

Court File No. 31-3354672
Estate File No. 31-3354672

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
ECOIDEAS INNOVATIONS INC.
OF THE TOWN OF NEWMARKET
IN THE PROVINCE OF ONTARIO**

SECOND REPORT TO COURT OF THE PROPOSAL TRUSTEE

DATED MAY 22, 2026

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INTRODUCTION

1. On March 31, 2026 (the “**Filing Date**”), Ecoideas Innovations Inc. (“**Ecoideas**” or the “**Company**”) filed with the Official Receiver a Notice of Intention to Make a Proposal (“**NOI**”) to its creditors and named Dodick Landau Inc. (“**DLI**”) as Proposal Trustee (the “**Proposal Trustee**”). Attached as **Appendix “A”** is the Certificate of Filing of a NOI.
2. On April 28, 2026, the Ontario Superior Court of Justice (In Bankruptcy and Insolvency) (the “**Court**”) granted an order (“**Stay Extension Order**”) which, among other things, approved the extension of time for filing a proposal up to May 25, 2026. A copy of the Stay Extension Order is attached as **Appendix “B”**.
3. All capitalized terms used in this report (the “**Second Report**”) but not otherwise defined shall have the meaning ascribed to such terms in the Rafic Sidani Affidavit sworn May 22, 2026 (the “**Sidani Affidavit**”).
4. The purpose of this Second Report of the Proposal Trustee is to provide the Court with information pertaining to the following:
 - i) Ecoideas’ request for an extension of the time for filing a proposal up to and including July 9, 2026;
 - ii) Ecoideas’ projected cash flow for the period from May 16, 2026 to July 10, 2026;
 - iii) the Sale and Investor Solicitation Process (“**SISP**”);
 - iv) the terms of a stalking horse subscription agreement (the “**Stalking Horse Agreement**”) between 1001611870 Ontario Inc. (“**Stalking Horse Bidder**”) and Ecoideas dated May 22, 2026 to purchase the equity interest in Ecoideas, which, subject to the approval of this Court, would act as the “stalking horse bid” in the SISP;
 - v) the Proposal Trustee’s recommendation that this Court make an order, as requested by Ecoideas, approving;
 - a) the extension of time for filing a proposal up to July 9, 2026;
 - b) the SISP; and
 - c) the Stalking Horse Agreement, solely for the purpose of serving as the stalking

horse bid in the SISP. If 1001611870 Ontario Inc. is the successful bidder, completion of the transaction contemplated by the Stalking Horse Agreement will require further Court approval on a subsequent motion by Ecoideas following the conclusion of the SISP.

TERMS OF REFERENCE

5. In preparing this Second Report, the Proposal Trustee has relied upon certain unaudited, draft and/or internal financial information, Ecoideas' books and records, discussions with the management of Ecoideas ("**Management**") and information from other third-party sources (collectively, the "**Information**").
6. Except as described in this Second Report, the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Canadian Institute of Chartered Accountants Handbook (the "**CPA Handbook**") and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
7. Some of the information referred to in this Second Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the CPA Handbook, has not been performed. Future oriented financial information referred to in this Second Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations may be material.
8. The Proposal Trustee has prepared this Second Report in its capacity as a Court appointed officer and has made a copy of this Report available on the Proposal Trustee's website at www.dodick.ca for purposes of Ecoideas' motion returnable May 25, 2026. Parties using this Second Report, other than for the purpose of the motion, are cautioned that it may not be appropriate for their purposes.
9. All references to dollars are in Canadian currency unless otherwise noted.

BACKGROUND

10. As detailed in the Sidani Affidavit, Ecoideas is a manufacturer and distributor of health food and healthy living products to retailers across Canada. It provides environmentally conscious and ethically sourced organic and natural food products, supplements, cleaning and other home products and natural body care products. The Company has two product streams: i) In-House Products which it manufactures and distributes; and ii) a curated selection of third-party brands of health food and natural health products which it distributes, (jointly, the “**Business**”).
11. Ecoideas’ products are generally more expensive than non-natural products and appeal to an upscale consumer market.
12. Currently, Ecoideas employs 25 full-time non-unionized employees. In addition, temporary labour is used to assist at busy times of the year.
13. As detailed in the Proposal Trustee’s first report to the Court, the Company’s secured creditors included both Royal Bank of Canada (“**RBC**”) and Business Development Bank of Canada (“**BDC**”), each pursuant to a loan agreement and secured by a general security agreement.
14. Ecoideas’ cash flow difficulties are attributed to a decline in sales over the last two years on account of rising raw material prices caused by inflation and global trade challenges, as well as decreased consumer spending on higher-end products. In addition, Ecoideas’ overhead is high relative to its now lower sales volumes.
15. In response to the Company’s increasing cash flow pressures, it reduced the number of employees from a high of 35 in an effort to limit expenses and preserve operating funds, but notwithstanding these efforts it has not been able to fully compensate for the diminishing sales. As a result, Ecoideas defaulted on its obligations to RBC and on March 2, 2026 RBC issued a demand and notice of intention to enforce its security. In response, the Company initiated these proceedings to stabilize its business and explore restructuring options.

Related Party

16. Following the filing of its NOI, a related party held discussions with RBC, with the support of Ecoideas, regarding the purchase of RBC's indebtedness and related security (the "**RBC Security**"). RBC rejected the related party's initial proposal to acquire the RBC Security. Ecoideas then entered discussions with the related party to act as a stalking horse bidder in a sale process. Ultimately, the related party and RBC could not agree on terms for a potential transaction.

Assignment of RBC's security

17. On May 20, 2026, RBC advised Ecoideas that it had completed the sale of the RBC Security to the Stalking Horse Bidder. By May 22, 2026, Ecoideas and the Stalking Horse Bidder finalized the Stalking Horse Agreement and, in consultation with the Proposal Trustee, agreed on the terms of the SISP.
18. The Proposal Trustee's counsel has reviewed the RBC Security and the assignment to the Stalking Horse Bidder, and notes the following:
 - i) RBC has valid and enforceable security against the property of Ecoideas;
 - ii) RBC has a first ranking security interest in all inventory and equipment financed by RBC; and
 - iii) BDC appears to have a first-ranking security interest in all other property of Ecoideas with respect to all, or a portion of, its outstanding debt, which currently totals approximately \$113,000.

Based on the Proposal Trustee's discussion with legal counsel to the Stalking Horse Bidder, there is no known priority agreement entered into between BDC and RBC at the time BDC advanced its loan to Ecoideas in 2019. At the time this Second Report was issued, the Proposal Trustee has not yet completed its review of BDC's security and has requested additional loan and security documents from BDC to complete its review.

EXTENSION OF STAY OF PROCEEDINGS

19. Ecoideas is seeking an extension of the time for the filing of the proposal up to and including July 9, 2026, for a total of 45 days following the expiration of the initial stay of proceedings.
20. The stay extension is required to provide Ecoideas with the necessary time to preserve its Business while it engages in the proposed SISP with a view to either obtaining additional investment or completing a sale.
21. The Proposal Trustee is of the view that Ecoideas is acting in good faith and with due diligence in formulating and implementing a plan that would preserve the Business.
22. Without an extension to the stay period being granted, Ecoideas will not have the opportunity to formulate and implement a restructuring plan and will become bankrupt to the detriment of its stakeholders.
23. In contrast, no creditor will be materially prejudiced if an extension is granted. If the extension is granted, Ecoideas will have the time required to complete the proposed SISP and will have the opportunity to restructure.

WEEKLY CASH FLOW FORECAST

24. Ecoideas, with the assistance of the Proposal Trustee, has prepared a weekly cash flow forecast ("**Cash Flow Forecast**") for the period from May 16, 2026 to July 10, 2026 ("**Cash Flow Period**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "C"**. The Cash Flow Forecast has been prepared by Management of Ecoideas for the purpose of this motion, using probable and hypothetical assumptions set out in notes 1 to 8 to the Cash Flow Forecast. The Cash Flow Forecast reflects receipts and disbursements to be received or paid over an eight-week forecast period.
25. The Cash Flow Forecast projects that Ecoideas will have sufficient liquidity, to fund its expenses and the Proposal proceeding throughout the proposed extension of the stay of proceedings.
26. The Proposal Trustee's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussion related to information supplied to the Proposal Trustee by certain of the Management and employees of Ecoideas. Since hypothetical

assumptions need not be supported, the Proposal Trustee's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposal Trustee has also reviewed the support provided by Management of Ecoideas for the probable assumptions, and the preparation and presentation of the Cash Flow Forecast.

27. Based on the Proposal Trustee's review, nothing has come to its attention to cause it to believe that, in all material respects:
- i) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - ii) as at the date of this Second Report, the probable assumptions developed by management are not suitably supported and consistent with the plans of Ecoideas or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
 - iii) the Cash Flow Forecast does not reflect the probable and hypothetical Assumptions.
28. As described in the disclaimer above, since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Proposal Trustee expresses no assurance as to whether the Cash Flow Forecast will be achieved. In addition, the Proposal Trustee expresses no opinion or other form of assurance with respect to the accuracy of financial information presented in the Cash Flow Forecast or relied upon by the Proposal Trustee in preparing this Second Report.
29. The Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

SALE AND INVESTOR SOLICITATION PROCESS

Overview of the Proposed SISP

30. Further to the Company's prior operational restructuring efforts, the Company has determined that a sale and investment solicitation process is critical to developing a long-term solution to its liquidity challenges and maximizing stakeholder interests. Accordingly, the Company, in consultation with the Proposal Trustee and the Stalking Horse Bidder, developed the SISP.
31. The SISP is intended to widely expose the Company's Business to the market and provide a structured and orderly process for interested parties to perform due diligence and submit offers for a potential transaction.
32. The SISP is a transparent and objective process that will be implemented and supervised by the Proposal Trustee as an officer of this Court. The Company will continue to operate in the normal course during the SISP to preserve and maximize going concern value of the Business. A copy of the SISP is attached as **Appendix "D"**.
33. The SISP involves a stalking horse bid in the form of the Stalking Horse Agreement (the "**Stalking Horse Bid**"). The Stalking Horse Bid is intended to stimulate market interest by setting a "floor" price that bidders must bid against. It also provides comfort to stakeholders, that value will be realized through the SISP. The details of the Stalking Horse bid are discussed further herein.
34. The Proposal Trustee, with the assistance of Ecoideas' management will, among other things:
 - i) prepare a list of known interested parties and additional local and or international parties identified by the Company and the Proposal Trustee;
 - ii) prepare a teaser detailing the opportunity ("**Teaser**");
 - iii) prepare a non-disclosure agreement (the "**NDA**") to be executed by potential purchasers in order to conduct due diligence;
 - iv) compile information to be included in an electronic data room (the "**Data Room**") to

- be provided to potential purchasers upon executing the NDA;
- v) place notices of the SISP in *Insolvency Insider*, an independent publication dedicated to the Canadian insolvency market, and a national newspaper as determined by the Proposal Trustee in consultation with the Company;
 - vi) cause the Teaser and NDA to be sent to each known interested party, as well as any other party who requests them or is identified as a potential bidder;
 - vii) coordinate all reasonable requests for information and due diligence access for each potential bidder who executes the NDA. Due diligence will include access to the Data Room, and may include meetings with management, and other reasonable requests at the Proposal Trustee’s discretion, taking into account factors such as competitive and other business considerations;
 - viii) review and assess offers received for the Company’s assets and negotiation of same for the purpose of clarifying or amending the terms; and
 - ix) report to Court on the results of the SISP and the Proposal Trustee’s recommendation in respect of Qualifying Bids (defined below) and the successful bid.

The SISP Timeline

- 35. The SISP contemplates a four-week, single phase sale process that will be managed by the Proposal Trustee with a deadline for offers of no later than 5:00pm (Toronto time) on June 26, 2026 (“**Bid Deadline**”).
- 36. A summary of the timelines is provided below:

Activity	Timeline
Commence SISP	May 29, 2026
Bid Deadline	June 26, 2026
Successful Bidder	June 29, 2026
Seek Court approval	July 9, 2026
Closing date	July 14, 2026

37. The SISP provides that the Proposal Trustee may extend the deadlines above with the consent of the Company. The ability to extend deadlines provides the Proposal Trustee and the Company with the necessary flexibility to maximize the Company's success in the SISP.
38. The timeline of the SISP was designed to allow interested parties a reasonable opportunity to formulate and submit bids to maximize the Company's success in the SISP.
39. The Proposal Trustee is supportive of the timelines in the SISP based on its discussions with the Company and the Stalking Horse Bidder.

