Court File No: CV-23-00701377-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.

SECOND REPORT OF GRANT THORNTON LIMITED AS THE COURT-APPOINTED MONITOR

August 18, 2023

GrantThornton

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario
M5H 3T4

TABLE OF CONTENTS

APPENDICES

Appendix A	SISP Order
Appendix B	Cash Flow Statement
Appendix C	Swarmio Teaser Letter
Appendix D	Newspaper and Insolvency Insider Notices
Appendix E	Fee Affidavit of Dan Wootton dated August 2, 2023
Appendix F	Fee Affidavit of Heather Fisher dated August 17, 2023

CONFIDENTIAL APPENDICES

Confidential Appendix 1	Confidential Information Memorandum (CIM)
Confidential Appendix 2	SISP Summary
Confidential Appendix 3	OpCo Bid

Court File No: CV-23-00701377-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.

SECOND REPORT OF GRANT THORNTON LIMITED AS THE COURT-APPOINTED MONITOR

August 18, 2023

INTRODUCTION

1. This report (the "**Second Report**") is filed by Grant Thornton Limited ("**GTL**") in its capacity as monitor (in such capacity, the "**Monitor**") of the CCAA Proceedings (as defined herein) of Swarmio Media Holdings Inc. ("**Swarmio Parent**"), Swarmio Inc. ("**Swarmio OpCo**")., and Swarmio Media Inc. (("**Swarmio Media**"), and collectively, the "**Swarmio Group**").

2. The Swarmio Group is an early-stage technology and media company focused on the gaming sector, specifically providing telecommunications companies access to its proprietary, turnkey gaming platform to monetize gaming users through in-store product offerings and payment solutions.

3. On June 21, 2023, the Swarmio Group made an application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to commence proceedings under the

Companies' Creditors Arrangement Act (the "**CCAA Proceedings**"). The Court issued the Initial Order on June 21, 2023, appointing GTL as Monitor and granting the Swarmio Group, among other relief:

(a) a stay of proceedings in favour of the Swarmio Group until and including July 1, 2023 (the "**Initial Stay Period**");

(b) an administration charge to secure the professional fees and disbursements of the Swarmio Group's counsel, the Monitor, and the Monitor's counsel up to a maximum of $100,000 (the "**Administration Charge**");

(c) a charge in favour of the current directors and officers of the Swarmio Group in the amount of $100,000 (the "**Directors' Charge**");

(d) approval of interim financing by way of a debtor in possession loan in the amount of $135,000 (the "**DIP Financing**") between the Swarmio Group and Triaxcess Ltd. (the "**DIP Lender**") to fund the Swarmio Group's operations during the Initial Stay Period;

(e) a charge in favour of the DIP Lender in the amount of $135,000 (the "**DIP Charge**"); and,

(f) authorization to Swarmio Parent to incur no further expenses in relation to the Securities Filings (as defined in the Initial Order) and a declaration that none of the directors, officers, employees, advisors, and other representatives of the Swarmio Group or the Monitor (and its directors, officers, partners, advisors, employees, and representatives) shall have any personal liability for any failure by the Swarmio Group to make Securities Filings.

4. On June 30, 2023, at the comeback hearing, the Court granted an amended and restated Initial Order (the "**Amended and Restated Initial Order**"). The Amended and Restated Initial Order granted, among other relief:

(a) extended the stay of proceedings until and including September 1, 2023 (the "**Extension Stay Period**") to allow the Swarmio Group to maintain its current operations during a sale and investment solicitation process ("**SISP**"), as further described below;

(b) authorized the Swarmio Group to borrow the maximum principal amount of $1.5 million of DIP Financing (the "**DIP Facility**") with the DIP Lender to fund the Swarmio Group's cash needs until the end of the Extension Stay Period;

(c) approve an increase in the DIP Charge to $1.5 million, plus such additional interest and fees pursuant to the DIP Financing terms;

(d) approve an increase in the Administration Charge to $300,000 to secure the fees and disbursements of the Swarmio Group's counsel, the Monitor, and the Monitor's counsel.

5. On June 30, 2023, the Court also granted an order approving the SISP (the "**SISP Order**"), which authorized the Monitor, with the assistance of the Swarmio Group, to conduct a process to seek interest in a possible sale of, or investment in, the Swarmio Group's business, assets, and/or shares. A copy of the SISP Order is attached hereto as **Appendix A**.

6. The above referenced Court orders and endorsements, as well as all other materials filed with the Court in the CCAA Proceedings are accessible on the Monitor's case web page at: www.grantthornton.ca/swarmio (the "**Case Website**").

PURPOSE OF THE SECOND REPORT

7. The purpose of this second report of the Monitor (the "**Second Report**") is to provide information and recommendations to the Court with respect to:

   (a) the Monitor's activities since the First Report;

   (b) the Swarmio Group's activities and its cash flow during the CCAA Proceedings;

   (c) an update on the SISP;

   (d) a summary of the offers received for the Swarmio Group pursuant to the SISP;

   (e) the Monitor's recommendation on the approval of the offer received for Swarmio OpCo (including Swarmio Media as its subsidiary);

   (f) the Monitor's recommendation on the relief required to implement the Proposed Transaction (as defined herein), and to conclude these CCAA Proceedings;

   (g) a declaration that the *Wage Earner Protection Program Act (Canada), SC 2005 c 47,* s 1 ("**WEPPA**") applies to ResidualCo with respect to unpaid wages for eligible employees of Swarmio OpCo and Swarmio Media;

   (h) the Monitor's views with respect to the termination of the CCAA Proceedings; and,

   (i) the Monitor's fees and disbursements, including that of its counsel, Gowling WLG (Canada) LLP ("**Gowling WLG**"), including the Final Fees (as defined herein) and the retainers required to complete the contemplated bankruptcy proceedings.

SCOPE AND TERMS OF REFERENCE

8. Other than where indicated, the information contained in this Second Report (the "**Information**") has been obtained through the execution of the Monitor's duties, from the books and records of the Swarmio Group, publicly available information, and/or is based

upon discussions with, and representations made by the Swarmio Group's professional advisors retained in this matter. The Information has not been audited or reviewed by the Monitor as to its accuracy or completeness, and the reader is therefore cautioned that the Monitor does not provide any form of assurance with respect to the accuracy of any financial information presented in this First Report or relied upon in preparing this Second Report, and this Second Report may not disclose all significant matters about the Swarmio Group.

9. This Second Report has been prepared to provide general information to stakeholders of the Swarmio Group and the Court relating to the CCAA Proceedings. Accordingly, the reader is cautioned that this Second Report may not be appropriate for any other purpose. The Monitor assumes no responsibility or liability for any loss or damage occasioned by any party because of the circulation, publication, reproduction or use of this Second Report. Any use that a party makes of this Second Report, or any reliance on or decisions to be made based on it, is the responsibility of such party.

10. All defined terms that are not defined in this Second Report shall have the meanings ascribed to them in the First Report and the SISP Order.

11. All dollar amounts contained in this Second Report are in CDN funds, unless otherwise stated.

12. A copy of this Second Report and other relevant documents with respect to these proceedings are available on the Monitor's Case Website.

UPDATE SINCE THE FIRST REPORT

Activities of the Swarmio Group

13. The Monitor understands that the Swarmio Group continues to have productive discussions with its customers, trade creditors, employees, and other stakeholders to address concerns and facilitate the Swarmio Group's sustained operation through the CCAA Proceedings.

14. The Swarmio Group has worked diligently with the Monitor throughout the SISP, including assisting the Monitor in providing information to interested parties, making additional documentation available for a secure Data Room (as defined herein), and performing other ad hoc tasks as requested by the Monitor and as required to maintain operations. Specifically, the Swarmio Group has been successful in collecting a higher amount of accounts receivable than initially forecast and has utilized less of the DIP Facility than initially anticipated. The Monitor notes that the Swarmio Group has generally held back from incurring higher operating costs during the CCAA Proceedings as it relates to marketing expenses and where such expenses may be incurred in the future in order to maintain customer relationships.

