holdings, Inc.	CCAA	A&M	21-Dec-22	Ontario	Distribution	-	-	-	\$166.2 million to \$170.9 million	0.0%	Yes
11157353 Canada Corporation	ReFlourish Capital Limited	NOI	EY	14-Feb-23	Ontario	Cannabis	20,000	25,000	45,000	400,000 euros		Yes
Tehama Inc.	14667913 Canada Inc.	CCAA	Deloitte	07-Feb-23	Ontario	Technology	-	-	-	2.8 million credit bid, plus assumed liabilities, for total consideration of approximately 3 million		Yes
Trichome Financial Corp.	L5 Capital Inc.	CCAA	KSV	12-Dec-22	Ontario	Cannabis	-	200,000	200,000	5,000,000 and certain deferred consideration payable pursuant to secured limited recourse promissory notes	4.0%	Yes
Westoak Naturals Inc.	Avena Foods Limited	Receivership	BDO	09-Nov-22	Ontario	Distribution	30,000	25,000	55,000	1,000,000 credit bid plus the costs of the receivership	5.5%	No
Robus Resources Inc.	Robus Equity Acquisition Corporation, as nominee of Blue Fin Group LLP and Robus Services LLC	Receivership	A&M	08-Dec-22	Alberta	Oil & Gas	182,000		182,000	USD\$9,100,000	2.0%	No

The Flowr Corporation et al.	1000343100 Ontario Inc.	CCAA	EY	31-Oct-22	Ontario	Cannabis	185,000		185,000	\$3,888,888.88 plus the Closing DIP Loan (as defined below) and Assumed Liabilities	4.8%	No
Solvaqua Inc.	2464525 Alberta Ltd.	Receivership	MNP	01-Oct-22	Alberta	Other	175,000		175,000	#####	7.0%	Y
Cannapiece Group Inc. et al.	Cardinal Advisory Limited	CCAA	BDO	08-Nov-22	Ontario	Cannabis	175,000	25,000	200,000	\$3.5 million cash, plus Assumed Liabilities, if any	5.7%	Yes
i55 Communications Inc.	Elektrophenix GmbH	NOI	Grant Thornton	17-Oct-22	Ontario	Technology	USD \$200,000	USD \$200,000	USD \$250,000	USD \$5 million, a portion of which will be comprised of a "credit bid" of amounts owing under the DIP Term Sheet	5.0%	Yes
Go-To Developments Holdings Inc.	2357616 Ontario Inc.	Receivership	KSV	08-Aug-22	Ontario	Real Estate	-	60,000	60,000	9.5 million or greater	1.0%	No
Just Energy Group	The DIP lenders and one of their affiliates	CCAA	FTI	04-Aug-22	Ontario	Oil & Gas	US\$14.66 million	-	US\$14.66 million	US\$184.9 million in cash, plus up to an additional \$10 million, a credit bid of US\$252.7 million, plus the assumption of certain liabilities	3.4%	No
Zenabis Group	2657408 Ontario Inc.	CCAA	EY	16-Jun-22	Quebec	Cannabis	-	750,000	750,000	Unclear - confidential	Unclear	No
Freshlocal Solutions Inc.	Third Eye Capital Corporation	CCAA	EY	17-Jun-22	British Columbia	Retail	Unclear - confidential	Unclear - confidential	Unclear - confidential	Unclear - confidential	2.5%	No