The Stalking Horse Agreement

40. The Stalking Horse Agreement contemplates the acquisition of the equity in Ecoideas by the Stalking Horse Bidder by way of a "reverse vesting" transaction, structured this way as the Company has various health product numbers, permits and licenses that are difficult to transfer without significant business interruption.
41. The Stalking Horse Agreement provides for a floor price for the equity in Ecoideas and provides the Company with the opportunity to see if a higher offer can be achieved. Provided the Court approves the Stalking Horse Agreement and the SISP, Ecoideas will be marketed as outlined above for four weeks to determine if there are any better bids or offers to invest. A copy of the Stalking Horse Agreement is attached as **Appendix "E"**.
42. The key terms and conditions of the Stalking Horse Agreement are summarized below.
 - i) **Purchaser:** 1001611870 Ontario Inc. The Stalking Horse Bidder is an arms-length company.
 - ii) **Purchase Price:** credit bid of the RBC Security plus a cash payment sufficient to satisfy any priority payables, including certain BDC indebtedness should BDC have priority over RBC, and \$20,000 for fees and disbursements of the Trustee and its advisors to administer ResidualCo and the excluded assets (including any wind-down or dissolution of ResidualCo). The value of the RBC Security as of the effective date of the Stalking Horse Agreement is equal to approximately \$2.3 million.

- iii) **Share Subscription:** The Purchaser agrees to subscribe for "Purchased Shares," which will represent 100% of the Company's issued and outstanding Equity Interests upon Closing. All existing shares (Existing Shares) will be cancelled without consideration.
 - iv) **Representation and Warranties:** consistent with the standard terms of an insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.
 - v) **Retained Items:** The Company retains "Retained Assets," "Retained Contracts," and "Retained Liabilities" (which are Liabilities related to the Business from and after the Closing Time, plus Cure Costs).
 - vi) **Material Conditions:** the Stalking Horse Bidder being chosen as the Successful Bid and the granting of an Approval and Reverse Vesting Order to separate assets and liabilities.
43. At the outset of the NOI process, the Company and the Proposal Trustee prepared a liquidation analysis of the assets of the Company. Such analysis is not included herein, to protect the SISP and the confidential commercial information. However, the value of the Stalking Horse Agreement far exceeds the highest end of the range of value reasonably expected if a bankruptcy were to occur and the Company's assets were liquidated. Additionally, the Stalking Horse Agreement would ensure continuity of the business and employment for certain of the Company's employees. Accordingly, the Stalking Horse Agreement represents a more valuable alternative that is preferable to a bankruptcy.

Bid Protections

44. The Stalking Horse Agreement includes a break fee of \$50,000 (inclusive of HST) (the "**Break Fee**") that represents approximately 2% of the total consideration under the Stalking Horse Agreement if the Stalking Horse Bidder is not the successful bidder.
45. The Proposal Trustee is of the view that the Break Fee is not punitive in nature, nor will it discourage competitive bidding with respect to the SISP.

Qualified Bids

46. To be a “Qualified Bid”, a bid must meet the following requirements:

- i) a base cash purchase price equal to or greater than \$2,300,000, plus Priority Payables, plus \$20,000 (“**Consideration Value**”), which is the amount of the Stalking Horse Bid plus \$50,000 (i.e. the Break fee);
- ii) be accompanied by a deposit of at least 10% of the Consideration Value, to be retained by the Proposal Trustee in trust;
- iii) contain an executed binding transaction document(s), including all exhibits and schedules contemplated thereby, together with a blackline against the Stalking Horse Agreement (which shall be posted by the Company in the data room), describing the terms and conditions of the proposed transaction, including any liabilities proposed to be assumed, the Consideration Value, the structure and financing of the proposed transaction, and any regulatory or other third-party approvals required;
- iv) state it is not conditional upon any condition or contingency relating to due diligence, financing or another material conditions precedent to the bidder’s obligation to complete the transaction;
- v) be submitted by the Bid Deadline;
- vi) provide evidence satisfactory to the Company and Proposal Trustee of the financial ability of the bidder to consummate the transaction;
- vii) not include any break fee, expense reimbursement or similar type of payment;
- viii) the offeror must acknowledge the offer is expressly made on an “as is, where is” basis in all respects; and
- ix) describe the intended treatment of the Company’s stakeholders including secured creditors, unsecured creditors, employees, customers, suppliers, and contractual counterparties.

Selection of Successful Bid

47. If the Proposal Trustee, in consultation with the Company, determines that there are no Qualified Bids, the Proposal Trustee shall promptly proceed to declare the Stalking Horse Bid as the Successful Bid. If the Proposal Trustee receives one or more Qualified Bids which are superior to the Stalking Horse Bid, it may proceed with an auction to select the highest or otherwise best bid in the SISP in accordance with the procedure delineated in the SISP.

Court Approval and Closing

48. Upon selection of the Successful Bid, the Company will bring a motion to the Court on notice to the service list for an order approving the Successful Bid. The Company, with the assistance of the Proposal Trustee, will then proceed to close the transaction as soon as possible after Court approval is granted.

RECOMMENDATION

49. Based on all the foregoing, the Proposal Trustee respectfully recommends that the Court make an order granting the relief requested by Ecoideas, as summarized in paragraph 4 of this Second Report.

All of which is respectfully submitted on the 22nd day of May 2026.

DODICK LANDAU INC.

In its capacity as the Proposal Trustee of Ecoideas Innovations Inc. and not in its personal or corporate capacity.

Per:



Rahn Dodick, CPA, CA, CIRP, LIT
President

APPENDIX “A”



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-3354672
Estate No.: 31-3354672

In the Matter of the Notice of Intention to make a proposal of:

Ecoideas Innovations Inc.

Insolvent Person

DODICK LANDAU INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

March 31, 2026

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 01, 2026, 10:31

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

APPENDIX “B”

information form, no one else appearing although properly served as appears from the affidavit of Amanda Adamo, sworn April 23, 2026, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

EXTENSION OF TIME

2. **THIS COURT ORDERS** that the time for the filing of a proposal by the Companies is hereby extended in accordance with section 62(1) of the BIA up to and including May 25, 2026.



Digitally signed by
Sean Dunphy
Date: 2026.04.28
10:07:05 -04'00'

**THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS
AMENDED**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE PROPOSAL OF
ECOIDEAS INNOVATIONS INC.**

Court File No.
Estate File No. 31-3354672

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceedings commenced at Toronto

ORDER

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Lawyers for Ecoideas Innovations Inc.

APPENDIX “C”

Ecoideas Innovations Inc.
Weekly Cash Flow Forecast
For the period from May 16, 2026 to July 10, 2026
\$Cdn

Week Ending	Notes	22-May-26	29-May-26	05-Jun-26	12-Jun-26	19-Jun-26	26-Jun-26	03-Jul-26	10-Jul-26	TOTAL
Receipts	1, 2	135,000	135,000	181,810	135,000	135,000	135,000	181,810	135,000	1,173,620
Disbursements										
Payroll	3	20,000	75,973	24,500	59,873	5,000	60,973	9,500	59,873	315,694
Occupany Costs	4	64,036	56,366	10,000	55,346	10,190	2,520	75,319	1,500	275,277
G&A Expenses	5	550	550	550	550	5,550	550	550	5,550	14,400
Professional fees	6	-	35,595	14,125	-	-	-	45,200	-	94,920
Purchases	7	75,663	75,663	75,663	75,663	75,663	75,663	75,663	75,663	605,300
Total Disbursements		160,249	244,147	124,838	191,432	96,403	139,706	206,231	142,586	1,305,591
Net Cash Flow	7	(25,249)	(109,147)	56,973	(56,432)	38,598	(4,706)	(24,421)	(7,586)	(131,971)
Bank Balance										
Opening Bank Balance		137,548	112,299	3,152	60,125	3,693	42,291	37,585	13,163	137,548
Add: Net Cash Flow	7	(25,249)	(109,147)	56,973	(56,432)	38,598	(4,706)	(24,421)	(7,586)	(131,971)
Closing Bank Balance		112,299	3,152	60,125	3,693	42,291	37,585	13,163	5,577	5,577

ECOIDEAS INNOVATION INC.
MAJOR ASSUMPTIONS
CASH FLOW STATEMENT
FOR THE PERIOD MAY 16 2026 TO JULY 10, 2026 (THE “PERIOD”)

Ecoideas Innovation Inc. (“**Ecoideas**”) is a leading manufacturer and distributor of natural health products to retailers across Canada.

The company filed a Notice of Intention to Make a Proposal (“**NOI**”) on March 31, 2026 (“**NOI Filing**”). Ecoideas’ cash flow projection was prepared by management of Ecoideas (“**Management**”).

Receipts:

1. Customer Collections

Cash receipts are based on average weekly collections during the first quarter of 2026. Management assumes that Ecoideas will continue to generate new sales and collect outstanding accounts receivable from customers at current rates. No growth is projected during the Period.

2. Other Receipts

Other receipts include fixed monthly fees charged to two related parties for warehouse space and labour provided by Ecoideas’ at its warehouse facility. The monthly fees charged by Ecoideas for these services is fixed at approximately \$42,000 combined.

Disbursements:

3. Payroll

Payroll includes wages for 18 salaried employees, 9 hourly employees and 3 commission based employees. Also included are employee benefits which are paid monthly, payments to WSIB and a weekly payment on account of temporary labour provided by a third-party agency.

Ecoideas’ payroll is processed by a third-party payroll provider and centralized at its parent company’s head office.

4. Occupancy Costs

Includes rent and utilities for the leased premises in Toronto, as well as insurance, telephone and internet.

5. General and Administrative Expenses

Includes a fixed monthly charge of \$5,000 by its parent company for shared services, as well as estimated costs for office supplies and bank charges.

6. Professional fees

During the Period, legal fees are forecast for Ecoideas' legal counsel, as well as the fees of the Proposal Trustee and its legal counsel. These fees are forecast to total approximately \$94,000.

7. Purchases

Includes forecast costs for raw materials for anticipated production, finished products for sale to end customers and shipping costs.

8. Net Cash Flow

Over the Period, Ecoideas has forecast negative cash flow of approximately \$132,000 of which approximately \$37,000 relates to operations, and the balance relates to restructuring costs (i.e. restructuring professional fees). Over the Period, Ecoideas is forecast to generate sufficient cash flow from its operations to fund its post-filing obligations.

APPENDIX “D”

SALE AND INVESTMENT SOLICITATION PROCESS

Ecoideas Innovations Inc. (the “Company”)

Introduction

1. On March 31, 2026, the Company commenced proceedings (the “**NOI Proceedings**”) under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), by filing a Notice of Intention to Make a Proposal pursuant to Section 50.4 of the BIA. Dodick Landau Inc. was appointed as proposal trustee in the NOI Proceedings (in such capacity, the “**Proposal Trustee**”).
2. The Proposal Trustee will conduct the sale and investment solicitation process (“**SISP**”) described herein, with the assistance of the Company, and pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 25, 2026 (the “**SISP Order**”). The SISP is intended to solicit interest in an acquisition or refinancing of the business or a sale of the assets and/or the business of the Company by way of merger, reorganization, recapitalization, primary equity issuance or other similar transactions. The Proposal Trustee intends to provide all Potential Bidders (as defined herein) an opportunity to participate in the SISP.
3. The SISP Order also approves the stalking horse subscription agreement between the Company and 1001611870 Ontario Inc., or its nominee (in such capacity, the “**Stalking Horse Bidder**”) dated May 22, 2026 (as may be amended from time to time, the “**Stalking Horse Subscription Agreement**”), under which the Stalking Horse Bidder agreed to purchase substantially all of the Company’s assets and business operations, and act as the stalking horse bid in the SISP (the “**Stalking Horse Bid**”). The Stalking Horse Bid shall automatically be considered a Qualified Bid (as defined herein) for the purposes of the Auction (as defined herein).

Opportunity

4. The SISP is intended to solicit interest in, and opportunities for, a sale of, or investment in, all, substantially all or a portion of the Company’s assets and business operations (the “**Opportunity**”). The Opportunity may include one or more of a restructuring, recapitalization or other form or reorganization of the business and affairs of the Company as a going concern or a sale of all, substantially all or one or more components of the Company’s assets (the “**Property**”) and business operations (the “**Business**”) as a going concern or otherwise, or some combination thereof (each, a “**Transaction**”).
5. This document describes the SISP, including the manner in which individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures, governmental organizations or other entities (each, a “**Person**”) may gain access to, or continue to have access to due diligence materials concerning the Company, the Property and the Business, how bids involving the Company, the Property or the Business will be submitted to and evaluated by the Proposal Trustee, and how Court approval will be obtained in respect of a Transaction.