15. The Swarmio Group has maintained regular communications with the Monitor with respect to operations, correspondence with stakeholders, and assistance to the Monitor as it fulfills its duties.

Activities of the Monitor

16. Since the issuance of the First Report, the Monitor has performed the following activities:

    (a) prepared and mailed a notice advising creditors of the CCAA Proceedings;

(b) conducted the SISP in accordance with the SISP Order, which included, among other things, preparing a list of interested parties in consultation with the Swarmio Group, preparing and maintaining a secure virtual data room (the "**Data Room**"), preparing the mailing for interested parties, and liaising with interested parties and management to facilitate requests for information;

(c) monitored the Swarmio Group's cash flow during the CCAA Proceedings;

(d) assisted the Swarmio Group with addressing stakeholder concerns related to the CCAA Proceedings and the SISP;

(e) assisted the Swarmio Group in preparing relevant information in advance of the potential application of the WEPPA program;

(f) responded to creditor and other stakeholder inquiries;

(g) updated and maintained the Case Website in accordance with the Commercial List E-Service Protocol; and,

(h) prepared this Second Report.

17. The Monitor respectfully requests that the Court approve of this Second Report and the Monitor's activities, conduct, and actions described herein.

Cash Flow

18. As part of its ongoing activities, the Monitor has reviewed the Swarmio Group's weekly cash flow results and compared such to the budget. The Monitor, with the assistance of the Swarmio Group, has prepared a cash flow statement that includes actual results to the week ending August 18, 2023 (the "**Cash Flow Statement**"), a copy of which is attached hereto as **Appendix B**.

19. The Monitor has reviewed the Cash Flow Statement and discussed such with the Swarmio Group. The Swarmio Group has responded to the Monitor's enquiries, including providing supporting documentation to assist the Monitor in monitoring the Swarmio Group's cash flow performance.

20. The Swarmio Group has maintained its cash flow in accordance with the Cash Flow Projection. Total cash receipts exceed budget due to the collection of approximately $160,000 from accounts receivable. Furthermore, the Swarmio Group has achieved a positive expense variance due mostly to timing and certain disbursements that were lower than projected. Overall, the Swarmio Group has experienced a total positive cash flow variance (after adjusting for accruals) of approximately $482,000.

21. The Monitor notes that the OpCo Bid (as defined herein) refers to a closing date for the Proposed Transaction of September 15, 2023. The initial Cash Flow Projection covered the period to the week ending August 18, 2023. The Monitor has discussed the current cash position with the Swarmio Group, and the cost to maintain operations to allow for the Proposed Transaction to close (if approved), and where the Monitor understands that in all likelihood, the remaining cash will be utilized to maintain the operations to mid-September 2023. The Monitor further notes that such a cash flow run rate from August 18, 2023 to September 15, 2023 is consistent with the Cash Flow Projection.

SISP UPDATE

22. On June 30, 2023, the Court granted the SISP Order, which approved the SISP pursuant to which the Monitor, working with the assistance of the Swarmio Group (where required), would solicit interest in, and opportunities for: one or more sales or partial sales of all, substantially all, or certain portions of the Swarmio Group; and/or for an investment in, restructuring, recapitalization, refinancing, or other form of reorganization of the business

and affairs of the Swarmio Group as a going concern or a sale (or partial sale) of all, substantially all, or certain aspects of the Swarmio Group's business, or combination therefore (the "**Opportunity**").

23. In accordance with the milestones set out in the SISP Order, on July 5, 2023, the Monitor began circulating a solicitation letter (the "**Teaser Letter**") and a non-disclosure agreement ("**NDA**") to 80 Known Potential Bidders. The Known Potential Bidder list was developed using information provided by the Swarmio Group and their legal counsel (approximately 25 interested parties), the Monitor's research and database of contacts, and parties that reached out to the Monitor expressing an interest to participate in the SISP. The list of Known Potential Bidders included venture capital firms, private equity, information technology firms, and telecommunication companies located globally, covering parties in Canada, the United States, Europe, and Asia. In addition, the Monitor identified a further 15 parties that were sent the Teaser Letter and NDA after July 5, 2023. A copy of the Teaser Letter is attached as **Appendix C**.

24. The Monitor notes that during the SISP, several emails containing details of the Opportunity, the NDA, and the Teaser Letter, bounced back. The Monitor worked to identify alternate contacts with such Known Potential Bidders and re-sent same where possible. Overall, 81 Known Potential Bidders received the initial SISP package based on information obtained by the Monitor.

25. Pursuant to paragraph 8(b) of the SISP, the Monitor published notices of the Opportunity in the Globe and Mail (National Edition) on July 10, 2023, and in Insolvency Insider on July 10, 2023. A copy of each is attached hereto as **Appendix D**.

26. The SISP Order provided for a two-phase process whereby conditional bids were due by July 25, 2023, and if multiple Phase 1 Qualified Bids were received by the Phase 1 Bid Deadline, then Phase 2 would commence with additional information to be provided to allow Phase 2 Bidders to submit binding Phase 2 Bids. The additional information to be made available in Phase 2 consisted of the Swarmio Group's customer contracts. The Phase 2 Bid Deadline was set for August 14, 2023.

27. The Monitor created a Data Room containing confidential information to allow Phase 1 Bidders to review the Opportunity, conduct due diligence, and submit Phase 1 Bids. The Monitor prepared a confidential information memorandum ("**CIM**") which summarized the Opportunity and provided a guide to assist Phase 1 Bidders in navigating through the due diligence materials contained in the Data Room. A copy of the CIM is attached hereto as **Confidential Appendix 1**. In addition to the Data Room providing due diligence information to interested parties, the Data Room also provided the Monitor with data to track the use and access of due diligence materials by Phase 1 Bidders. The Data Room also notified all Phase 1 Bidders on a daily basis when new information was posted.

28. In anticipation of receiving Phase 1 Bids, the Monitor reviewed both a share purchase agreement, and an asset purchase agreement, which could be used by Phase 1 Bidders in submitting their Phase 1 Bids. The Monitor notes that while discussions took place with each of the Phase 1 Bidders concerning their options when contemplating a transaction, only the share purchase agreement was included in the Data Room, not an asset purchase agreement. The Monitor is not aware of any Phase 1 Bidder expressing an interest in proceeding with a transaction by way of an asset purchase agreement.

29. The populated Data Room went live on July 12, 2023. Throughout the SISP, a total of six (6) Known Potential Bidders signed the NDA to become Phase 1 Bidders and were then provided access to the Data Room.

30. During the Phase 1 period of the SISP, the Monitor, on three separate occasions, contacted all Known Potential Bidders who had not responded to the Opportunity, to effectively follow up and advise of the SISP and the continued availability of the Opportunity.

31. On July 25, 2023, at 5:00 pm Eastern Time, the Phase 1 Bid Deadline passed, with the Monitor receiving one Phase 1 Bid. The Phase 1 Bid that was received was for Swarmio OpCo and Swarmio Media (the "**OpCo Bid**"). The Monitor notes that the OpCo Bid was submitted by the DIP Lender by way of a credit bid of the DIP Facility.