Cura-Can Health Corp. and its wholly-owned subsidiary The Clinic Network Canada Inc.	Avonlea-Drewry Holdings Inc.	Receivership	KPMG	14-Mar-22	Alberta	Cannabis	325,000		325,000	Approximately \$6,750,000 of which \$6,500,000 will be credited against the indebtedness owing to the purchaser	480.0%	Yes
Jam Hospitality Inc. et al.	2424115 Alberta Ltd.	Receivership	PwC		Alberta	Food & Accommodation	500,000			18.5 million		No
Balanced Energy Oilfield Services Inc. et al.	XDI Energy Solutions Inc.	Receivership	FTI	21-Mar-22	Alberta	Oil & Gas	250,000			#####	Unclear	Yes (term sheet)
BlackRock Metals Inc. et al.	OMF Fund II H Ltd. and Investissement Québec	CCAA	Deloitte	22-Dec-21	Quebec	Mining	2.5 million		2.5 million	Credit bid of \$90,759M	275.0%	Yes
Behr Technologies Inc.	13486826 Canada Inc.	NOI	Farber	19-Jan-22	Ontario	Technology	75,000		75,000	comprised of a credit bid of \$1,000,000 in debt owing under the DIP Facility plus cash in a to-be-determined amount for priority payables and any	Unclear	Yes
Harte Gold Corp.	1000025833 Ontario Inc.	CCAA	FTI	15-Dec-21	Ontario	Mining	-	-	-	-	0.0%	No
McEwan Enterprises Inc.	2864785 Ontario Corp.	CCAA	A&M		Ontario	Food & Accommodation	390,000		390,000	(A) \$2,200,000, plus (B) an amount equal to Cure Costs, plus (C) the assumption of the Assumed Obligations by the Purchaser	Unclear	No
Junction Craft Brewing Inc.	1000003509 Ontario Limited	NOI	Richter	05-Nov-21	Ontario	Food & Accommodation	50,000	25,000	75,000	400,000 cash plus the assumption of certain liabilities	Unclear	Yes
Nimbus Water Systems Inc.	2752837 Ontario Inc.	Receivership	BDO	06-Sep-21	Ontario	Professional Services	250,000	50,000	300,000	13,000,000	2.3%	Yes

O2 Industries Inc.	2841551 Ontario Limited	Receivership	RSM	13-Jul-05	Ontario	Healthcare	-	-	-	-	0.0%	Yes
Turuss (Canada) Industry Co. Ltd.	Westmount Park Investments Inc.	Receivership	MNP	13-Apr-21	Ontario	Manufacturing	Combined break fee and expense reimbursement amount of \$175,000	Combined break fee and expense reimbursement amount of \$175,000	175,000	6,500,000	2.7%	Yes
Salt Bush Energy Ltd.	Ironbark Energy Ltd.	NOI	Deloitte	02-Feb-21	Alberta	Oil & Gas	50,000	25,000	75,000	Unclear	Unclear	Yes
Allied Track Services Inc.	2806401 Ontario Inc.	NOI	KSV	21-Jan-21	Ontario	Professional Services	-	-	-	104,800,000	0.0%	Yes
Family Fitness Inc.	BTA Real Estate Group Inc.	Receivership	A&M	15-Jan-21	Saskatchewan	Other	40,000		40,000	800,000 plus the assumption of assumed liabilities	5.0%	Yes
Avenir Sports Entertainment Limited	Avina Acquisition Corp.	Receivership	KSV	15-Dec-20	Alberta	Entertainment	186,000		186,000	4,650,000	4.0%	Yes
Urthecast Corp. (TSX:UR)	Antarctica Infrastructure Partners, LLC, an affiliate of Antarctica Capital LLC	CCAA	EY	15-Oct-20	British Columbia	Technology	2,070,000	1,000,000	3,070,000	69,000,000	4.5%	No
110-112 Avenue Road; 114 Avenue Road and 116 Avenue Road	SC Land Inc.	Receivership	RSM	09-Oct-20	Ontario	Financial Services	-	385,000	385,000	16,100,000	2.4%	Yes
Fun and Fitness Trampolines Inc.	2786323 Ontario Inc.	NOI	Crowe Soberman Inc.	26-Oct-20	Ontario	Entertainment	10,000	-	10,000	Purchase price confidential	Unclear - purchase price confidential	Yes