6. The SISP contemplates a one-stage process that involves the submission by interested parties of Bids by the Bid Deadline (as defined below).
7. Any sale (or sales) of the Property or the Business or portions thereof will be on an “**as is, where is**” basis except for, as the case may be, (i) the representations and warranties in the Stalking Horse Subscription Agreement; or (ii) representations and warranties that are customarily provided in subscription agreements or other transaction documents for a company subject to NOI proceedings, and are provided in the definitive documents for such sale (or sales) of the Property or the Business.
8. In the event of a sale, to the extent permitted by law, all of the rights, title and interests of the Company in and to the Property or the Business to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (collectively, the “**Claims and Interests**”), except for retained Claims and Interests, pursuant to section 65.13(7) of the BIA, such Claims and Interests will attach to the net proceeds of the sale of such Property or Business and/or excluded assets, as applicable (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant Transaction documents with a Successful Bidder (as defined below) or the Sale Approval Order.
9. In the SISP, (i) “**Business Day**” means any day (other than Saturday or Sunday) that banks are open for business in Toronto, Ontario. If any deadline date referred to in the SISP falls on a day that is not a Business Day, then such date shall be extended until the next Business Day; and (ii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase, “without limitation”.

Timeline

10. The following table sets out the key milestones under the SISP:

Milestone	Deadline
Commencement date	May 29, 2026
Bid Deadline	June 26, 2026
Auction Date	June 29, 2026
Sale Approval Motion (as defined below)	July 9, 2026
Closing of the Transaction	July 14, 2026

11. Subject to any order of the Court, the dates set out in the SISP may be extended by the Proposal Trustee with the consent and approval of the Company.

Solicitation of Interest: Notice of the SISP

12. As soon as is reasonably practicable:

- a. the Proposal Trustee, in consultation with the Company, will prepare a list of potential bidders, including (i) parties that have approached the Company or the Proposal Trustee indicating an interest in the Opportunity, and (ii) local and international strategic and financial parties who the Company, in consultation with the Proposal Trustee, believe may be interested in a Transaction pursuant to the SISP, in each case whether or not such party has submitted a letter of intent or similar document (collectively, “**Known Potential Bidders**”);
 - b. the Proposal Trustee will arrange for a notice of the SISP (and such other relevant information which the Proposal Trustee, in consultation with the Company, considers appropriate) (the “**Notice**”) to be published in *Insolvency Insider*, the Proposal Trustee’s website, and any other newspaper, journal, website or media outlet as the Company, in consultation with the Proposal Trustee, consider appropriate, if any; and
 - c. the Proposal Trustee, in consultation with the Company, will prepare: (i) a letter (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) enclosing a non-disclosure agreement in the form and substance satisfactory to the Company and the Proposal Trustee, and their respective counsel (an “**NDA**”).
13. The Proposal Trustee will send the Teaser Letter and NDA to each Known Potential Bidder and to any other Person who requests a copy of the Teaser Letter and NDA or who is identified to the Company or the Proposal Trustee as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Potential Bidders and Due Diligence Materials

14. Any party who wishes to participate in the SISP (a “**Potential Bidder**”), other than the Stalking Horse Bidder, must provide to the Proposal Trustee an NDA executed by it, and which shall inure to the benefit of any purchaser of the Business or Property, or any portion thereof, and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder.
15. The Proposal Trustee, in consultation with the Company, shall in their reasonable business judgment and subject to competitive and other business considerations, afford each Potential Bidder who has signed and delivered an NDA to the Proposal Trustee and provided information as to their financial wherewithal to close a Transaction such access to due diligence material and information relating to the Property and Business as the Company or the Proposal Trustee deem appropriate. Due diligence shall include access to the virtual data room (“**VDR**”) containing documentary materials reasonably likely to be relevant to Potential

Bidders in their assessment of the Opportunity, and may also include other information which a Potential Bidder may reasonably request and as to which the Company, in its reasonable business judgment and after consulting with the Proposal Trustee, may agree. The Proposal Trustee will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Potential Bidders and the manner in which such requests must be communicated. Neither the Company nor the Proposal Trustee will be obligated to furnish any information relating to the Property or Business to any person other than to Potential Bidders. Neither the Company nor the Proposal Trustee is responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the sale of the Property and the Business.

16. The Proposal Trustee may, in consultation with the Company, limit the access of any Potential Bidder to any confidential information in the VDR where the Proposal Trustee, in consultation with the Company, reasonably determines that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Business, the Property or their value.
17. The Company, the Proposal Trustee and their respective advisors make no representation or warranty as to the information contained in the VDR, Teaser Letter, or otherwise made available pursuant to the SISP. Potential Bidders must rely solely on their own independent review, due diligence, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any Transaction and/or investment they enter into with one or more of the entities comprising the Company.
18. At any time during the SISP, the Proposal Trustee may, in its reasonable judgment, and in consultation with the Company, eliminate a Potential Bidder from the SISP, in which case such bidder will be eliminated from the SISP and will no longer be a “Potential Bidder” for the purposes of the SISP.

Formal Bids

19. Potential Bidders that wish to make a formal offer to purchase or make an investment in the Company or its Property or Business (a “**Bidder**”) shall submit a Bid (a “**Bid**”) that complies with all of the following requirements to the Proposal Trustee (and its counsel) and Company’s counsel at the addresses specified in Schedule “1” hereto (including by e-mail), so as to be received by them not later than **5:00 PM (EST)** on June 26, 2026 or as may be modified subject to paragraph 40 herein , with the approval of the Company (the “**Bid Deadline**”):
 - a. the Bid must be either a Bid to:
 - i. acquire all, substantially all or a portion of the Property (a “**Sale Proposal**”); and/or
 - ii. make an investment in, restructure, reorganize or refinance the Business or the Company (an “**Investment Proposal**”); or
 - iii. carry out any combination of a Sale Proposal and an Investment Proposal by one or more parties acting together or separately;

- b. the Bid (either individually or in combination with other bids that make up one bid) is an offer to purchase or make an investment in the Company or its Property or Business and is consistent with any necessary terms and conditions established by the Company and the Proposal Trustee and communicated to Bidders;
- c. the Bid includes a letter stating that the Bidder's offer is irrevocable until the selection of the Successful Bidder, provided that if such Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the Transaction with the Successful Bidder;
- d. the Bid includes duly authorized and executed Transaction agreements, including the purchase price, investment amount (the "**Purchase Price**"), together with all exhibits and schedules thereto;
- e. the Bid is accompanied by a deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Proposal Trustee), in an amount equal to ten percent (10%) of the Purchase Price, investment amount or other consideration to be paid in respect of the Bid, to be held and dealt with in accordance with this SISP;
- f. the Bid includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed Transaction, that will allow the Company and the Proposal Trustee to make a determination as to the Bidder's financial and other capabilities to consummate the proposed Transaction;
- g. the Bid is not conditioned on (i) the outcome of unperformed due diligence by the Bidder, or (ii) obtaining financing;
- h. the Bid fully discloses the identity of each entity that will be entering into the Transaction or the financing, or that is otherwise participating or benefiting, directly or indirectly, from such Bid;
- i. for a Sale Proposal, the Bid includes:
 - i. the purchase price in Canadian dollars and a description of any non-cash consideration, including details of any liabilities to be assumed by the Bidder and key assumptions supporting the valuation;
 - ii. a description of the Property that is expected to be subject to the Transaction and any of the Property expected to be excluded;
 - iii. a specific indication of the financial capability of the Bidder and the expected structure and financing of the Transaction;
 - iv. a description of the conditions and approvals required to complete the closing of the Transaction;
 - v. a description of those liabilities and obligations (including operating liabilities) which the Bidder intends to assume and which such liabilities and

- obligations it does not intend to assume; and
- vi. any other terms or conditions of the Sale Proposal that the Bidder believes are material to the Transaction.
- j. for an Investment Proposal, the Bid includes:
- i. a description of how the Bidder proposes to structure the proposed investment, restructuring, recapitalization, refinancing or reorganization, and a description of any non-cash consideration;
 - ii. the aggregate amount of the equity and/or debt investment to be made in the Business or the Company in Canadian dollars.
 - iii. the underlying assumptions regarding the *pro forma* capital structure;
 - iv. a specific indication of the sources of capital for the Bidder and the structure and financing of the Transaction;
 - v. a description of the conditions and approvals required for the Bidder to complete the closing of the Transaction;
 - vi. a description of those liabilities and obligations (including operating liabilities) which the Bidder intends to assume and which such liabilities and obligations it does not intend to assume; and
 - vii. any other terms or conditions of the Investment Proposal.
- k. the Bid includes acknowledgements and representations of the Bidder that the Bidder:
- i. is completing the Transaction on an “as is, where is” basis;
 - ii. has had an opportunity to conduct any and all due diligence regarding the Property, the Business and the Company prior to making its Bid;
 - iii. has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Bid; and
 - iv. did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Business, the Property or the Company, or the completeness of any information provided in connection therewith, except as expressly stated in the definitive Transaction agreement(s) signed by the Company;
- l. the Bid is received by the Bid Deadline; and
- m. the Bid contemplates closing the Transaction set out therein on July 14, 2026,

following the granting of the Sale Approval Order.

20. Following the Bid Deadline, the Proposal Trustee will assess the Bids received. The Proposal Trustee, in consultation with the Company, will designate the most competitive bids that comply with the foregoing requirements to be “**Qualified Bids**”. No Bids received shall be deemed to be Qualified Bids without the approval of the Proposal Trustee. Only Bidders whose Bids have been designated as Qualified Bids are eligible to become the Successful Bidder(s).
21. The Stalking Horse Bid is deemed to be a Qualified Bid;
22. The Proposal Trustee may only designate a Bid as a Qualified Bid where the proposed purchase price is equal to or greater than that contained in the Stalking Horse Bid, and includes a cash purchase price in an amount equal to or greater than the Stalking Horse Bid, plus CAD\$50,000.
23. The Proposal Trustee, in consultation with the Company, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant Bids to be a Qualified Bid. Neither the Proposal Trustee nor the Company will be under any obligation to negotiate identical terms with, or extend identical terms to, each Bidder.
24. The Proposal Trustee shall notify each Bidder in writing as to whether its Bid constitutes a Qualified Bid within two (2) business days of the Bid Deadline, or at such later time as the Proposal Trustee deems appropriate.
25. The Proposal Trustee may, in consultation with the Company, aggregate separate Bids from unaffiliated Bidders to create one Qualified Bid.

Evaluation of Qualified Bids

26. A Qualified Bid will be evaluated by the Proposal Trustee, in consultation with the Company, based upon several factors including, without limitation: (i) the Purchase Price and the net value provided by such Bid, (ii) the identity, circumstances and ability of the Bidder to successfully complete such Transactions, (iii) the proposed Transaction documents, (iv) factors affecting the speed, certainty and value of the Transaction, (v) the assets included or excluded from the Bid, (vi) any related restructuring costs, (vii) the likelihood and timing of consummating such Transaction, and (viii) any other factor deemed relevant by the Proposal Trustee in consultation with the Company.
27. If no Qualified Bids are received by the Proposal Trustee, the Stalking Horse Bid shall be the Successful Bid (as defined below).

Auction

28. If the Proposal Trustee receives at least one additional Qualified Bid in addition to the Stalking Horse Bid, the Proposal Trustee will conduct and administer an Auction in accordance with the terms of this SISP (the “**Auction**”). Instructions to participate in the Auction, which will take place via video conference, will be provided to Qualified Parties (as

defined below) not less than 24 hours prior to the Auction.

29. Only parties that provided a Qualified Bid by the Bid Deadline, as confirmed by the Proposal Trustee, including the Stalking Horse Bid (collectively, the “**Qualified Parties**”), shall be eligible to participate in the Auction. No later than **5:00 p.m. (EST)** on the day prior to the Auction, each Qualified Party must inform the Proposal Trustee whether it intends to participate in the Auction. The Proposal Trustee 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 provides such expression of intent, the Stalking Horse Bid shall be the Successful Bid (as defined below).