32. While only one Phase 1 Bid was received, there was advanced interest from two other parties. The first was a Potential Bidder who earlier on in the Phase 1 Bid process had requested an extension of time to Phase 1. The Monitor worked with such Potential Bidder to address their enquiries, offer access to management, and generally worked with such party to maintain the initial Phase 1 timeline. The Potential Bidder did not submit a bid by the Phase 1 Bid Deadline. The following day, the Monitor contacted the Potential Bidder who then advised that they were no longer interested in pursuing the Opportunity. The second interested party (the "**PubCo Bidder**") submitted an offer that did not qualify as a Phase 1 Bid as it did not conform with the requirements for a Phase 1 Bid. The PubCo Bidder expressed an interest in acquiring the publicly listed shell of Swarmio Parent. The Monitor corresponded with the PubCo Bidder for several weeks, including correspondence with the PubCo Bidder, the Monitor's counsel, and the Swarmio Group's counsel, in effort to see if an acceptable Phase 1 Bid could be submitted (especially since a sale of Swarmio

Parent would not conflict or overlap with the sale of Swarmio OpCo). At present, the Monitor and the Applicants are not in a position to desginate the PubCo Bidder as the successful bidder for the PubCo shell.

33. The Monitor shared the OpCo Bid with the Swarmio Group on July 26, 2023 and discussed such on July 27, 2023. The Swarmio Group was satisfied with the OpCo Bid. Pursuant to the SISP Order, the Monitor (in consultation with the Swarmio Group) dispensed with Phase 2 of the SISP as no other competing Phase 1 Bids were received. A summary of the SISP results is attached hereto as **Confidential Appendix 2**. As a result, the Monitor has designated the OpCo Bid as a Successful Bid. A copy of the final OpCo Bid is attached hereto as **Confidential Appendix 3**.

34. The following section summarizes the OpCo Bid and the intended process to complete the Proposed Transaction (as defined herein).

35. The Monitor notes that there is still potential value with respect to the PubCo. As a result, the Monitor understands that the Applicants will continue to explore opportunities for realization on the value represented by the Swarmio Parent shell. If such realization has not occurred by the expiry of the stay period, the Monitor expects the Swarmio Parent will be assigned into bankruptcy.

PROPOSED TRANSACTION

<u>OpCo Bid</u>

36. As noted, on July 25, 2023, the Monitor received a bid from the DIP Lender for the operations of the Swarmio Group, consisting of the assets and operations of Swarmio OpCo, and including Swarmio Media.

37. The OpCo Bid provides for purchase through a reverse vesting order ("**RVO**") transaction, which effectively provides for an efficient operational transition of the Swarmio Group's assets and operations, including tax losses, and key customer contracts in the Philippines, Malaysia, Tunisia, UAE, and Sri Lanka (the "**Proposed Transaction**"). An important factor in proceeding with the OpCo Bid by way of a RVO structure relates to the ability to continue with the key contracts with foreign telecommunication companies without requiring assignments. The Monitor understands that there these contracts generally do not include change of control provisions. The RVO structure will permit the contracts to be continued seamlessly without the requirement for assignment consents or recognition orders in the event of court-ordered assignments.

38. The Proposed Transaction is conditional on the exclusive use of the 'Swarmio' name, the granting of certain releases, and the Court granting an order approving the Proposed Transaction contemplated in the Share Purchase Agreement (the "**OpCo RVO**"), which OpCo RVO contemplates the acquisition of the shares of Swarmio OpCo (which includes the shares of Swarmio Media) upon the transfer, or vesting, of specific excluded liabilities, excluded assets, and excluded contracts to a newly incorporated residual company, 15280362 Canada Inc. ("**ResidualCo**").

39. The Proposed Transaction is a credit bid with the assumption of certain liabilities which provides for the following consideration (the "**Purchase Price**"):

    (a) the release of the Swarmio Group from all amounts outstanding and obligations payable to the DIP Lender pursuant to DIP Facility indebtedness (including all accrued and unpaid interest and related fees/costs);

(b) the payment to the Monitor (or the Trustee of ResidualCo as the case may be) of any used portion of the DIP Facility;

(c) the Assumed Liabilities as defined in the OpCo Bid, including, but not limited to, any amounts owing under the Administration Charge, liabilities to terminated employees (approximately \$1.1 million), certain critical vendor payments, certain secured and unsecured promissory notes in the total amount of approximately \$2.2 million.

Monitor's Views on the Proposed Transaction

40. It is the Monitor's recommendation that the Court approve of the Proposed Transaction and grant the OpCo RVO for the following reasons:

(a) pursuant to the DIP Term Sheet and the corresponding DIP Charge, the DIP Lender is the first ranking secured creditor and is owed up to \$1.5 million plus accrued fees and interest;

(b) in addition to the DIP Facility, the Swarmio Group has approximately \$3.2 million in amounts owing to various creditors that will be assumed in the Proposed Transaction;

(c) in the Monitor's view, the Purchase Price (as defined in the OpCo Bid) is higher than the estimated liquidation value of the assets of Swarmio OpCo and Swarmio Media, and the Monitor estimates that there would be no financial recovery to the creditors whose claims are being assumed in the Proposed Transaction in a liquidation scenario;

(d) the releases required in the OpCo Bid appear reasonable in the circumstances and the release language in the draft order appears to be standard for such a transaction, and where the requested releases do not provide for a release from any potential claims pursuant to section 5.1(2) of the CCAA;

(e) the Proposed Transaction avoids undue disruption to the Swarmio Group's business, avoids adversely affecting the Swarmio Group's employees, and promotes an efficient means to transfer and maintain a going-concern operation;

(f) an RVO is necessary as it is a requirement of the OpCo Bid (which provides for greater value than a liquidation sale premised on a more traditional asset based vesting order), and no stakeholder will be worse off if an RVO is granted compared to other alternatives; and

(g) the Monitor notes specifically that the cost to formally transition critical customer contracts in multiple foreign jurisdictions (if successful) is high. The Monitor further notes that Swarmio Group's primary customers are large telecommunication service providers, who have over 100 million users, and where the Swarmio Group has expended significant time and cost to create their platforms using such telecommunication service providers infrastructure. This process has required the Swarmio Group to meet high standards with respect to security, privacy, technical, and operational capabilities.

41. Should the Proposed Transaction be approved and close, ResidualCo would sit outside of the current CCAA Proceedings and would have no assets or operations. As a result, the Monitor supports the Court granting an order including ResidualCo as an applicant in

the CCAA Proceedings and authorizing the Monitor to assign ResidualCo into bankruptcy upon the closing of the Proposed Transaction.

CONFIDENTIAL APPENDICES

42. The Monitor is of the view that Confidential Appendices 1, 2 and 3 should be sealed and remain sealed until the earlier of the completion of the Proposed Transaction or further order of the Court as the information contained therein is commercially sensitive and could prejudice the sale of the Swarmio Group's shares and operations in the event the Proposed Transaction does not close. The Monitor does not believe that any party will suffer prejudice if the Confidential Appendices are sealed in this manner.

WEPPA

43. WEPPA exists to provide financial relief for a portion of wage arrears for employees who have lost their jobs due to a receivership or bankruptcy proceeding (including those who lost their jobs in the six months prior to such receivership or bankruptcy proceeding). If the Proposed Transaction is approved, and such unassumed wage arrears are vested to ResidualCo, WEPPA may not apply as ResidualCo was not the direct employer of the Swarmio OpCo and Swarmio Media former employees. The Monitor is of the view that the Proposed Transaction should not have the unintended consequence of making the unassumed liabilities owed to Swarmio OpCo and Swarmio Media's former employees ineligible for the WEPPA program. As a result, the Monitor supports the Court granting an order that would have the effect of recognizing ResidualCo as the former employer of the Swarmio OpCo and Swarmio Media employees who lost their jobs in the six months prior to the initial filing date of these CCAA Proceedings (as the initial insolvency event), and where such liabilities are not assumed in the Proposed Transaction.

PROFESSIONAL FEES

44. Paragraph 29 of the Initial Order (as amended) authorizes the Monitor, and its legal counsel, to be paid its reasonable fees and disbursements incurred, either prior to, on, or subsequent to the granting of the Initial Order.