Muskoka Grown	Arthur Zwingenberger, in trust for a corporation to be formed under the laws of the Province of Ontario, and 2685164 Ontario Inc.	NOI	Farber	27-Jul-20	Ontario	Cannabis	-	113,000	113,000	11,961,394	<1%	Yes	
Wire IE (Canada) Inc.	Crown Capital Private Credit Fund, LP	NOI	Farber	20-Jul-20	Ontario	Technology	-	200,000	200,000	\$9.5 million plus the assumption or satisfaction of certain liabilities	-%		
Bow River Energy Ltd.	2270943 Alberta Ltd.	CCAA	BDO	17-Jul-20	Alberta	Oil & Gas	175,000	-	175,000	4,290,221	4.1%	Y	
Cirque du Soleil	Spectacle Bidco LP	CCAA	EY	15-Jul-20	Quebec	Media	-	-	-	US\$1,215 million	-%	Y	APA is called Exhibit 23a in the Document Library
Dominion Diamond Mines	Washington Diamond Investments Holdings II, LLC	CCAA	FTI	21-May-20	Alberta	Mining	US2,522,000	US2,250,000	4,772,000	cash, plus up to US\$5.0 million in respect of any incremental amounts outstanding, plus the assumption of certain liabilities	2.0%	N	
Penady (Barrie) Ltd.	Choice Properties Limited Partnership	Receivership	RSM	02-Jun-20	Ontario	Real Estate	-	400,000	400,000	Unclear - credit bid	Unclear	Y (unsigned copy)	
James E. Wagner Cultivation Corporation	Trichome Financial Corp.	CCAA	KSV	31-Mar-20	Ontario	Cannabis	-	100,000	100,000	11,700,000	0.9%	Y	
Traverse Energy Ltd.	Barrel Oil Corp.	Receivership	EY	05-Feb-20	Alberta	Oil & Gas	97,500	-	97,500	3,250,000	3.0%	Y	
Viafoura Inc.	InterCap Equity Inc.	NOI	KSV	22-Jan-20	Ontario	Technology	25,000	45,000	70,000	1,491,000	4.7%	Y	
Waves E-Gaming Inc.	Amulka Ventures Inc.	Receivership	Dodick Landau	16-Jan-20	Ontario	E-gaming	-	-	-	370,000	0.0%	Y	
Trade Secret Web Printing Inc.	B&Y Property Holdings Inc.	NOI	Crowe Soberman Inc.	13-Dec-19	Ontario	Printing	-	50,000	50,000	1,800,000	2.8%	Y	
Clover Leaf Seafoods	Certain affiliates of FCF Co. Ltd	CCAA	Alvarez & Marsal	21-Nov-19	Ontario	Distribution	US \$27.75 million	US \$2.5 million	\$30.25 million	US \$925.6 million to \$930.6 million	3.0%	Y	6

3070 Ellesmere Developments Inc.	CoStone Development Inc. and Campus Suites Inc.	NOI	Crowe Soberman Inc.	19-Aug-19	Ontario	Real Estate	400,000		400,000	16,000,000	2.5%	Y	
Orbcare Inc.	iGan Partners Inc.	NOI	MNP	08-Aug-19	Ontario	Technology	60,000		60,000	1,200,000	5.0%	N	
Octopus Holdings Ltd.	East Winds Caribbean Limited Partnership	Receivership	Hardie & Kelly	03-Jun-19	Alberta	Hospitality	-	-	-	2,600,000	0.0%	Y	
Argex Titanium Inc.	Mr. Mazen Alnaimi and other investors	NOI	PwC	21-Jun-19	Quebec	Technology					5.0%	Y	5
Strategic Oil & Gas Ltd.	GMT Exploration Zama Inc.	CCAA	KPMG	03-May-19	Alberta	Oil & Gas	75,000		75,000	1,500,000	5.0%	Y	
Strategic Oil & Gas Ltd.	GMT Exploration Zama Inc.	CCAA	KPMG	03-May-19	Alberta	Oil & Gas	75,000		75,000	1,500,000	5.0%	Y	
Divestco Inc.	2179602 Alberta Ltd.	CCAA	Grant Thornton	19-Mar-19	Alberta	Oil & Gas	425,000	-	425,000	15,410,517	2.8%	Y	
Versaccounts Limited	Seatele Atlantic, Inc.	NOI	Farber	23-Jan-19	Ontario	Technology	25,000	25,000	50,000	250,000	20.0%	Y	
Vari-Form Inc.	11032569 Canada Inc.	CCAA	PwC	07-Jan-19	Ontario	Automotive	1,500,000	-	1,500,000	50,000,000	3.0%	Y	4.00
Stantive Technologies Group Inc.	2671682 Ontario Inc.	NOI	EY	14-Dec-18	Ontario	Technology	93,000	25,000	118,000	5,400,000	2.2%	Y	
1033803 Ontario Inc., operating as Forma-Con Construction and Forma Finishing	2657897 Ontario Inc.	Receivership	KSV	06-Dec-18	Ontario	Real Estate	-	-	-	16,500,000	0.0%	Y	
Ladacor AMS Ltd., Nomads Pipeline Consulting Ltd., and 2367147 Ontario Inc.	Sioux Lookout First Nations Health Authority	Receivership	A&M	16-Oct-18	Alberta	Real Estate			125,000	5,000,000	2.5%	Y	3
Purewal Blueberry Farms	0801226 B.C. Ltd.	CCAA	FTI	10-Oct-18	British Columbia	Agriculture			275,000	8,000,000	3.4%	Y	3.00
2301132 Ontario and 2309840 Ontario	E. Manson Investments Limited	NOI	KSV	05-Oct-18	Ontario	Real Estate	175,000	50,000	125,000	6,700,000	1.9%	Y	
Aralez Pharmaceuticals Inc.	Nuvo Pharmaceuticals Inc.	CCAA	Richter	18-Sep-18	Ontario	Pharmaceutical	2,187,500	575,000	2,762,500	62,500,000	4.4%	Y	
1760184 Ontario Ltd. (Surface Heat Treat & Coatings)	Rampart Steel Treating Ltd.	NOI	Farber	18-Jun-18	Ontario	Manufacturing	42,500		42,500	850,000	5.0%	Y	1, 3
3291745 Nova Scotia	3308949 Nova Scotia Limited	Receivership	KSV	14-Jun-18	Nova Scotia	Real Estate	100,000	25,000	125,000	3,225,000	3.9%	Y	
Discovery Air	Various	CCAA	KSV	21-Mar-18	Ontario	Aviation	-	-	-	-	0.0%	Y	2