Auction Procedure

30. The Auction shall be governed by the following procedures:
- a. **Participation at the Auction.** Only the Company, the Qualified Parties, including the Stalking Horse Bidder, the Proposal Trustee and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction. The Proposal Trustee shall provide all Qualified Parties with the details of the lead Bid by **5:00 PM (EST)**, one (1) Business Day after the Bid Deadline. Each Qualified Party must inform the Proposal Trustee whether it intends to participate in the Auction no later than **5:00 PM (EST)** on the Business Day prior to the Auction;
 - b. **No Collusion.** Each Qualified Party participating at the Auction shall be required to confirm on the record at the Auction that: (i) it has not engaged in any collusion with respect to the Auction and the Bid process; and (ii) its Bid is a good-faith *bona fide* offer and it intends to consummate the proposed Transaction if selected as the Successful Bid;
 - c. **Minimum Overbid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Proposal Trustee, in consultation with the Company (the “**Initial Bid**”), and any Bid made at the Auction by a Qualified Party subsequent to the Proposal Trustee’s announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of CAD\$50,000 for the first Bid and then in cash increments of CAD\$50,000 for each subsequent Bid.
 - d. **Bidding Order.** Prior to the first Overbid, the Proposal Trustee in its sole discretion will announce the order in which each remaining Qualified Party shall present its Overbid. A Qualified Party may not abstain from participating in an Auction bidding round. Failure to submit an Overbid at the designated time will result in an automatic disqualification from the Auction and immediate removal from the videoconference. The Proposal Trustee shall use its discretion in providing Bidders with an interval between Auction bidding rounds;

- e. **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 Bid will be fully disclosed to all other Qualified Parties throughout the entire Auction by video conference room, or such other method of communication the Proposal Trustee advises; provided, however, that the Proposal Trustee, in its discretion, may establish separate video conference rooms to permit interim discussions between the Proposal Trustee and individual Qualified Parties with the understanding that all formal Bids will be delivered in one group video conference, on an open basis;
 - f. **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 one or more additional Overbids with full knowledge and written confirmation of the then-existing highest Overbid(s);
 - g. **Successful Bid.** Each Qualified Party will be given a reasonable opportunity to submit an Overbid at the Auction to any then-existing Overbids. The Auction will continue until the bidding has concluded and there is one remaining Qualified Party. The Proposal Trustee shall determine, with reference to the factors set out in paragraph 26 herein, and another factors the Proposal Trustee may reasonably deem relevant, which Qualified Party has submitted (i) the highest and best Bid of the Auction (the “**Successful Bid**”, and the Qualified Party making such Successful Bid, the “**Successful Bidder**”), and (ii) the next highest and otherwise second-best Overbid of the Auction (the “**Back-Up Bid**”, and the Bidder making such Back-Up Bid, the “**Back-Up Bidder**”);
 - h. **Non-Cash Consideration.** Non-cash consideration may be offered by an Auction bidder, however, the Proposal Trustee is under no obligation to accept such non-cash consideration and has absolute discretion to determine the value of same;
 - i. **No Post-Auction Bids.** No Bids will be considered for any purpose after the Auction has concluded.
31. **Auction Procedures.** The Proposal Trustee shall be at liberty to set additional procedural rules at the Auction as it sees fit.

Credit Bidding

32. The Stalking Horse Bidder will be entitled pursuant to the Stalking Horse Subscription Agreement, including for greater certainty as part of the Auction, to credit bid or retain as retained liabilities all or part of the existing obligations owing to it pursuant to the Assignment of Debt and Security Agreement dated May 19, 2026 (the “**Assignment of Debt and Security Agreement**”), including all interest, costs and fees to which the Stalking Horse Bidder is entitled to under the Assignment of Debt and Security Agreement.

Transaction Documents

33. Completion and execution of definitive documentation in respect of such Successful Bid and Back-Up Bid, as applicable, must be finalized and executed as soon as possible after the close of the Auction or, in the case that no Auction took place, the Bid Deadline, and in any event within five (5) calendar days after such date, which definitive documentation will provide that the Successful Bidder will use all reasonable efforts to close the proposed Transaction by no later than July 14, 2026 (the “**Outside Date**”) or such other period as may be agreed to by the Proposal Trustee, in consultation with the Company and the Successful Bidder, subject to the terms hereof. If a Back-Up Bid is identified in accordance with the SISP, then such Back-Up Bid shall remain open until the date (the “**Back-Up Bid Outside Date**”) on which the Transaction contemplated by the applicable Successful Bid is consummated or such earlier date as the Proposal Trustee, in consultation with the Company, determines. If the Transactions contemplated by the applicable Successful Bid have not closed by the Outside Date, or the applicable Successful Bid is terminated for any reason prior to the Outside Date, the Proposal Trustee, in consultation with the Company, may elect to seek to complete the Transactions contemplated by the applicable Back-Up Bid, and will promptly seek to close the Transaction contemplated by such Back-Up Bid, which will be deemed to be a Successful Bid. The Company will be deemed to have accepted such Back-Up Bid only when the Proposal Trustee has made such election, with the Company’s consent.

Sale Approval Motion Hearing

34. At the hearing of the motion to approve any Transaction with a Successful Bidder (the “**Sale Approval Motion**”), the Proposal Trustee or the Company shall seek, among other things, approval from the Court to consummate any Successful Bid, through a vesting order and/or reverse vesting order (the “**Sale Approval Order**”). All the Qualified Bids other than the Successful Bid, if any, shall be deemed to be rejected by the Proposal Trustee and the Company on and as of the date of approval of the Successful Bid by the Court.

Confidentiality and Access to Information

35. All discussions regarding a Sale Proposal, Investment Proposal, or Bid should be directed through the Proposal Trustee. Under no circumstances should the management of the Company be contacted directly without the prior consent of the Proposal Trustee. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP process.
36. Participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bids, the details of any Bids submitted or the details of any confidential discussions or correspondence between the Company, the Proposal Trustee and such other Bidders or Potential Bidders in connection with the SISP, except to the extent the Company, with the approval of the Proposal Trustee and consent of the applicable participants, are seeking to combine separate bids from Qualified Parties. The Proposal Trustee shall obtain the consent of the Qualified Parties prior to aggregating their Bids into a Qualified Bid.

Supervision of the SISP

37. The Proposal Trustee shall oversee and conduct the SISP, in all respects, and, without limitation to that supervisory role, the Proposal Trustee will participate in the SISP in the manner set out in this SISP, the SISP Order, and any other orders of the Court, and is entitled to receive all information in relation to the SISP.
38. This SISP does not and will not be interpreted to create any contractual or other legal relationship between the Company and/or the Proposal Trustee and any Potential Bidder, any Qualified Party, or any other Person, other than as specifically set forth in the NDA, or any other definitive agreement that may be entered into with the Company.
39. Without limiting the preceding paragraph, the Proposal Trustee shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Bidder, the Successful Bidder, the Back-Up Bidder, the Company, or any other creditor or other stakeholder of the Company, for any act or omission related to the process contemplated by this SISP, except to the extent such act or omission is the result from gross negligence or willful misconduct of the Proposal Trustee. By submitting a Bid, each Bidder, including the Successful Bidder and Back-Up Bidder, shall be deemed to have agreed that it has no claim against the Proposal Trustee for any reason whatsoever, except to the extent that such claim is the result of gross negligence or willful misconduct of the Proposal Trustee.
40. The Proposal Trustee, in consultation with the Company, shall have the right to modify the SISP if, in their reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the service list in these NOI Proceedings shall be advised of any material modification to the procedures set forth herein.

Deposits

41. The Deposit(s):
 - a. will, upon receipt from the Qualified Party, be retained by the Proposal Trustee and deposited in a non-interest-bearing trust account, and subsequently dealt with in accordance with subsections (b) and (c), below;
 - b. received from the Successful Bidder(s) and the Back-Up Bidder(s), if any, will: (i) be applied to the purchase price to be paid by the applicable Successful Bidder or Back-Up Bidder whose Successful Bid or Back-Up Bid, as applicable, is the subject of the Sale Approval Order(s), upon closing of the approved Transaction; and (ii) otherwise be held and refunded in accordance with the terms of the definitive documentation in respect of the applicable Successful Bid or Back-Up Bid, provided that (i) all such documentation will provide that the Deposit will be fully refunded to the Back-Up Bidder on the Back-Up Bid Outside Date; and (ii) all such documentation will provide that the Deposit will be retained by the Company and forfeited by the Successful Bidder, if its Successful Bid fails to close by the Outside Date and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of its Successful Bid; and

- c. received from the Qualified Party that is not the Successful Bidder or the Back-Up Bidder will be fully refunded to the Qualified Party that paid the Deposit as soon as practicable following the selection of the Successful Bidder and the Back-Up Bidder.

42. Notwithstanding anything to the contrary herein, the Stalking Horse Bidder will not be required to provide a Deposit.

Additional Terms

43. In addition to any other requirement of the SISP, any consent, approval or confirmation to be provided by the Stalking Horse Bidder, and/or the Proposal Trustee is ineffective unless provided in writing and any approval required pursuant to the terms hereof is in addition to, and not in substitution for, any other approvals required by the BIA or as otherwise required at law in order to implement a Successful Bid. For the avoidance of doubt, a consent, approval or confirmation provided by email will be deemed to have been provided in writing for the purposes of this paragraph,

Further Orders

44. At any time during the SISP, the Company or the Proposal Trustee may apply to the Court for advice and directions with respect to any aspect of this SISP including, but not limited to, the continuation of the SISP or with respect to the discharge of the Proposal Trustee's powers and duties hereunder.

Costs and Expenses

45. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the evaluation of the Opportunity, submission of any Bid, due diligence activities, and any other negotiations or other actions related to the SISP whether or not they lead to the consummation of a Transaction.

**Schedule “1”
Address of the Proposal Trustee**

To the Proposal Trustee:

Dodick Landau Inc.

951 Wilson Ave., Suite 15L

Toronto, ON M3K 2A7

Attention: Rahn Dodick

Email: rahn.dodick@dodick.ca

With a copy to:

Loopstra Nixon LLP

130 Adelaide Street West – Suite 2800

Attention: Graham Pheonix

Email: gpheonix@LN.law

APPENDIX “E”

STALKING HORSE SUBSCRIPTION AGREEMENT

This Agreement is made and entered into this 22nd day of May, 2026 (the “**Effective Date**”)

BETWEEN:

ECOIDEAS INNOVATIONS INC., a corporation incorporated pursuant to the federal laws of Canada (the “**Company**”)

– and –

1001611870 ONTARIO INC., a corporation incorporated pursuant to the laws of the Province of Ontario (the “**Purchaser**”)

WHEREAS:

- A. The Company filed a Notice of Intention to Make a Proposal (the “**NOI**”) under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) on March 31, 2026 (the “**Proposal Proceeding**”). Dodick Landau Inc. was appointed as proposal trustee of the Company (in such capacity, the “**Proposal Trustee**”).
- B. In connection with the Proposal Proceeding, the Company intends to bring a motion before a Judge of the Ontario Superior Court of Justice (the “**Court**”) for an Order that, *inter alia*: (i) approves and authorizes the Company to conduct a sale investment and solicitation process (as further described in Schedule E, the “**Sale Process**”); and (ii) approves this Agreement as a Stalking Horse Bid (as defined herein) in the Sale Process (collectively, the “**Sale Process Order**”).
- C. In the event that this Agreement is selected as the Successful Bid (as defined herein) pursuant to the Sale Process and approved by the Court, the Purchaser has agreed to subscribe for, and the Company has agreed to issue, the Purchased Shares on and pursuant to the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties hereby acknowledge and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement and the Recitals herein, the following terms shall have the meanings set out below:

- (a) “**Affiliate**” has the meaning given to the term “affiliate” in the *Business Corporations Act*, R.S.O. 1990, c.B-16.
- (b) “**Administrative Wind-down Amount**” means cash in the amount of \$20,000 to be used to satisfy costs incurred by the Proposal Trustee and its professional advisors: (a) to administer ResidualCo and the Excluded Assets and Excluded Liabilities; and (b) to wind-down and/or dissolve ResidualCo.