45. The total fees and disbursements of the Monitor from June 7, 2023 to July 31, 2023 amount to $110,112.71, plus HST in the amount of $14,314.65, totaling $124,427.36. The details of the time spent and services provided by the Monitor are more particularly described in the Affidavit of Dan Wootton, sworn August 2, 2023 in support hereof, a copy of which is attached hereto as **Appendix E**.

46. The total fees of the Monitor's counsel, Gowling WLG, from June 8, 2023 to August 16, 2023 amount to $84,590.00, plus expenses and disbursements in the amount of $60.00 and HST in the amount of $11,004.50, totaling $95,654.50. The details of the time spent and services provided to the Monitor are more particularly described in the Affidavit of Heather Fisher, sworn August 17, 2023 in support hereof, a copy of which is attached hereto as **Appendix F**.

47. The Monitor's remaining fees, disbursements, and taxes from August 1, 2023, as well as that of its counsel, from August 16, 2023 to the conclusion of these CCAA Proceedings are estimated to be a combined total of $50,000 (the "**Final Fees**"). This provides for the additional work required to prepare for Court hearings, assist with the completion of the Proposed Transaction, and to administratively conclude these CCAA Proceedings. The Monitor understands that the Final Fees will be funded from remaining proceeds of the Swarmio Group's DIP Facility or the Closing DIP Loan provided for under the OpCo Bid.

Should any portion of the Final Fees not be utilized, then such surplus proceeds will be paid to ResidualCo.

48. The Monitor has estimated $45,000 in fees, taxes and disbursements as the costs relating to the administration of the anticipated bankruptcy by the licensed insolvency trustee of the ResidualCo and Swarmio Parent, with an additional amount of up to $15,000 for the fees, taxes and disbursements of its legal counsel. The Monitor respectfully requests the Court approve the transfer of $60,000 to Grant Thornton Limited, from sale proceeds and the DIP Facility as retainers for the anticipated bankruptcy related costs of ResidualCo and Swarmio Parent. Should any portion of the retainers not be utilized in the respective bankruptcy proceedings, then such surplus proceeds will be paid to ResidualCo.

49. The Monitor is of the view that the above accounts, including the Final Fees and the retainer for the respective bankruptcies, are reasonable in the circumstances. The Monitor respectfully requests that the Court approve the abovementioned fees, disbursements, and taxes.

CCAA TERMINATION, REMAINING ACTIVITIES AND MONITOR'S DISCHARGE

50. In the Monitor's view, if the relief being sought by the Swarmio Group related to the approval of the Proposed Transaction is approved, these CCAA Proceedings will have accomplished the following objectives:

  (a) the commencement of a Court approved SISP to identify a buyer(s) or investor(s) for the Swarmio Group's shares, assets and operations;

  (b) the approval of a transaction to allow for the continued operation of the Swarmio Group's business and greater value to creditors and stakeholders compared to a liquidation of the Swarmio Group;

(c) the preservation of jobs, and continuing customer/supplier relationships related to the Swarmio Group; and,

(d) residual proceedings to effectively wind up unassumed assets and liabilities and allow for the benefit of the WEPPA program to those eligible former employees of the Swarmio Group with wage arrears.

51. The Monitor is of the view that upon the completion of the Proposed Transaction, there will be no further realizations available to creditors. As a result, subject to certain Remaining Activities, there would be no further benefit for these CCAA Proceedings, including the stay of proceedings.

52. Upon the termination of the CCAA Proceedings, all previously approved charges, including the DIP Lender's Charge, Directors' Charge, and Administration Charge will no longer be required and would therefore be terminated, released and discharged.

53. If the Proposed Transaction is approved by the Court, the Monitor would support the Court granting an order terminating the CCAA Proceedings, as well as discharging the Monitor, which would be effective upon the Monitor filing a certificate with the Court ("**Termination Certificate**"). Such Termination Certificate would be filed once the Monitor is satisfied that the Proposed Transaction has closed, and that all of the Monitor's Remining Activities have been completed.

54. In order to allow for the Proposed Transaction to close, the Monitor would support the Court granting an order extending the stay of proceedings beyond September 1, 2023 (the expiration of the current stay of proceedings) and the earlier of November 24, 2023 or the filing of the Termination Certificate with the Court. The Monitor supports such an extension to the stay of proceedings for the following reasons:

(a) an extended stay of proceedings would be critical to facilitate the closing of the Proposed Transaction which may not close until September 15, 2023;

(b) an extended stay of proceedings would allow for additional funding of the DIP Facility, if required, in order to maintain the underlying operations of Swarmio OpCo beyond the initial Cash Flow Projection period of August 18, 2023;

(c) the Company has acted in good faith and with due diligence during these CCAA Proceedings;

(d) the Monitor is of the view that a stay of proceedings would likely not be required beyond November 24, 2023, at the latest, as this would provide for sufficient time for the Monitor to complete the Remaining Activities; and,

(e) the Monitor is of the view that no creditor will be materially prejudiced by such an extension to the stay of proceedings.

55. The Monitor has considered the following activities that would be required in order to complete its duties with respect to the administration of the CCAA Proceedings (the "**Remaining Activities**"):

(a) assist with the completion of the Proposed Transaction (including the issuance of a Monitor's Certificate relating to the OpCo RVO);

(b) payment of approved fees, disbursements, Final Fees, and bankruptcy related retainers;

(c) preparation of and the filing of materials required to assign the ResidualCo and Swarmio Parent into bankruptcy; and,

(d) completion of statutory reports required to complete the administration of the CCAA Proceedings.

CONCLUSION AND RECOMMENDATION

56. Based on the above, and upon the review of the Swarmio Group's motion materials dated August 15, 2023 (as amended), the Monitor supports the relief being requested by the Swarmio Group.

All of which is respectfully submitted this 18th day of August, 2023.

GRANT THORNTON LIMITED,
In its capacity as the Court Appointed Monitor of
Swarmio Media Holdings Inc., Swarmio Inc.,
and Swarmio Media Inc.
Per:

Dan Wootton, CIRP, LIT
Senior Vice President

Court File No. CV-23-00701377-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	FRIDAY, THE 30TH
	)	
JUSTICE KOEHNEN	)	DAY OF JUNE, 2023

B E T W E E N:

(Court Seal)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.,
Applicants

SALE AND INVESTMENT SOLICITATION PROCESS ORDER

THIS MOTION, made by Swarmio Media Holdings Inc., Swarmio Inc., and Swarmio Media Inc. (collectively, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order (i) approving the sale and investment solicitation process (the "**SISP**") attached hereto as **Schedule** "**A**"; and (ii) authorizing and directing the Monitor to conduct the SISP was heard this day by Zoom video conference.

ON READING the affidavit of Vijai Karthigesu sworn June 20, 2023 and the Exhibits thereto, the affidavit of Vijai Karthigesu sworn June 26, 2023, the Amended and Restated Initial Order of Justice Koehnen dated June 30, 2023 (the "**Initial Order**"), the First Report of the Grant

Thornton Limited (“**GT**”) in its capacity as the Monitor (the “**Monitor**”), and the Affidavit of Service, filed,

DEFINED TERMS

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the SISP.

SERVICE

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is abridged and validated such that this Motion is properly returnable today, and further service of the Notice of Motion and the Motion Record is hereby dispensed with.

APPROVAL OF SALE AND INVESTMENT SOLICITATION PROCESS

3. **THIS COURT ORDERS** that the SISP is hereby approved.

4. **THIS COURT ORDERS** that the Monitor is authorized and directed to take such steps as it deems necessary or advisable to carry out and perform its obligations under the SISP.

5. **THIS COURT ORDERS** that the Monitor and its respective affiliates, partners, employees, representatives and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the SISP, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Monitor in performing its obligations under the SISP as determined by this Court.