Notes

Purchase price equal to the sum of \$191,000 in cash plus 90% of the inventory value as at the closing date, plus the purchaser's agreement to the AR collection agreement appended to the APA. Estimated TV is reported in Farber's first report.

Four separate stalking horse agreements were entered into for various of the debtor's business units. The stalking horse bidder in each agreement is a corporation related to the debtor's 95.5% shareholder and most significant secured creditors. The purchase price in each case is in the form of a credit bid or assumption of debt. No break fees are contemplated in any of the stalking horse agreements.

APA did not split break fee between termination fee and expense reimbursement amounts

Estimated transaction value consists only of the cash portion of the purchaser's bid.

Estimated transaction value equal to an amount sufficient to satisfy i) repayment of the amounts secured by the administration charge; ii) repayment of the DIP loan; iii) payment of amounts secured by KERP charge; and iv) funding of a proposal which will provide for payment of, among other things, the outstanding secured debentures and preferred claims.

Transaction is for assets of both Canadian and US entities.

APPENDIX E

[ATTACHED]

Black Press Ltd. and 311773 B.C. Ltd. et. al.

Projected Weekly Cash Flow Statement (Consolidated)

January 8, 2024 to March 17, 2024

(Unaudited; \$CAD Thousands)

		Week ending										
	Note	14-Jan-24	21-Jan-24	28-Jan-24	04-Feb-24	11-Feb-24	18-Feb-24	25-Feb-24	03-Mar-24	10-Mar-24	17-Mar-24	Total
RECEIPTS												
Collections	2	5,516	4,716	4,716	4,169	4,569	4,169	4,169	4,656	5,456	4,656	46,793
DISBURSEMENTS												
<u>Operating Disbursements</u>												
Payroll	3	(3,064)	(1,913)	(2,486)	(1,919)	(2,215)	(1,913)	(595)	(3,196)	(1,540)	(3,196)	(22,038)
Newsprint, press supplies, ink, printing	4	(629)	(629)	(629)	(629)	(629)	(629)	(629)	(629)	(629)	(629)	(6,295)
Distributors	5	(947)	(203)	(947)	(423)	(947)	(203)	(947)	(423)	(947)	(203)	(6,191)
Sales taxes		-	-	(705)	-	-	-	(300)	-	(405)	-	(1,410)
Other operating costs	6	(1,161)	(1,711)	(1,411)	(1,539)	(1,161)	(961)	(1,211)	(1,539)	(1,161)	(961)	(12,812)
		(5,801)	(4,456)	(6,178)	(4,510)	(4,953)	(3,706)	(3,682)	(5,787)	(4,683)	(4,989)	(48,746)
<u>Other Disbursements (Income)</u>												
Restructuring costs	7	(34)	(279)	(916)	(1,293)	(546)	(848)	(384)	(325)	(248)	(719)	(5,594)
Key employee retention program	8	-	-	-	-	-	-	-	-	-	(156)	(156)
		(34)	(279)	(916)	(1,293)	(546)	(848)	(384)	(325)	(248)	(875)	(5,750)
Total Disbursements		(5,835)	(4,736)	(7,094)	(5,803)	(5,499)	(4,554)	(4,066)	(6,113)	(4,931)	(5,865)	(54,496)
Net Cash Flow		(319)	(20)	(2,379)	(1,634)	(930)	(385)	103	(1,456)	526	(1,208)	(7,703)
Opening cash balance		2,279	1,960	1,940	-	-	-	-	103	-	526	2,279
Net cash flow		(319)	(20)	(2,379)	(1,634)	(930)	(385)	103	(1,456)	526	(1,208)	(7,703)
DIP facility advances		-	-	438	1,634	930	385	-	1,354	-	683	5,424
Ending cash balance		1,960	1,940	-	-	-	-	103	-	526	(0)	-