- (c) **“Agreement”** means this stalking horse subscription agreement, as may be amended and restated from time to time in accordance with the terms hereof, with the consent of the Proposal Trustee, and **“Article”** and **“Section”** mean and refer to the specified article, section and subsection of this Agreement.
- (d) **“Applicable Law”** means, in respect of any Person, property, transaction or event, any: (i) domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction, regulatory policy, standard, code or guideline, by-law or order; (ii) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings, instruments or awards of any Governmental Authority; and (iii) policies, practices, standards, guidelines and protocols having the force of law, that applies in whole or in part to such Person, property, transaction or event.
- (e) **“Approval and Reverse Vesting Order”** means an order of the Court, in form and substance satisfactory for the Purchaser, that (i) approves this Agreement and the transactions contemplated hereby; (ii) vests out of the Company the Excluded Assets, the Excluded Contracts and the Excluded Liabilities, and discharges all Claims and Encumbrances other than Permitted Encumbrances; (iii) authorizes and directing the Company to issue the Purchased Shares to the Purchaser; and (iv) to the extent approved by the Court, releases the current and former directors, officers, employees, restructuring legal counsel and advisors of the Company and ResidualCo, along with the Proposal Trustee and its legal counsel, and the Purchaser and its directors, officers, employees, legal counsel and advisors.
- (f) **“Article”**, **“Section”**, **“Exhibit”** or **“Schedule”** means the specified Article, Section, Exhibit or Schedule to this Agreement and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.
- (g) **“Articles of Reorganization”** means articles of reorganization in respect of the Company’s authorized and issued Equity Interests immediately prior to the Closing of the Transaction, to provide for a redemption right in favour of the Company or such other provision acceptable to the Purchaser, acting reasonably, and authorizing the issuance of the Purchased Shares and the redemption and cancellation of the Existing Shares for no consideration at Closing; such articles of reorganization to be in a form and substance satisfactory to the Purchaser, acting reasonably.
- (h) **“Auction”** has the meaning set out in the Sale Process.
- (i) **“Authorization”** means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval or building permit) or from any Person in connection with any easements, contractual rights or other matters.
- (j) **“BIA”** has the meaning set out in the preamble hereto.
- (k) **“Bid Deadline”** has the meaning set out in the Sale Process.
- (l) **“Books and Records”** means all of the Company’s files, documents, instruments, papers,

books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise) relating to the Business (other than in respect of Excluded Assets) or the Retained Assets, including copies of Taxes and accounting books and records to the extent they relate to the Company or the Retained Assets, and including information, documents and records relating to the Retained Contracts, customer lists, customer information and account records, sales records, computer files, data processing records, employment and personnel records, sales literature, advertising and marketing data and records, cost and pricing information, production reports and records, equipment logs, operating guides and manuals, credit records, records relating to present and former suppliers and contractors, plans and projections and all other records, data and information stored electronically, digitally or on computer-related media.

- (m) “**Break Fee**” has the meaning set out in Section 4.2.
- (n) “**Business**” means the business carried on by the Company.
- (o) “**Business Day**” means a day on which banks are open for business in Toronto, Ontario, but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario.
- (p) “**Claim**” means any civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any claim of any nature or kind (including any cross-claim or counterclaim), demand, investigation, audit, chose in or cause of action, suit, default, assessment, litigation, prosecution, third party action, arbitral proceeding or proceeding, complaint or allegation, by or before any Person.
- (q) “**Closing**” means the closing and consummation of the Transaction in accordance with the terms hereof.
- (r) “**Closing Date**” means July 16, 2026, or such other date as the Parties may agree to in writing, with the consent of the Proposal Trustee; provided that the Closing Date shall occur after the Approval and Reverse Vesting Order becomes a final Order and in any event no later than the Outside Date.
- (s) “**Closing Time**” means the time on the Closing Date at which Closing occurs, as evidenced by the Proposal Trustee’s Certificate.
- (t) “**Conditions Certificate**” has the meaning set out in Section 7.5.
- (u) “**Contracts**” means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) related to the Business to which the Company is a party or by which such entity is bound or in which such entity has, or will at Closing have, any rights or obligations, or by which any of its property or assets are or may be affected, including any Contracts in respect of Employees.
- (v) “**Court**” has the meaning set out in the preamble hereto.
- (w) “**Cure Costs**” means, in respect of the Retained Contracts, all amounts, costs, fees and expenses: (i) required to be paid to remedy all of the Company’s monetary defaults in relation to the Retained Contracts, other than those arising by reason only of the Company’s bankruptcy, insolvency or failure to perform a non-monetary obligation; or (ii) as may be required pursuant to the Approval and Reverse Vesting Order or any other Order of the

Court, as applicable, and which for greater certainty, may be an amount agreed to by the Purchaser and the counterparty to a Retained Contract.

- (x) **“Discharge”** means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, the full, final, irrevocable, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.
- (y) **“Effective Date”** has the meaning set out in the preamble hereto.
- (z) **“Employee”** means any individual who is employed by the Company as of the Closing Time, whether on a full-time or part-time basis, and **“Employees”** means all such individuals.
- (aa) **“Encumbrances”** means any and all security interests (whether contractual, statutory, or otherwise), mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, leases, title retention agreements, reservations of ownership, demands, executions, levies, charges, options or other rights to acquire any interest in any assets, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, and all contracts to create any of the foregoing, or encumbrances of any kind or character whatsoever.
- (bb) **“Equity Interests”** has the meaning set out in section 2 of the BIA.
- (cc) **“Excluded Assets”** means the properties, rights, assets and undertakings of the Company listed as “Excluded Assets” on Schedule “A”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof.
- (dd) **“Excluded Contracts”** means those Contracts and other agreements of the Company that are not Retained Contracts and for greater certainty, includes those Contracts and agreements which are listed on Schedule “B”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof.
- (ee) **“Excluded Liabilities”** has the meaning set out in Section 2.3.
- (ff) **“Existing Shares”** means: (i) all of the common shares of the Company that are issued and outstanding immediately prior to the Closing Time; and (ii) any other Equity Interests of any nature or kind of the Company, whether voting or non-voting, whether preferred, common or otherwise, whether convertible or otherwise, including any Contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock option or share purchase or equivalent plans), or other documents or instruments governing and/or having been created or granted in connection with any such equity interests; provided, however, that Existing Shares shall not include the Purchased Shares.
- (gg) **“Governmental Authorities”** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (i) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial,

legislative, policy, regulatory or taxing authority or power, and “**Governmental Authority**” means any one of them.

- (hh) “**HST**” means all goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada).
- (ii) “**Implementation Steps**” means the transactions, acts and events described in Exhibit “A”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof and the Approval and Reverse Vesting Order.
- (jj) “**Interim Period**” means the period beginning on the Effective Date and ending at the Closing Time.
- (kk) “**Liability**” means any debt, loss, damage, adverse claim, fine, penalty, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation), and, “**Liabilities**” means the plural thereof.
- (ll) “**Material Adverse Change**” means any one or more changes, effects, facts, developments, events or occurrences that, individually or in the aggregate:
 - (i) is, or would reasonably be expected to be, material and adverse to the Business, properties, assets, Liabilities, condition (financial or otherwise), operations or results of operations of the Company; or
 - (ii) prevents or materially delays or would reasonably be expected to prevent or materially delay the Company from consummating the Transaction;other than any change, effect, fact, development, event or occurrence in or relating to general political, economic or financial conditions in Canada which does not have a materially disproportionate effect on the Company.
- (mm) “**Newmarket Premises Lease**” means the lease to which the Company is a party, and all amendments, renewals and extensions thereto, with respect to the premises located at 630 Newpark Boulevard, Newmarket, Ontario.
- (nn) “**Organizational Documents**” means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).
- (oo) “**Outside Date**” means July 24, 2026, or such later date and time as the Parties may agree to in writing.
- (pp) “**Parties**” means the Company and the Purchaser collectively, and “**Party**” means either one of them.

- (qq) **“Permits and Licenses”** means the orders, permits, licenses, Authorizations, approvals, registrations, consents, waivers or other evidence of authority issued to, granted to, conferred upon, or otherwise created for, the Company, including those related to the Business, the Retained Assets and the Retained Contracts.
- (rr) **“Permitted Encumbrances”** means those Encumbrances related to the Retained Assets set forth on Schedule **“D”**, as the same may be modified by the Purchaser prior to the granting of the Approval and Reverse Vesting Order in accordance with the terms hereof.
- (ss) **“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.
- (tt) **“Priority Payments”** means the aggregate cash amount required to satisfy, discharge, repay or otherwise address all claims, charges, encumbrances, deemed trusts, statutory claims, secured claims and other amounts, if any, that rank in priority to the Senior Secured Debt and are required by Applicable Law to be paid in priority to the Senior Secured Debt at Closing.
- (uu) **“Proposal Proceeding”** has the meaning set out in the preamble hereto.
- (vv) **“Proposal Trustee”** has the meaning set out in the preamble hereto.
- (ww) **“Proposal Trustee’s Certificate”** means a certificate issued by the Proposal Trustee confirming the satisfaction or waiver of the conditions precedent set out in this Agreement, substantially in the form attached to the Approval and Reverse Vesting Order.
- (xx) **“Purchase Price”** has the meaning set out in Section 3.1.
- (yy) **“Qualified Bid”** has the meaning set out in the Sale Process.
- (zz) **“Qualified Bidders”** has the meaning set out in the Sale Process.
- (aaa) **“ResidualCo”** means a corporation to be incorporated by the Company in advance of Closing, to which the Excluded Assets, Excluded Contracts and Excluded Liabilities will be transferred as part of the Implementation Steps, which corporation shall have no issued and outstanding shares.
- (bbb) **“Retained Assets”** has the meaning set out in Section 2.2.
- (ccc) **“Retained Contracts”** means the Contracts listed in Schedule **“H”**, as the same may be modified by the Purchaser, in its sole discretion prior to the Closing Time in accordance with the terms hereof (and including as such Retained Contracts may be amended, restated, supplemented or otherwise modified from time to time).
- (ddd) **“Retained Liabilities”** means: (i) Liabilities specifically and expressly designated by the Purchaser as retained Liabilities in Schedule **“G”**, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof; (ii) the Cure Costs; and (iii) all Liabilities which relate to: (A) the Business under any Retained

Contracts; (B) any Permits and Licenses forming part of the Retained Assets; in each case solely in respect of the period from and after the Closing Time and not relating to any default existing prior to or as a consequence of Closing.

- (eee) “**Sale Process**” has the meaning set out in the preamble hereto.
- (fff) “**Sale Process Order**” has the meaning set out in the preamble hereto.
- (ggg) “**Senior Secured Debt**” means all indebtedness, obligations and liabilities owing by the Company to the Purchaser under or in connection with: (i) the credit agreement dated June 18, 2021 between Royal Bank of Canada and the Company, as amended from time to time and as assigned to the Purchaser on May 20, 2026; and (ii) the master lease agreement dated September 19, 2013 between Royal Bank of Canada and the Company, as amended from time to time and as assigned to the Purchaser on May 20, 2026.
- (hhh) “**Stalking Horse Bid**” has the meaning ascribed hereto in Section 4.1(a).
- (iii) “**Successful Bid**” has the meaning set out in the Sale Process.
- (jjj) “**Successful Bidder**” has the meaning set out in the Sale Process.
- (kkk) “**Taxes**” means, with respect to any Person, all national, federal, provincial, local or other taxes, including income taxes, capital gains taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, workers compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any Liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.
- (lll) “**Terminated Employees**” means all individuals who are employed by the Company but whose employment will be terminated at or prior to Closing, pursuant to Section 6.9, as determined by the Purchaser by written notice to the Company at least three (3) days prior to the Closing Date.
- (mmm) “**Transactions**” means, collectively, all of the transactions contemplated by this Agreement which will take place at Closing in accordance with the Implementation Steps and the Approval and Reverse Vesting Order, including the subscription for, and issuance of, the Purchased Shares.

1.2 General Construction

The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement and not to any particular section hereof. The expression “Section” or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement. The language used in this Agreement is the language chosen by the Parties to express their

mutual intent, and no rule of strict construction shall be applied against any Party.

1.3 Currency

All references in this Agreement to dollars, monetary amounts, or to \$, are expressed in Canadian currency unless otherwise specifically indicated.

1.4 Statutes

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules, regulations and interpretations made under it, as it or they may have been or may from time to time be modified, amended or re-enacted.

1.5 Schedules

The following exhibits and schedules are attached hereto and incorporated in and form part of this Agreement.

EXHIBITS

Exhibit A - Implementation Steps

SCHEDULES

Schedule A - Excluded Assets
Schedule B - Excluded Contracts
Schedule C - Excluded Liabilities
Schedule D - Permitted Encumbrances
Schedule E - Sale Process Order
Schedule F - Form of Approval and Reverse Vesting Order
Schedule G - Retained Liabilities
Schedule H - Retained Contracts

The Parties acknowledge that as of the Effective Date, the Schedules are not complete. The incomplete Schedules are for the benefit of the Purchaser and may be amended or completed by the Purchaser on or before the date that is ten (10) days prior to the Bid Deadline. The Purchaser acknowledges that the Proposal Trustee will provide the Schedules to potential bidders as part of the Sale Process.