6. **THIS COURT ORDERS** that the Monitor and the Applicants and their respective counsel be and are hereby authorized but not obligated, to serve or distribute this SISP Order, any other materials, orders, communication, correspondence or other information as may be necessary or desirable in connection with the SISP to any Person (as defined in the Initial Order, as amended or restated from time to time) or interested party that the Monitor or the Applicants consider appropriate. For greater certainty, any such distribution, communication or correspondence shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Monitor and the Applicants are hereby authorized and permitted to disclose and transfer to each potential bidder (the "**Bidders**") and to their advisors, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Applicants' records pertaining to its past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the Property ("**Sale**") or investment in the Business ("**Investment**"). Each Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale or Investment, and if it does not complete a Sale or Investment, shall return all such information to the Monitor and the Applicants, or in the alternative destroy all such information. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Successful Bid(s), shall be entitled to use the

personal information provided to it that is related to the Property of Business acquired pursuant to the Sale or invested in pursuant to the Investment in a manner which is in all material respects identical to the prior use of such information by the Applicants, and shall return all other personal information to the Monitor and the Applicants, or ensure that all other personal information is destroyed.

8. **THIS COURT ORDERS** that the Monitor is hereby authorized to disclose any information or documentation contained in the Applicants' records (including, without limitation, confidential information or documentation) regarding the Applicants' assets, undertakings and properties, including the Applicant's business and operations (collectively, the "**Property and Business Information**") to Potential Bidders who have signed an NDA, provided that the Monitor will only disclose Property and Business Information that the Monitor determines is reasonably necessary to permit a Qualified Bidder to conduct due diligence regarding a potential Transaction or that is otherwise necessary to implement the SISP or a potential Transaction.

9. **THIS COURT ORDERS** that each Recipient to whom Property and Business Information is disclosed under the SISP will maintain and protect the confidentiality of such Property and Business Information and limit the use of such Property and Business Information to its evaluation of the Opportunity in accordance with the terms of the SISP and the applicable NDA and, if the Opportunity is no longer being considered by the Recipient, if the Recipient does not complete a Transaction under the SISP or otherwise at the request of the Monitor, such Recipient will return all such Property and Business Information to the Monitor or alternatively destroy such Property and Business Information and provide confirmation of its destruction of so requested by the Monitor. The Successful Bidder(s) will maintain and protect the confidentiality of the Property

and Business Information and, upon the closing of any Transaction(s), will be entitled to use the Property and Business Information provided to them that is related to the Property or the Business subject to the Transaction(s) in a matter that is in all material respects identical to the prior use of such Property and Business Information by the Applicants and the Monitor, and will return all other Property and Business Information to the Monitor or alternatively destroy such Property and Business Information and provide confirmation of its destruction if so requested by the Monitor.

GENERAL

10. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere, to give effect to this Order and to assist the Applicants, the Monitor, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

12. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory, or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative

in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

13. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

Schedule "A"

Sale and Investment Solicitation Process
Swarmio Media Holdings Inc., Swarmio Inc., Swarmio Media Holdings

Introduction

1. On June 21, 2023, Swarmio Media Holdings Inc. and its subsidiaries, Swarmio Inc. and Swarmio Media Inc. (collectively, the "**Applicants**") were granted an initial order (as amended or amended and restated from time to time, the "**Initial Order**") under the *Companies' Creditors Arrangement Act* (the "**CCAA**" and the "**CCAA Proceedings**") by the Ontario Superior Court of Justice (Commercial List) (the "**Court**").

2. On June 30, 2023, the Court issued an order (the "**SISP Approval Order**") approving, and authorizing the Applicants to commence a sale and investment solicitation process ("**SISP**") in accordance with the terms of these bidding procedures.

3. According to the SISP Approval Order, Grant Thornton Limited, in its capacity as the Court-appointed Monitor of the Applicants (in such capacity, the "**Monitor**") will conduct the SISP with the assistance of the Applicants. The SISP is intended to solicit interest in a sale of the assets and/or business of the Applicants by way of a share purchase, asset purchase, merger, reorganization, recapitalization, or other similar transaction. The Applicants intend to provide all qualified interested parties with an opportunity to participate in the SISP.

Opportunity

4. The SISP is intended to solicit interest in, and opportunities for, a sale of, or investment in, all or part of the Applicants' 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 Applicants as a going concern or a sale of all, substantially all or one or more components of the Applicants' assets (the "**Property**") and business operations (the "**Business**") as a going concern or otherwise. The SISP will solicit bids for the Property and Business, with the highest and/or best bid being the "**Successful Bid**", as determined in accordance with the terms and conditions contained herein.

5. Except to the extent otherwise set forth in a definitive sale or investment agreement with the party submitting the Successful Bid (the "**Successful Bidder**"), any sale of the Property or investment in the Business will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor, the Applicants, or any of their respective agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Applicants in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, to the extent that the Court deems it appropriate to grant such relief and except as otherwise provided in such Court orders.

Timeline

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

Milestone	Deadline
Deadline to Publish Notice of SISP and deliver Teaser Letter and NDA to Known Potential Bidders	As soon as practicable following the issuance of the SISP Order
Phase 1 Due Diligence Period	July 3 to July 24
Phase 1 Bid Deadline	July 25, 2023
Phase 2 Due Diligence Period	July 26, 2023 to August 13, 2023
Phase 2 Bid Deadline	August 14, 2023
Auction Date	August 18, 2023
Sale Approval Motion	No later than August 28, 2023, subject to the availability of the Court
Closing	September 7, 2023

7. Subject to any order of the Court, the dates set out in the SISP may be extended by the Monitor with the consent and approval of the Applicants.

Solicitation of Interest: Notice of the SISP

8. As soon as reasonably practicable, but in any event by no later than July 3, 2023:

   (a) the Monitor, in consultation with the Applicants, will prepare a list of potential bidders, including: (i) parties that have previously expressed an interest in the Opportunity; (ii) parties that have approached the Applicants or the Monitor indicating an interest in the Opportunity; and (iii) local and international strategic and financial parties who the Applicants, in consultation with the Monitor, believe may be interested in purchasing all or part of the Business and Property or investing in the Applicants 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 Monitor will arrange for a notice of the SISP (and such other relevant information which the Monitor, in consultation with the Applicants, considers appropriate) (the "**Notice**") to be published in The Globe and Mail (National Edition), and any other newspaper or journal as the Applicants, in consultation with the Monitor, consider appropriate, if any; and

(c) the Monitor, in consultation with the Applicants, will prepare: (i) a process summary (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) a non-disclosure agreement ("**NDA**") in form and substance satisfactory to the Applicants and the Monitor, and their respective counsel.

9. The Monitor will send the Teaser Letter and NDA to each Known Potential Bidder by no later than July 7, 2023 and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Applicants or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Potential Bidders and Due Diligence Materials

10. Any party who wishes to participate in the SISP (a "**Potential Bidder**") must provide to the Applicants and the Monitor 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.

11. The Monitor, in consultation with the Applicants, 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 Monitor 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 Applicants or the Monitor deem appropriate. Due diligence shall include access to a confidential electronic data room (the "**Data Room**") containing information about the Applicants and the Business. The Data Room shall be made available as soon as practicable and may include standard financial information, management presentations and material contracts, together with other materials which a Potential Bidder may reasonably request and as to which the Applicants, in their reasonable business judgment and after consulting with the Monitor, may agree. Following the completion of Phase 1 of the SISP, additional information may be added to the Data Room to enable Phase 1 Qualified Bidders (as defined herein) to complete any confirmatory due diligence required in connection with submitting a Phase 2 Bid (as defined herein). The Monitor, in consultation with the Applicants, may establish or cause the Applicants to establish separate Data Rooms if the Applicants reasonably determine that doing so would further the Applicants' and any Potential Bidders' compliance with applicable laws, or would prevent significant harm to the Business, including the distribution of commercially sensitive competitive information to competitors. The Monitor may also, in consultation with the Applicants, limit the access of any Potential Bidder to any confidential information in the Data Room where the Monitor, in consultation with the Applicants, reasonably determines that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Business or its value. Without limiting the generality of the foregoing, the Monitor and the Applicants intend to limit access to especially sensitive proprietary information, including source code, by providing supervised access to physical documents in Phase 2 of the SISP.