Notes to Projected Weekly Cash Flow Statement (Consolidated)

January 8, 2024 to March 17, 2024

(Unaudited; \$CAD Thousands)

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of Black Press Ltd., 311773 B.C. Ltd. and the following other petitioner companies (collectively, the "Petitioners") from January 8, 2024 to March 17, 2024 (the "Period") in respect of the proceedings under the Companies' Creditors Arrangement Act ("CCAA"). Certain Petitioners' receipts and disbursements were forecasted in US dollars, converted at a rate of 1.3507:1.

- Black Press Group Ltd.
- 0922015 B.C. Ltd.
- Central Web Offset Ltd.
- Sound Publishing Holding, Inc.
- Sound Publishing Properties, Inc.
- Sound Publishing, Inc.
- Oahu Publications, Inc.
- The Beacon Journal Publishing Company
- WWA (BPH) Publications, Inc.
- San Francisco Print Media Co.

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical

2. Represents collection of revenue from operations.

Most Probable

3. Represents employee payroll, vacation pay and benefits for the Petitioners.
4. Represents the various input costs associated with producing the Petitioners' publications.
5. Represents amounts payable to the various entities that distribute the Petitioners' publications.
6. Represents other critical expenses, including technology, delivery costs, marketing, rent, insurance, and administration expenses.
7. Includes fees of the monitor, its counsel, the Petitioners' US and Canadian counsel, and Canso's US and Canadian counsel.
8. Represents payment of the key employees retention plan that the Petitioners' will seek to have approved at the Comeback Hearing.

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

IN THE MATTER OF
BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The management of Black Press Ltd., 311773 B.C. Ltd., and those other petitioner companies listed in Schedule "A" (collectively, the "**Petitioners**") have developed the assumptions and prepared the attached statement of projected cash flow as of the 12th day of January, 2024 for the period January 8, 2024 to March 17, 2024 (the "**Cash Flow**"). All such assumptions are disclosed in the notes to the Cash Flow.

The hypothetical assumptions are reasonable and consistent with the purpose of the Cash Flow as described in Note 1 to the Cash Flow, and the probable assumptions are suitably supported and consistent with the plans of the Petitioners and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Note 1 using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Vancouver, British Columbia this 12th day of January, 2024.

BLACK PRESS LTD., 311773 B.C. LTD.,
AND THOSE ENTITIES LISTED IN SCHEDULE "A"



Per: Chris Hargreaves
Director of Corporate Finance
Black Press Group Ltd.

SCHEDULE "A"

Petitioners

A. Canadian Petitioners

Black Press Ltd.

311773 B.C. Ltd.

Black Press Group Ltd.

0922015 B.C. Ltd.

Central Web Offset Ltd.

B. US Petitioners

Sound Publishing Holding, Inc.

Sound Publishing Properties, Inc.

Sound Publishing, Inc.

Oahu Publications, Inc.

The Beacon Journal Publishing Company

WWA (BPH) Publications, Inc.

San Francisco Print Media Co.