Notwithstanding the foregoing, the Purchaser, acting reasonably, may further amend, supplement or restate the Schedules by written notice to the Company and the Proposal Trustee up to five (5) days prior to the hearing for the Approval and Reverse Vesting Order, provided that no such amendment, supplement or restatement shall reduce the Purchase Price or materially impair the ability of the Company to complete the Transactions.

ARTICLE 2 SUBSCRIPTION FOR SHARES

2.1 Agreement to Subscribe for and Issue Purchased Shares

- (a) Subject to the terms and conditions of this Agreement and pursuant to the Approval and Reverse Vesting Order, in accordance with the Implementation Steps and effective as of the Closing Time, the Purchaser shall subscribe for and purchase from the Company, and the Company shall issue to the Purchaser, free and clear of all Encumbrances (other than any Permitted Encumbrances), such number and class of shares of the Company as the Purchaser may determine prior to Closing (the “**Purchased Shares**”).
- (b) Pursuant to the Approval and Reverse Vesting Order and, if required, the Articles of Reorganization, and in accordance with the Implementation Steps, all of the Existing Shares will be cancelled, without consideration, and the Purchased Shares issued to the Purchaser shall represent 100% of the issued and outstanding Equity Interests of the Company following such cancellation and issuance.
- (c) For the avoidance of doubt, upon Closing, following the issuance of the Purchased Shares, the cancellation of the Existing Shares and the completion of the Implementation Steps, the Company shall be wholly-owned by the Purchaser.

2.2 Retained Assets; Transfer of Excluded Assets to ResidualCo

At Closing, the Company shall retain all of the assets owned by it on the Effective Date of this Agreement and any assets acquired by it up to and including Closing, including, without limitation, all rights in respect of Claims and ongoing litigation, all equipment and other personal property, Retained Contracts, Books and Records, business and undertakings, trade names and intellectual property, Permits and Licenses, Tax losses, receivables and any cash on hand (collectively, the “**Retained Assets**”). Notwithstanding the foregoing, the Retained Assets shall not include: (a) the Excluded Assets; and (b) the Excluded Contracts; which shall be transferred to ResidualCo, in accordance with the Implementation Steps, and same shall be vested in ResidualCo pursuant to the Approval and Reverse Vesting Order.

For greater certainty, notwithstanding anything else in this Agreement, the Newmarket Premises Lease shall be a Retained Contract only if the Purchaser elects in writing to retain it, which election may be conditional upon the Purchaser entering into an agreement with the landlord on terms satisfactory to the Purchaser, in its sole discretion. If the Purchaser does not make such election, or if such agreement is not entered into, the Newmarket Premises Lease shall be deemed to be an Excluded Contract, whereupon it shall be added to Schedule “**B**” and deemed to be an Excluded Contract for all purposes of this Agreement.

2.3 Excluded Liabilities; Transfer of Excluded Liabilities to ResidualCo

At Closing, pursuant to the Approval and Reverse Vesting Order, all Liabilities, debts, obligations, Encumbrances, indebtedness, Excluded Contracts, leases, agreements, undertakings, Claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) of or against the Company, including, inter alia, the non-exhaustive list of Liabilities set forth in Schedule “**C**”, but excluding the Retained Liabilities and the Permitted Encumbrances (collectively, the “**Excluded Liabilities**”) shall be transferred to, vested in and assumed in full by ResidualCo in accordance with the Implementation Steps and the Approval and Reverse Vesting Order, and the Company, the Purchased Shares, the Retained Assets and the Company’s

undertakings, Business, property and Books and Records shall be Discharged of such Excluded Liabilities at the Closing Time. All Claims flowing from or attaching to the Excluded Liabilities, if any, shall continue to exist against ResidualCo only and the Excluded Assets, if any, shall be available to satisfy such Claims. Notwithstanding any other provision of this Agreement, the Purchaser and the Company shall not assume and shall have no liability for any of the Excluded Liabilities and all Excluded Liabilities shall be fully and finally Discharged from the Company, the Purchased Shares and the Retained Assets at the Closing Time.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The purchase price payable by the Purchaser for the Purchased Shares (the “**Purchase Price**”) shall be equal to the aggregate value of: (a) all amounts outstanding and obligations payable by the Company under or in connection with the Senior Secured Debt, including principal and interest accrued through to and including the Closing Date, plus any fees and expenses associated therewith (the “**Credit Bid Consideration**”); plus (b) the Closing Payment. As of the Effective Date, the value of the Senior Secured Debt is equal to approximately \$2,300,000. The Purchase Price shall be paid and satisfied in accordance with Section 3.2.

3.2 Satisfaction of the Purchase Price

The Purchaser shall pay and satisfy the Purchase Price as follows:

- (a) The Credit Bid Consideration shall be satisfied by the Purchaser retaining, releasing or otherwise satisfying such amount at Closing;
- (b) The Closing Payment shall be paid by the Purchaser to the Proposal Trustee, on behalf of the Company, on the Closing Date by wire transfer of immediately available funds to be utilized and distributed in accordance with Section 3.3.

3.3 Closing Payment

- (a) On the Closing Date, the Purchaser shall pay to the Proposal Trustee, on behalf of the Company, an amount equal to the sum of: (i) the Priority Payments; and (iii) the Administrative Wind-down Amount (collectively, the “**Closing Payment**”). The Proposal Trustee shall hold the Closing Payment in trust for the benefit of Persons entitled to be paid from the Closing Payment.
- (b) Following the Closing, the Proposal Trustee may utilize the Closing Payment to pay and satisfy the Priority Payments and the costs incurred in connection with the administration and wind-down of ResidualCo, in its sole discretion and without further authorization from the Company or the Purchaser. Any unused portion of the Closing Payment shall be returned by the Proposal Trustee to the Purchaser.
- (c) Notwithstanding the foregoing or anything else contained herein or elsewhere, each of Company and the Purchaser acknowledges and agrees that: (i) the Proposal Trustee’s obligations hereunder are and shall remain limited to those specifically set out in this Section 3.3; and (ii) the Proposal Trustee is acting solely in its capacity as the Court-appointed Proposal Trustee of the Company and not in its personal or corporate capacity, and the Proposal Trustee has no liability in connection with this Agreement whatsoever, in

its personal or corporate capacity or otherwise, save and except for and only to the extent of the Proposal Trustee's gross negligence or intentional fault. The Parties further acknowledge and agree that the Proposal Trustee may rely upon the provisions of this Section 3.3 notwithstanding that the Proposal Trustee is not a party to this Agreement.

3.4 Tax Matters

To the extent permitted by the BIA and Applicable Law, pursuant to the Implementation Steps and the Approval and Reverse Vesting Order, at the Closing Time, all Taxes owed or owing or accrued due by the Company shall be transferred to, vested in and assumed by ResidualCo, including any Taxes related to debt forgiveness arising from or in connection with the consummation of the Transactions and the transfer of the Excluded Assets and Excluded Liabilities to ResidualCo. Any and all obligations and Liabilities arising from any audits or reassessments with respect to any Taxes that relate to a time period occurring, or facts arising, prior to the Closing Date, regardless of when such audit was commenced or completed, shall be transferred to and vest in ResidualCo. The Company, with the consent of the Proposal Trustee, agrees to make any revisions to the structure of the Transactions as the Purchaser may request to enhance efficiency, so long as the material substantive terms remain unchanged.

ARTICLE 4 SALE PROCESS AND BIDDING PROCEDURES

4.1 Sale Process

- (a) The Company shall bring a motion for the Sale Process Order to be heard on or before May 25, 2026. The Sale Process Order shall recognize this Agreement and the Purchase Price: (i) as a baseline or "stalking horse bid" in respect of the Purchased Shares (the "**Stalking Horse Bid**"); and (ii) as a deemed Qualified Bid, with an attendant right on the part of the Purchaser to participate as a bidder in any Auction. The Purchaser acknowledges and agrees that the aforementioned process is in contemplation of determining whether a superior bid can be obtained for the Purchased Shares and the Retained Assets, and that the within Stalking Horse Bid may be the Successful Bid for the Purchased Shares and the Retained Assets.
- (b) In the event that one or more Persons submits a Qualified Bid on or before the Bid Deadline, the Proposal Trustee may conduct an Auction for the determination and selection of the Successful Bid and the Successful Bidder in accordance with the Sale Process. The minimum incremental bid in an Auction shall be \$50,000, or such other increment as the Proposal Trustee may determine appropriate.
- (c) Upon the selection of a Successful Bidder, there shall be a binding agreement of purchase and sale between the Successful Bidder and the Company. The Company shall forthwith bring a motion following the selection of the Successful Bidder for an order approving the agreement reached with the Successful Bidder and, if such order is granted, shall proceed with closing the transaction contemplated by the Successful Bid forthwith.
- (d) Notwithstanding anything contained herein to the contrary, in the event that the Purchaser is not the Successful Bidder under the Sale Process, then upon the selection of the Successful Bid and consummation of the transaction(s) comprising the Successful Bid: (i) this Agreement shall be terminated in accordance with ARTICLE 9; (ii) the Purchaser shall be entitled to the Break Fee in accordance with Section 4.2; and (iii) neither Party hereto shall have any further Liability or obligation hereunder, except as expressly provided for in this

Agreement.

- (e) If no Qualified Bids are received by the Bid Deadline (other than the Stalking Horse Bid), the Stalking Horse Bid shall be deemed to be the Successful Bid and the Parties shall, as soon as reasonably practical, bring a motion to the Court to obtain the Approval and Reverse Vesting Order and, if granted, shall proceed with completing the Transactions contemplated hereby.

4.2 Break Fee

- (a) In consideration for the Purchaser's expenditure of time and money, the Purchaser's agreement to act as the initial bidder through the Stalking Horse Bid, the preparation of this Agreement and the Purchaser's performance of due diligence and participation in the Sale Process, and subject to Court approval, the Purchaser shall be entitled to a break fee in the amount of \$50,000 inclusive of HST, if any (the "**Break Fee**"), which Break Fee shall be payable to the Purchaser in the event that the Purchaser is not the Successful Bidder in the Sale Process.
- (b) The payment of the Break Fee shall be approved in the Sale Process Order and shall, if payable pursuant to Section 4.2(a), be payable to the Purchaser, on behalf of the Company, out of the sale proceeds immediately upon closing of the transaction contemplated by the Successful Bid.
- (c) The Parties acknowledge and agree that the aggregate foregoing Break Fee amount represents a fair and reasonable estimate of the costs and damages that will be incurred by the Purchaser as a result of preparing and entering into, and not completing the Transactions contemplated by this Agreement, and is not intended to be punitive in nature nor to discourage competitive bidding for the Purchased Shares. For certainty, the Break Fee does not form part of the Purchase Price. Upon payment of the Break Fee to the Purchaser, the Purchaser shall be precluded from any other remedy against the Company in respect of the disclaimer, repudiation, breach or termination of this Agreement; provided that nothing herein shall preclude any Party from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements set forth in this Agreement or to compel specific performance of this Agreement.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Company

The Company hereby represents and warrants as of the date hereof and as of the Closing Time as follows, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Company is a corporation incorporated and existing under the *Canada Business Corporations Act*, is in good standing under such act and, subject to the granting of the Sale Process Order, has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The Company has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the

Transactions contemplated herein.

- (c) No Conflict. The execution, delivery and performance by the Company of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Company.
- (d) Execution and Binding Obligation. This Agreement and all other documents contemplated hereunder to which the Company is or will be a party have been or will be, as at the Closing Time, duly and validly executed and delivered by the Company and constitute or will, as at the Closing Time, constitute legal, valid and binding obligations of the Company enforceable in accordance with the terms hereof or thereof.
- (e) No Authorizations and Consents. Subject to obtaining the Sale Process Order and the Approval and Reverse Vesting Order, the execution, delivery and performance of this Agreement by the Company does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority.
- (f) Approvals and Consents. The execution and delivery of this Agreement by the Company, the completion by the Company of its obligations hereunder and the consummation by the Company of the Transactions contemplated herein, do not and will not require any consent or approval or other action, with or by, any Governmental Authority, other than as contemplated by the applicable Authorizations and the entry of the Approval and Reverse Vesting Order by the Court.
- (g) Residency. The Company is not a non-resident of Canada for purposes of the *Income Tax Act* or the *Excise Tax Act*, as applicable.
- (h) No other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, immediately prior to the Closing Time, no Person will have any contractual right, option or privilege for the purchase or acquisition of all or substantially all of the Purchased Shares or Retained Assets.