12. The Monitor 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 Applicants nor the Monitor will be obligated to furnish any information relating to the Property or Business to any person other than to Potential Bidders. Furthermore, and for the avoidance of doubt, selected due diligence materials may be withheld from certain Potential Bidders if the Applicants, in consultation with and with the approval of the Monitor, determine such information to represent proprietary or sensitive competitive information.

Neither the Applicants nor the Monitor 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 or the Business.

13. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any transaction they enter into with the Applicants.

Phase 1: Conditional Offers

14. Potential Bidders that wish to make a formal offer to purchase or make an investment in the Applicants or their Property or Business (each a "**Phase 1 Bidder**") shall submit a binding offer (a "**Phase 1 Bid**") to the Monitor at the address specified in Schedule "1" hereto (including by e-mail), so as to be received by them not later than **5:00 PM (Eastern Time) on July 25, 2023** or as may be modified by the Monitor in accordance with this SISP (the "**Phase 1 Bid Deadline**").

15. A Phase 1 Bid shall be deemed to be a "**Phase 1 Qualified Bid**" if it satisfies the following criteria, as determined by the Monitor in accordance with the terms of this SISP:

(a) the Phase 1 Bid must be either a binding offer 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 Applicants (an "**Investment Proposal**");

(b) the Phase 1 Bid shall be: (a) in the case of a Sale Proposal, in the form of the template agreement of purchase and sale provided in the Data Room, along with a marked version showing edits to the original form of the template provided; or (b) in the case of an Investment Proposal, a plan or restructuring support agreement in form and substance satisfactory to the Monitor, in consultation with the Applicants;

(c) the Phase 1 Bid shall be binding, but may be conditional upon further due diligence to be conducted during Phase 2 of the SISP and, for certainty, the Phase 1 Bid may be amended following the completion of such diligence;

(d) the Phase 1 Bid (either individually or in combination with other bids that make up one bid) shall be an offer to purchase or make an investment in some or all of the Applicants or their Property or Business and shall be consistent with any necessary terms and conditions established by the Applicants and the Monitor and communicated to Potential Bidders;

(e) the Phase 1 Bid shall include duly authorized and executed transaction agreements, including the purchase price, investment amount and any other key economic terms expressed in Canadian dollars (the "**Purchase Price**"), together with all exhibits and schedules thereto;

(f) the Phase 1 Bid shall fully disclose the identity of each entity that will be entering into the transaction or the financing, or that is otherwise participating or benefiting from such Phase 1 Bid;

(g) the Phase 1 Bid shall be accompanied by a deposit equal to at least 15% of the Purchase Price offered by the Phase 1 Bidder, in the case of a Sale Proposal, or at least 15% of the total new investment contemplated in the bid, in the case of an Investment Proposal (the "**Deposit**"), along with acknowledgements that: (i) the Deposit will be retained by the Monitor and deposited in a non-interest bearing trust account; (ii) the Deposit is non-refundable, subject to approval of the Successful Bid by the Court, and if the Phase 1 Bidder is not selected as the Successful Bidder, the Deposit will be refunded as soon as practicable following the closing of the transaction contemplated by the Successful Bid; (iii) if the Phase 1 Bidder is selected as the Successful Bidder, the Deposit will be applied to the Purchase Price at the closing of the transaction contemplated by the Successful Bid;

(h) for a Sale Proposal, the Phase 1 Bid shall include:

(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 Phase 1 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 Phase 1 Bidder and the expected structure and financing of the transaction, including a whether the Phase 1 Bidder anticipates using a "reverse vesting" structure;

(iv) a description of the conditions and approvals required to complete the closing of the transaction, including any remaining diligence to be completed;

(v) a description of those liabilities and obligations (including operating liabilities) which the Phase 1 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 Phase 1 Bidder believes are material to the transaction;

(i) for an Investment Proposal, the Phase 1 Bid shall include:

(i) a description of how the Phase 1 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 Applicants in Canadian dollars;

(iii) the underlying assumptions regarding the pro forma capital structure;

(iv) a specific indication of the sources of capital for the Phase 1 Bidder and the structure and financing of the transaction;

(v) a description of the conditions and approvals required to complete the closing of the transaction, including any remaining diligence to be completed;

(vi) a description of those liabilities and obligations (including operating liabilities) which the Phase 1 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;

(j) the Phase 1 Bid shall be received by no later than the Phase 1 Bid Deadline.

16. Following the Phase 1 Bid Deadline, the Applicants and the Monitor will assess the Phase 1 Bids received and seek clarification with respect to any of the terms or conditions of such Phase 1 Bids and/or request and negotiate one or more amendments to such Phase 1 Bids prior to determining whether a Phase 1 Bid constitutes a Phase 1 Qualified Bid. The Monitor, in consultation with the Applicants and with the approval of the Applicants, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant Phase 1 Bids to be a Phase 1 Qualified Bid.

17. Following such process, the Monitor, in consultation with the Applicants, and with the approval of the Applicants, shall confirm which Phase 1 Bids constitute Phase 1 Qualified Bids. No Phase 1 Bid received shall be deemed not to be a Phase 1 Qualified Bid without the approval of the Monitor. Only Phase 1 Bidders whose Phase 1 Bids have been designated as Phase 1 Qualified Bids ("**Phase 1 Qualified Bidders**") are eligible to participate in Phase 2 of the SISP. The Monitor shall notify each Phase 1 Bidder in writing as to whether its Phase 1 Bid constitutes a Phase 1 Qualified Bid within two (2) business days of the Phase 1 Bid Deadline, or at such later time as the Monitor deems appropriate.

18. The Monitor may, in consultation with the Applicants and with the approval of the Applicants, aggregate separate Phase 1 Bids from unaffiliated Phase 1 Bidders to create one Phase 1 Qualified Bid.

19. If the Monitor, in consultation with the Applicants, are not satisfied with the number or terms of the Phase 1 Qualified Bids, or if no Phase 1 Qualified Bids are received, the Monitor may, in consultation with the Applicants and with the approval of the Applicants, extend the Phase 1 Bid Deadline, or the Monitor may seek Court approval of an amendment to the SISP.

20. If the Monitor, in consultation with the Applicants, determines that only one Phase 1 Bid constitutes a Phase 1 Qualified Bid, the Monitor may dispense with Phase 2 of the SISP, designate the party that submitted the Phase 1 Qualified Bid as the Successful Bidder in the SISP, and work exclusively with such Successful Bidder to complete any required diligence, satisfy any conditions, and obtain Court approval of the Successful Bid.

Phase 2: Formal Offers and Removal of Conditions

21. Any Phase 1 Qualified Bidder that wishes to participate in Phase 2 of the SISP (each a "**Phase 2 Bidder**") must submit a binding offer with respect to its Sale Proposal or Investment Proposal (a "**Phase 2 Bid**") to the Monitor at the address specified in Schedule "1" hereto (including by e-mail), so as to be received by them not later than **5:00 PM (Eastern Time) on August 14, 2023** or as may be modified by the Monitor in accordance with this SISP (the "**Phase 2 Bid Deadline**").

22. A Phase 2 Bid shall be deemed to be a "**Phase 2 Qualified Bid**" if it satisfies all of the criteria of a Phase 1 Qualified Bid, together with the following additional criteria, as determined by the Monitor in accordance with the terms of this SISP:

(a) the Phase 2 Bid shall be a binding Sale Proposal or Investment Proposal, accompanied by a letter confirming that the Phase 2 Bid: (i) may be accepted by the Applicants by countersigning the Phase 2 Bid; and (ii) is irrevocable and capable of acceptance until the earlier of: (A) two business days after the date of closing of the Successful Bid; and (B) the September 15, 2023;

(b) the Phase 2 Bid shall be not subject to any financing condition;

(c) the Phase 2 Bid shall be unconditional, other than a condition requiring the issuance of an order of the Court approving the Phase 2 Bid in form and substance satisfactory to the Phase 2 Bidder (the "**Approval Order**");

(d) the Phase 2 Bid shall contain or identify the key terms and provisions to be included in any Approval Order, including whether such order will be a "reverse vesting order";

(e) the Phase 2 Bid shall not provide for any break or termination fee, expense reimbursement or similar type of payment, it being understood and agreed that no bidder will be entitled to any bid protections;

(f) for a Sale Proposal, the Phase 2 Bid shall include:

(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 Phase 2 Bidder and key assumptions supporting the valuation, and including any contemplated Purchase Price adjustments;

(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 Phase 2 Bidder and the expected structure and financing of the transaction;

(iv) confirmation that there are no conditions or approvals required to complete the closing of the transaction, except the issuance of the Approval Order;

(v) a description of those liabilities and obligations (including operating liabilities) which the Phase 2 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 Phase 2 Bidder believes are material to the transaction;

(g) for an Investment Proposal, the Phase 2 Bid shall include:

(i) a description of how the Phase 2 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 Applicants in Canadian dollars;

(iii) the underlying assumptions regarding the pro forma capital structure;

(iv) a specific indication of the sources of capital for the Phase 2 Bidder and the structure and financing of the transaction;

(v) a description of the conditions and approvals required to complete the closing of the transaction, including any remaining diligence to be completed;

(vi) a description of those liabilities and obligations (including operating liabilities) which the Phase 2 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;

(h) the Phase 2 Bid includes acknowledgments and representations of the Phase 2 Bidder that the Phase 2 Bidder:

(i) has had an opportunity to conduct any and all due diligence regarding the Property, the Business and the Applicants prior to making its offer;

(ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; and

(iii) it 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 Applicants or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Applicants;

(i) the Phase 2 Bid shall contemplate and reasonably demonstrate a capacity to consummate a closing of the transaction set out therein on or before September 7, 2023, or such earlier date as is practical for the parties to close the contemplated transaction, following the satisfaction or waiver of the conditions to closing and in any event no later than September 15, 2023; and

(j) the Phase 2 Bid shall have been received by the Phase 2 Bid Deadline.

Evaluation of Competing Bids; Selection of Successful Bid

23. Following the Phase 2 Bid Deadline, the Applicants and the Monitor will assess the Phase 2 Bids received and seek clarification with respect to any of the terms or conditions of such Phase 2 Bids and/or request and negotiate one or more amendments to such Phase 2 Bids prior to determining whether a Phase 2 Bid should be considered a Phase 2 Qualified Bid. The Monitor, in consultation with the Applicants and with the approval of the Applicants, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant Phase 2 Bid to be a Phase 2 Qualified Bid.

24. The Applicants and the Monitor will: (a) review and evaluate each Phase 2 Qualified Bid; (b) identify and designate the highest or otherwise best as the Successful Bid; and (c) identify the next highest or otherwise second best bid (the "**Back-Up Bid**", and the Phase 2 Bidder making such Back-Up Bid, the "**Back-Up Bidder**"), in each case pursuant to the paragraphs below. Any

Successful Bid and Back-Up Bid will be subject to approval by the Court. Phase 2 Qualified Bids will be evaluated 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, and (vii) the likelihood and timing of consummating such transaction, each as determined by the Applicants and the Monitor.

25. In the event that only one Phase 2 Qualified Bid is received, such Phase 2 Qualified Bid shall constitute the Successful Bid and the Applicants will promptly seek Court approval of such Successful Bid. In the event there is more than one Phase 2 Qualified Bid received, the Monitor, in consultation with the Applicants, may determine the Successful Bid or may determine that the Successful Bid will be identified through an Auction in accordance with the terms of this SISP (the "**Auction**"). Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.

26. Only parties that provided a Phase 2 Qualified Bid by the Phase 2 Bid Deadline, as confirmed by the Monitor (collectively, the "**Qualified Parties**"), shall be eligible to participate in the Auction. No later than 5:00 p.m. Toronto Time on the day prior to the Auction, each Qualified Party must inform the Monitor whether it intends to participate in the Auction. The Monitor 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.

Auction Procedure

27. The Auction shall be governed by the following procedures:

(a) **Participation at the Auction.** Only the Applicants, the Qualified Parties, the Monitor and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction. The Monitor shall provide all Qualified Bidders with the details of the lead bid by 5:00 PM (Eastern Time) two (2) business days after the Bid Deadline;

(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 Monitor, in consultation with the Applicants (the "**Initial Bid**"), and any bid made at the Auction by a Qualified Party subsequent to the Monitor's announcement of the Initial Bid (each, an "**Overbid**"), must proceed in minimum additional cash increments of $100,000;

(d) **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each subsequent bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Monitor, in its discretion, may establish separate video conference rooms to permit interim discussions between the Monitor, the Applicants, and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;

(e) **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit one or more additional bids with full knowledge and written confirmation of the then-existing highest bid(s);

(f) **No Post-Auction Bids.** No bids will be considered for any purpose after the Auction has concluded; and

(g) **Auction Procedures.** The Monitor shall be at liberty to set additional procedural rules as the Auction as it sees fit.

Selection of Successful Bid

28. Before the conclusion of the Auction, the Monitor, in consultation with the Applicants, will:

(a) review each bid, considering, among others things:

(i) the amount of consideration being offered, and, if applicable, the proposed form, composition and allocation of same;

(ii) the value of any assumption of liabilities or waiver of liabilities;

(iii) the likelihood of the Qualified Party's ability to close a transaction expeditiously, after completion of the Auction and timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments and required governmental or other approvals); the likelihood of the Court's approval of the Successful Bid; the net benefit to the Applicants; and

(iv) any other factors the Applicants may, consistent with its fiduciary duties, reasonably deem relevant; and

(b) identify the highest or otherwise best bid received at the Auction as the Successful Bid.

29. The Successful Bidder shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one business day of the Successful Bid being selected as such, unless extended by the Monitor, in consultation with and approval from the Applicants, subject to the milestones set forth herein.

Sale Approval Motion Hearing

30. At the hearing of the motion to approve any transaction with a Successful Bidder (the "**Sale Approval Motion**"), the Monitor or the Applicants shall seek, among other things, approval from the Court to consummate any Successful Bid. All the Qualified Bids other than the Successful Bid,

if any, shall be deemed to be rejected by the Monitor and the Applicants on and as of the date of approval of the Successful Bid by the Court.

Confidentiality and Access to Information

31. All discussions regarding a Sale Proposal, Investment Proposal, or Bid should be directed through the Monitor. Under no circumstances should the management of the Applicants be contacted directly without the prior consent of the Monitor. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP.

32. 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 bidders, the details of any bids submitted or the details of any confidential discussions or correspondence between the Applicants, the Monitor and such other bidders or Potential Bidders in connection with the SISP, except to the extent the Applicants, with the approval of the Monitor and consent of the applicable participants, are seeking to combine separate bids from Potential Bidders.

Supervision of the SISP

33. The Monitor shall oversee and conduct the SISP, in all respects, and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out in this SISP, the SISP Order, the Initial Order and any other orders of the Court. The Monitor is entitled to receive all information in relation to the SISP.

34. This SISP does not, and will not be interpreted to create any contractual or other legal relationship between the Applicants or the Monitor and any Potential Bidder, any bidder or any other party, other than as specifically set forth in a definitive agreement that may be entered into with the Applicants.