5.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants as of the date hereof and as of the Closing Time as follows, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Purchaser is a corporation incorporated and existing under the *Business Corporations Act* (Ontario), is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the Transaction contemplated herein, any agreement binding upon it or any Applicable Laws.
- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening

of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchaser.

- (d) Execution and Binding Obligation. This Agreement and all other documents contemplated hereunder to which the Purchaser is or will be a party have been or will be, as at the Closing Time, duly and validly executed and delivered by the Purchaser and constitute or will, as at the Closing Time, constitute legal, valid and binding obligations of the Purchaser enforceable in accordance with the terms hereof or thereof.
- (e) Financial Wherewithal. The Purchaser has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Purchase Price and consummate the Transaction.
- (f) Residency. The Purchaser is not a non-resident of Canada for purposes of the *Income Tax Act* or the *Excise Tax Act*, as applicable.

5.3 As Is, Where Is

The Purchaser acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Business, the Retained Assets, the Retained Liabilities, the Excluded Assets, the Excluded Liabilities and all related operations of the Company, and, based solely thereon and the advice of its financial, legal and other advisors, has determined to proceed with the Transaction contemplated by this Agreement. The Purchaser has relied solely on the results of its own independent investigation and verification and, except for the representations and warranties of the Company expressly set forth herein, the Purchaser understands, acknowledges and agrees that all other representations, warranties, conditions and statements of any kind or nature, expressed or implied (including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the Company or the Business, or the quality, quantity or condition of the Retained Assets) are specifically disclaimed by the Company and its representatives and advisors. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever.

ARTICLE 6 COVENANTS

6.1 Closing Date

If the Purchaser is selected as the Successful Bidder, the Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on or before the Outside Date.

6.2 Authorization and Consents

The Parties shall cooperate and work together in good faith, assist with submissions, share information and make any other efforts required to obtain any approval, Authorization, or third-party consent necessary to effect the Closing.

6.3 Motion for Approval and Reverse Vesting Order

- (a) As soon as practicable after the selection of this Agreement as the Successful Bid in the Sale Process, the Proposal Trustee shall serve and file with the Court a motion for the issuance of the Approval and Reverse Vesting Order, seeking relief that will, *inter alia*, approve this Agreement and the Transactions and to the extent approved by the Court, release the current and former directors, officers, employees, restructuring legal counsel and advisors of the Company and ResidualCo, along with the Proposal Trustee and its legal counsel, and the Purchaser and its directors, officers, employees, legal counsel and advisors. The Purchaser shall cooperate with the Proposal Trustee in its efforts to obtain the issuance and entry of the Approval and Reverse Vesting Order.
- (b) Notice of the motions seeking the issuance of the Approval and Reverse Vesting Order shall be served or be caused to be served by the Company on the service list in the Proposal Proceedings, which shall include all counterparties to the Retained Contracts and all Persons required to receive notice under Applicable Law and the requirements of the BIA, the Court, and any other Person determined necessary by the Company, the Proposal Trustee and the Purchaser, each acting reasonably.
- (c) If the Approval and Reverse Vesting Order relating to this Agreement is appealed or a motion for leave to appeal, rehearing, re-argument or reconsideration is filed with respect thereto, the Company agrees (subject to the available liquidity of the Company) to take all action as may be commercially reasonable and appropriate to defend against such appeal, petition or motion.
- (d) The Company acknowledges and agrees that the Approval and Reverse Vesting Order shall provide that, on the Closing Date and concurrently with the Closing, the Purchased Shares shall be transferred to the Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances.

6.4 Funding

The Proposal Proceeding and Sale Process, including the Company's legal and professional fees associated therewith and the fees, expenses and legal fees of the Proposal Trustee, shall be funded by the Company out of its ongoing cash flow, and no administration charge shall be sought in connection therewith.

6.5 Interim Period

- (a) During the Interim Period, except as otherwise expressly contemplated or permitted by this Agreement (including the Approval and Reverse Vesting Order), the Company shall continue to maintain the Business and operations of the Company and the Retained Assets, and shall keep current, as they become due, all ordinary-course obligations arising during the Interim Period, in material compliance with all Applicable Laws. The Company shall not make any payments, distributions, transfers or disbursements, or sell, transfer, assign, dispose of or otherwise deal with any of its assets, other than in the ordinary course of business, without the prior written consent of the Purchaser and the Proposal Trustee. The Company shall not enter into any new Contracts, renew or extend the term of any existing Contracts or amend any of the Contracts or terminate or disclaim any Contracts or terminate any Employees except any such new Contract or any such renewal or extension of an existing Contract or termination or disclaimer that the Purchaser and the Proposal Trustee approve in writing (such approval not to be unreasonably withheld, conditioned or delayed).

- (b) From and after the date of this Agreement and until the Closing Date, the Company shall deliver to the Purchaser drafts of any and all pleadings, motions, notices, statements, applications, schedules, and other papers to be filed or submitted by the Company in connection with or related to this Agreement, including with respect to the Approval and Reverse Vesting Order, for Purchaser's prior review at least two (2) days in advance of service and filing of such materials (or where circumstances make it impracticable to allow for two (2) days' review, with as much opportunity for review and comment as is practically possible in the circumstances). The Company acknowledges and agrees: (i) that any such pleadings, motions, notices, statements, applications, schedules, or other papers shall be in form and substance satisfactory to the Purchaser, acting reasonably; and (ii) to consult and cooperate with Purchaser regarding any discovery, examinations and hearing in respect of any of the foregoing, including the submission of any evidence, including witnesses testimony, in connection with such hearing.
- (c) The Company hereby agrees, and hereby agrees to cause their representatives to, promptly notify the Purchaser of: (i) any event, condition, or development that has a Material Adverse Change or has resulted in the inaccuracy in a material respect or material breach of any representation or warranty, covenant or agreement contained in this Agreement; or (ii) any event or matter involving a Permit and License which may be expected to result in the condition in Section 8.2(g) not being satisfied.
- (d) The Company agrees to use commercially reasonable efforts to promptly provide all documentation, copies of agreements and information reasonably required by the Purchaser to complete and finalize the Exhibit and Schedules to this Agreement. Such information and documentation shall be provided to the Purchaser on an ongoing basis following execution of this Agreement.
- (e) The Company shall provide to the Purchaser no later than five (5) days prior to the service of materials for the motion before the Court seeking the issuance of the Approval and Reverse Vesting Order: (i) the amount of Cure Costs owing in respect of the Retained Contracts; and (ii) a statement of the estimated Priority Payments, together with reasonable supporting detail.
- (f) Without limiting the foregoing, during the Interim Period, the Company shall operate the Business in the ordinary course of business and substantially in accordance with the cash flow forecast delivered to the Purchaser and the Proposal Trustee and filed with the Court, subject to such variances as may be approved by the Purchaser and the Proposal Trustee, each acting reasonably. The Company shall not make any payment to any shareholder, director, officer, Affiliate or related party of the Company without the prior written consent of the Purchaser and the Proposal Trustee.

6.6 Access During Interim Period

During the Interim Period, the Company shall give to the Purchaser's personnel engaged in the Transactions contemplated by this Agreement and their accountants, legal advisors, consultants, financial advisors, and its representatives, reasonable access during normal business hours to the Retained Assets (including any assets which the Purchaser has not yet determined to be Excluded Assets), including the Books and Records, to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Business and the Retained Assets as the Purchaser reasonably deems necessary or desirable. Without limiting the generality of the foregoing: (a) the Purchaser and its representatives shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or

required to be disclosed under this Agreement and to the Employees, provided that the Purchaser shall provide the Company with no less than 24 hours advance notice of any on-site inspection or investigation; and (b) the Purchaser and its representatives shall be permitted to contact and discuss the Transactions contemplated herein with the customers and contractual counterparties of the Company. Such investigations, inspections, surveys and tests shall be carried out at the Purchaser's sole and exclusive risk and cost, during normal business hours, and without undue interference with the operations of the Company, and the Company shall co-operate reasonably in facilitating such investigations, inspections, surveys and tests and shall furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser. The Purchaser acknowledges that the foregoing access rights are not exclusive, and the same rights shall be granted to other Qualified Bidders in the Sale Process.

6.7 Alternative Transaction

Prior to the application for the Approval and Reverse Vesting Order, if the Purchaser determines in its reasonable discretion, that it is necessary or desirable to proceed with another form of transaction (an "**Alternative Transaction**") which, in the Proposal Trustee's opinion, provides the creditors of the Company with a financial result substantially equivalent to or better than the Transactions, then the Company will support the completion of such Alternative Transaction and take all actions necessary or desirable which are within their power to effect the completion of such Alternative Transaction, provided that the Proposal Trustee's approval shall not be unreasonably withheld, conditioned or delayed.

6.8 Insurance Matters

Until Closing, the Company shall keep in full force and effect all insurance policies existing as of the Effective Date and give any notice or present any claim under any such insurance policies consistent with past practice of the Company in the ordinary course of business.

6.9 Employee Matters

The Company shall terminate the employment of any Employees identified by the Purchaser, in its sole discretion, who shall be deemed to be Terminated Employees and all Liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of statutory notice, termination payments, individual or group notice of termination (as applicable), severance, wages, overtime pay, vacation pay, benefits, bonuses or other compensation or entitlements, including any amounts deemed owing pursuant to statute or common law, shall be Excluded Liabilities or shall be Discharged pursuant to the Approval and Reverse Vesting Order.

6.10 Covenants Relating to this Agreement

- (a) Each of the Parties shall perform all obligations required to be performed by the applicable Party under this Agreement, co-operate with the other Party in connection therewith and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Transactions contemplated by this Agreement and, without limiting the generality of the foregoing, during the Interim Period, each Party shall and, where appropriate, shall cause each of its Affiliates to:
 - (i) negotiate in good faith and use its commercially reasonable efforts to take or cause to be taken all actions and to do, or cause to be done, all things necessary, proper or advisable to satisfy the conditions precedent to the obligations of such Party hereunder (including, where applicable, negotiating in good faith with the

applicable Governmental Authorities and/or third Persons in connection therewith), and to cause the fulfillment at the earliest practicable date of all of the conditions precedent to the other Party's obligations to consummate the Transactions contemplated hereby; and

- (ii) not take any action, or refrain from taking any action, or permit any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Transactions contemplated by this Agreement.
- (b) Each of the Company and the Purchaser agree to execute and deliver such other documents, certificates, agreements and other writings, reasonably necessary for the consummation of the Transactions contemplated by this Agreement following the selection of this Agreement as the Successful Bid, and to take such other actions to consummate or implement, as soon as reasonably practicable, the Transactions contemplated by this Agreement.

ARTICLE 7 CLOSING

7.1 Closing

Closing shall take place on the Closing Date effective as of the Closing Time electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

7.2 Implementation Steps

- (a) Subject to the other terms of this Agreement, the Company shall effect the Implementation Steps on the terms and using the steps set out at Exhibit "A"; provided that the Company shall cooperate to ensure that the Implementation Steps are completed in a tax efficient manner, including by revising the steps thereof as required by the Purchaser.
- (b) The Purchaser and the Company shall work cooperatively and use commercially reasonable efforts to prepare, before the Closing Date, all documentation necessary and do such other acts and things as are necessary to give effect to the Implementation Steps.

7.3 Closing Deliverables of the Company

At or before the Closing Time, the Company shall deliver or cause to be delivered to the Purchaser the following documents:

- (a) a copy of the Approval and Reverse Vesting Order, issued by the Court;
- (b) evidence of the completion of the Implementation Steps, including confirmation of the due incorporation and organization of ResidualCo;
- (c) share certificate representing the Purchased Shares;
- (d) the Organizational Documents of the Company and the other Books and Records;

- (e) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Company contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date and that the Company has performed in all material respects the covenants, obligations and agreements to be performed by it prior to the Closing Time; and
- (f) such further and other documentation as is referred to in this Agreement or as the Purchaser or its lawyers may reasonably require to complete the Transactions contemplated by this Agreement.

7.4 Closing Deliverables of the Purchaser

At or before the Closing Time, the Purchaser shall deliver or cause to be delivered to the Company (or to the Proposal Trustee, as applicable) the following documents:

- (a) payment of the Closing Payment and evidence of the satisfaction of the release, retention or other satisfaction of the Credit Bid Consideration;
- (b) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (c) a certified resolution of the Purchaser authorizing the Agreement and the purchase of the Purchased Shares;
- (d) a certificate of status of the Purchaser; and
- (e) such further and other documentation as is referred to in this Agreement or as the Company or its lawyers may reasonably require to complete the transactions provided for in this Agreement.

7.5 Proposal Trustee's Certificate

When the conditions to Closing set out in Sections 8.1, 8.2 and 8.3 have been satisfied and/or waived by the Company or the Purchaser, as applicable, each of the Company and the Purchaser or their respective counsel will deliver to the Proposal Trustee confirmation in writing that the conditions of Closing have been satisfied and/or waived, as applicable, and that the Parties are prepared for the Closing to commence (the "**Conditions Certificate**"). Upon receipt of the Conditions Certificate and confirmation that the Purchase Price has been paid and satisfied, the Proposal Trustee will: (a) issue forthwith its Proposal Trustee's Certificate concurrently to the Company and counsel to the Purchaser, at which time the Closing will be deemed to commence and be completed in the order set out herein and in the Approval and Reverse Vesting Order, and Closing will be deemed to have occurred; and (b) file as soon as practicable a copy of the Proposal Trustee's Certificate with the Court (and will provide a true copy of the filed certificate to the Company and counsel to the Purchaser). In the case of (a) and (b) above, the Proposal Trustee will be relying exclusively on the Conditions Certificate without any obligation whatsoever to verify or inquire into the satisfaction or waiver of the applicable conditions, and the Proposal Trustee will have no liability to the Company or the Purchaser as a result of filing the Proposal Trustee's Certificate in accordance herewith.

ARTICLE 8 CONDITIONS TO CLOSING

8.1 Conditions Precedent in Favour of the Parties

The obligations of the Parties to complete the Transaction is subject to the following mutual conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Successful Bid. This Agreement shall have been designated as a Successful Bid in accordance with the terms of the Sale Process.
- (b) Approval and Reverse Vesting Order. The Court shall have issued and entered the Approval and Reverse Vesting Order that among other things, approves the Purchase Price herein, which Approval and Reverse Vesting Order shall not have been stayed, set aside, vacated, subject to appeal, or leave to appeal and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Parties, each acting reasonably.
- (c) No Order. No Applicable Law and no judgment, injunction, order or decree shall have been issued by a Governmental Authority or otherwise in effect that restrains or prohibits the completion of the Transaction.
- (d) No Restraint. No motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by this Agreement.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in this Section 8.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement.

8.2 Conditions Precedent in Favour of the Purchaser

The obligations of the Purchaser to complete the Transaction is subject to the following conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Company's Deliverables. The Company shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 7.3.
- (b) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or Transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 5.1 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Company shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by the Company on or before the Closing Date.
- (d) Employees. The Company shall have terminated the employment of any Employees

identified by the Purchaser in its sole discretion to be Terminated Employees and all Liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of statutory notice, termination payments, individual or group notice of termination (as applicable), severance, wages, overtime pay, vacation pay, benefits, bonuses or other compensation or entitlements, including any amounts deemed owing pursuant to statute or common law, shall be Excluded Liabilities or shall be discharged pursuant to the Approval and Reverse Vesting Order.

- (e) ResidualCo. Pursuant to the Approval and Reverse Vesting Order: (i) all Excluded Assets, Excluded Contracts and Excluded Liabilities shall have been transferred to ResidualCo or Discharged; (ii) the Excluded Liabilities shall have attached to the Excluded Assets, if any; and (iii) the Company and its Business and property shall have been released and forever Discharged of all Excluded Liabilities (other than Retained Liabilities and Permitted Encumbrances, if any) such that, from and after Closing the Business and property of the Company shall exclude the Excluded Assets and the Excluded Contracts and shall not be subject to any Excluded Liabilities.
- (f) Notices to Contractual Counterparties. The Company shall have sent notices to the counterparties of all known Excluded Contracts and all Retained Contracts, including those counterparties of Retained Contracts that have Cure Costs owing in respect thereof, in each case advising them of the hearing for the Approval and Reverse Vesting Order no later than seven (7) days prior to such hearing (or where circumstances make it impracticable to provide seven (7) days' notice, as soon as practicable prior to such hearing).
- (g) Permits and Licenses Condition. The Permits and Licenses shall be in good standing and shall continue to be in good standing, and not be suspended or terminated, following the Closing Date, unless the failure for any such Permits and Licenses being in good standing or being suspended or terminated does not, in the aggregate, have a Material Adverse Change.
- (h) Occurrence of Material Adverse Change. After the date of this Agreement and before the Closing Time, there shall not have occurred any Material Adverse Change.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 8.2 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. If any condition set out in Section 8.2 is not satisfied or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Company to terminate this Agreement.

8.3 Conditions Precedent in Favour of the Company

The obligations of the Company to complete the Transaction is subject to the following mutual conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Company or the Proposal Trustee, as applicable, at the Closing all the documents and payments contemplated in Section 7.4.
- (b) No Breach of Representation and Warranties. Each of the representations and warranties contained in Section 5.2 shall be true and correct in all material respects: (i) as of the

Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.

- (c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.

The foregoing conditions are for the exclusive benefit of the Company. Any condition in this Section 8.3 may be waived by the Company in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Company only if made in writing. If any condition set out in Section 8.3 is not satisfied or performed on or prior to the Outside Date, the Company may elect on written notice to the Purchaser to terminate this Agreement.

ARTICLE 9 TERMINATION

9.1 Grounds for Termination

This Agreement may be terminated on or prior to the Closing Date:

- (a) automatically upon the selection of a Successful Bidder in accordance with the Sale Process in the event that the Purchaser is not a Successful Bidder;
- (b) by mutual written agreement of the Company (with the consent of the Proposal Trustee) and the Purchaser;
- (c) by the Company (with the consent of the Proposal Trustee) or the Purchaser, if the conditions set forth in Section 8.1 are not satisfied or waived on or before the Outside Date, provided that the failure to satisfy such conditions by such deadline is not caused by a breach of this Agreement by the Party proposing to terminate the Agreement;
- (d) by the Purchaser, if any of the conditions set forth in Section 8.2 are not satisfied on or before the Outside Date, and such conditions are not waived by the Purchaser;
- (e) by the Company (with the consent of the Proposal Trustee), if any of the conditions set forth in Section 8.3 are not satisfied on or before the Outside Date, and such conditions are not waived by the Company;
- (f) by the Purchaser, if there has been a material violation or breach by the Company of any agreement, covenant, representation or warranty of the Company in this Agreement which would reasonably be likely to prevent the satisfaction of, or compliance with, any condition set forth in Sections 8.1 or 8.2, by the Outside Date and such violation or breach has not been waived by the Purchaser or cured within five (5) Business Days after written notice thereof from the Purchaser to the Company; or
- (g) by the Company (with the consent of the Proposal Trustee), if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty of the Purchaser in this Agreement which would reasonably be likely to prevent the satisfaction of, or compliance with, any condition set forth in Sections 8.1 or 8.3, by the Outside Date and such violation or breach has not been waived by the Company or

cured within five (5) Business Days after written notice thereof from the Purchaser to the Company.

9.2 Effect of Termination

If this Agreement is terminated pursuant to Section 9.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder; except for the provisions of: (a) this Section 9.2; and (b) Section 4.2 with respect to the Purchaser's entitlement to the Break Fee. Notwithstanding the foregoing, if this Agreement is terminated by the Company pursuant to Section 9.1(b) (unless otherwise agreed between the Company and the Purchaser) or 9.1(g), the Purchaser shall not be entitled to receive the Break Fee.

9.3 Proposal Trustee's Liability

In addition to all of the protections granted to the Proposal Trustee under the BIA, the Sale Process, the Sale Process Order, and any other order of the Court in this Proposal Proceeding, the Company and the Purchaser acknowledge and agree that the Proposal Trustee, acting in its capacity as Proposal Trustee of the Company and not in its personal capacity, will have no liability, in its personal capacity or otherwise, in connection with this Agreement or the Transaction whatsoever except liability from its willful misconduct, fraud or gross negligence. This Section shall survive Closing.

ARTICLE 10 GENERAL

10.1 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:

- (a) in the case of the Purchaser, as follows:

1001611870 Ontario Inc.
44 East Beaver Creek Road, Unit 16
Richmond Hill, ON L4B 1G8

Attention: Sayan Navratnam
Email: snavaratnam@connexservice.ca

with a copy to:

Miller Thomson LLP
40 King Street West, Suite 6600
Toronto, ON M5H 3S1

Attention: Sam Massie / Harry Fox
Email: smassie@millerthomson.com / hfox@millerthomson.com

(b) in the case of the Company, as follows:

Ecoideas Innovations Inc.

2841 Langstaff Rd
Concord, ON L4K 4W7

Attention: Rafic Sidani
Email: rafic@ecoideas.ca

with a copy to:

Loopstra Nixon LLP

130 Adelaide Street West, Suite 2800
Toronto, ON M5H 3P5

Attention: R. Graham Phoenix
Email: gphoenix@ln.law

(c) in each case, with a further copy to the Proposal Trustee as follows:

Dodick Landau Inc.

951 Wilson Ave., Suite 15L
Toronto, ON M3K 2A7

Attention: Rahn Dodick
Email: rahn.dodick@dodick.ca

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided, however, that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

10.2 Public Announcements

The Proposal Trustee and the Company shall be entitled to disclose this Agreement to the Court and parties in interest in the Proposal Proceeding, and this Agreement may be posted on the Proposal Trustee's website maintained in connection with the Proposal Proceeding. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein) or where required to meet timely disclosure obligations of the Company under Applicable Laws, the Proposal Trustee and the Company shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with

respect to this Agreement or the Transactions contemplated hereby without the prior consent of the Purchaser, which shall not be unreasonably withheld or delayed.

10.3 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Parties or their respective solicitors.

10.4 Survival

The representations and warranties of the Parties contained in this Agreement shall merge on Closing, provided that the representations, warranties and covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

10.5 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Subject to the prerogatives of the Proposal Trustee expressly provided under this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns, and no Person, other than the Parties and their successors and their permitted assigns, shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

10.6 Entire Agreement

This Agreement and the Exhibit and Schedules attached hereto constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements. Unless as provided for by this Agreement, this Agreement may not otherwise be amended or modified in any respect except by written instrument executed by the Purchaser and the Company, with the consent of the Proposal Trustee.

10.7 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

10.8 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court, and any appellate courts of the Province of Ontario therefrom.

10.9 Assignment

This Agreement may be assigned by the Purchaser prior to the issuance of the Approval and Reverse Vesting Order, in whole or in part, without the prior written consent of the Company or the Proposal Trustee, provided that: (a) such assignee is a related party, Affiliate or subsidiary of the Purchaser; (b) the Purchaser provides prior notice of such assignment to the Company and the Proposal Trustee; and

(c) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment; provided, however, that any such assignment shall not relieve the Purchaser of its obligations hereunder.

10.10 Further Assurances

Each of the Parties shall, at the request and expense of the requesting Party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such conveyances, transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

10.11 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by email of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

10.12 Severability

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

[Signature pages to follow]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

ECOIDEAS INNOVATIONS INC.

Signed by:
Per: Rafic Sidani c/s
E4D10990F3FC4A0...
Name: Rafic Sidani
Title: President
I have authority to bind the corporation

1001611870 ONTARIO INC.

DocuSigned by:
Per: Sayan Navaratnam
BAA43EECBAC74DE...
Name: Sayan Navaratnam
Title: Authorized Signatory
I have authority to bind the corporation

EXHIBIT "A"
IMPLEMENTATION STEPS

The Parties agree that this Exhibit "A" remains subject to further revision.

[Note: Exhibit to be completed.]

SCHEDULE "A"
EXCLUDED ASSETS

1. Assets sold in the ordinary course of business during the Interim Period.
2. Excluded Contracts.
3. The Purchase Price.

[Note: Balance of schedule to be completed.]

SCHEDULE "B"
EXCLUDED CONTRACTS

[Note: Schedule to be completed.]

SCHEDULE "C"
EXCLUDED LIABILITIES

[Note: Schedule to be completed.]

SCHEDULE "D"
PERMITTED ENCUMBRANCES

[Note: Schedule to be completed.]

SCHEDULE "E"
SALE PROCESS ORDER

[NTD: Schedule to be completed]

SCHEDULE "F"
RETAINED LIABILITIES

[Note: Schedule to be completed.]

SCHEDULE "G"
RETAINED CONTRACTS

[Note: Schedule to be completed.]