35. Without limiting the preceding paragraph, the Monitor shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, bidder, the Successful Bidder, the Applicants or any other creditor or other stakeholder of the Applicants, 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 wilful misconduct of the Monitor. By submitting a bid, each Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Monitor for any reason whatsoever, except to the extent that such claim is the result of gross negligence or wilful misconduct of the Monitor.

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

37. The Monitor shall have the right to modify the SISP with the prior written approval of the Applicants if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the Service List in these CCAA Proceedings shall be advised of any substantive modification to the procedures set forth herein.

Schedule "1"

Address of Monitor

<u>To the Monitor:</u>

Grant Thornton Limited
11th Floor, 200 King Street West
Toronto, ON M5H 3T4

Attention: Dan Wootton and David Collins
Email: dan.wootton@ca.gt.com, david.collins@ca.gt.com

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF

Applicants

Court File No.: CV-23-00701377-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at TORONTO

SISP ORDER

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON Canada M5H 3S1

Larry Ellis LSO#: 49313K
lellis@millerthomson.com
Tel: 416.595.8639

Asim Iqbal LSO#: 61884B
aiqbal@millerthomson.com
Tel: 416.595.8596

Monica Faheim LSO#: 82213R
mfaheim@millerthomson.com
Tel: 416.595.6087

Lawyers for the Applicants

Swarmio Media Holdings Inc., Swarmio Inc., and Swarmio Media Inc.
Weekly Cash Flow Projection
Prepared as at Aug 18, 2023

Week Ended		23-Jun-23			30-Jun-23			07-Jul-23		
(CDN $)		**Week 1**	**Actual**	**Variance**	**Week 2**	**Actual**	**Variance**	**Week 3**	**Actual**	**Variance**
Cash Receipts										
Collections	*Note 1*	3,885	-	(3,885)	-	-	-	-	-	-
Debtor in Possession Financing	*Note 2*	135,000	135,000	-	500,000	500,000	-	500,000	500,000	-
Other Projected Financing	*Note 3*	-	80,400	80,400	-	-	-	-	-	-
Total Cash Receipts		138,885	215,400	76,515	500,000	500,000	-	500,000	500,000	-
Cash Disbursements	*Note 4*									
Operational										
Salary and Benefits	*Note 5*	(48,999)	(4,520)	44,479	(154,205)	(13,073)	141,132	(48,999)	(147,354)	(98,355)
Salary Arrears		-	-	-	-	-	-	-	-	-
Content and Processing Fees		(3,691)	-	3,691	-	-	-	-	-	-
Data Processing		(2,715)	(1,369)	1,346	(4,102)	(5,622)	(1,520)	(2,131)	(5,391)	(3,260)
Infrastructure		-	-	-	(42,699)	-	42,699	-	(38,031)	(38,031)
Payment Integration Services		-	-	-	(13,964)	(13,936)	28	-	-	-
Administrative / Office		(1,095)	-	1,095	(6,630)	-	6,630	-	(1,050)	(1,050)
Advertising and Marketing	*Note 6*	(3,000)	(2,518)	482	(12,600)	(22,350)	(9,750)	-	(13,993)	(13,993)
Inventory Purchases	*Note 7*	(5,000)	-	5,000	(5,000)	-	5,000	-	-	-
Other Costs	*Note 8*	(194)	(35)	159	-	(1,863)	(1,863)	-	(6,568)	(6,568)
Restructuring Fees	*Note 9*									
Legal Fees		-	(52,094)	(52,094)	(100,000)	-	100,000	(75,000)	-	75,000
Monitor Fees		-	-	-	(100,000)	-	100,000	(50,000)	-	50,000
Total Cash Disbursements		(64,694)	(60,536)	4,158	(439,200)	(56,843)	382,357	(176,130)	(212,387)	(36,257)
Net Cash Flow		74,191	154,864	80,673	60,800	443,157	382,357	323,870	287,613	(36,257)
Opening Cash		-	-		74,191	154,864		134,991	598,021	
Closing Cash		**74,191**	**154,864**	80,673	**134,991**	**598,021**	463,030	**458,861**	**885,634**	426,773

Week Ended		14-Jul-23			21-Jul-23			28-Jul-23		
(CDN $)		**Week 4**	**Actual**	**Variance**	**Week 5**	**Actual**	**Variance**	**Week 6**	**Actual**	**Variance**
Cash Receipts										
Collections	*Note 1*	-	-	-	4,436	-	(4,436)	-	-	-
Debtor in Possession Financing	*Note 2*	365,000	365,000	-	-	-	-	-	-	-
Other Projected Financing	*Note 3*	-	80,400	80,400	-	-	-	-	-	-
Total Cash Receipts		365,000	445,400	80,400	4,436	-	(4,436)	-	-	-
Cash Disbursements	*Note 4*									
Operational										
Salary and Benefits	*Note 5*	-	(48,637)	(48,637)	(48,999)	(34,752)	14,247	(143,155)	(22,217)	(120,938)
Salary Arrears		-	-	-	-	-	-	-	-	-
Content and Processing Fees		-	-	-	(4,215)	-	4,215	-	-	-
Data Processing		(791)	(1,006)	(215)	(4,872)	(805)	4,067	(2,601)	(5,864)	3,263
Infrastructure		-	-	-	-	-	-	(42,699)	-	(42,699)
Payment Integration Services		-	-	-	-	-	-	(13,964)	-	(13,964)
Administrative / Office		-	-	-	(1,095)	-	1,095	(6,630)	-	(6,630)
Advertising and Marketing	*Note 6*	(3,000)	(63)	2,937	-	-	-	(12,600)	(420)	(12,180)
Inventory Purchases	*Note 7*	(5,000)	-	5,000	-	-	-	(5,000)	(10,116)	5,116
Other Costs	*Note 8*	-	(1,693)	(1,693)	(3,912)	(3,370)	542	-	(111)	111
Restructuring Fees	*Note 9*									
Legal Fees		-	(134,905)	(134,905)	(25,000)	-	25,000	-	-	-
Monitor Fees		-	(108,551)	(108,551)	(25,000)	-	25,000	-	-	-
Total Cash Disbursements		(8,791)	(294,856)	(286,065)	(113,093)	(38,927)	74,166	(226,649)	(38,727)	(187,922)
Net Cash Flow		356,209	150,544	(205,665)	(108,657)	(38,927)	69,730	(226,649)	(38,727)	187,922
Opening Cash		458,861	885,634		815,070	1,036,178		706,413	997,251	
Closing Cash		**815,070**	**1,036,178**	221,108	**706,413**	**997,251**	290,838	**479,764**	**958,524**	478,760

Week Ended		04-Aug-23			11-Aug-23			18-Aug-23		
(CDN $)		**Week 7**	**Actual**	**Variance**	**Week 8**	**Actual**	**Variance**	**Week 9**	**Actual**	**Variance**
Cash Receipts										
Collections	*Note 1*	-	-	-	-	-	-	7,982	-	(7,982)
Debtor in Possession Financing	*Note 2*	-	-	-	-	-	-	-	-	-
Other Projected Financing	*Note 3*	-	-	-	-	-	-	-	160,800	160,800
Total Cash Receipts		-	-	-	-	-	-	7,982	160,800	152,818
Cash Disbursements	*Note 4*									
Operational										
Salary and Benefits	*Note 5*	(48,999)	(170,728)	121,729	-	(29,072)	29,072	(48,999)	(82,094)	33,095
Salary Arrears		-	-	-	-	-	-	-	-	-
Content and Processing Fees		-	-	-	-	-	-	(7,583)	-	(7,583)
Data Processing		(2,265)	(5,551)	3,286	(5,268)	(2,839)	(2,429)	(2,601)	(141)	(2,460)
Infrastructure		-	(34,714)	34,714	-	-	-	(42,699)	(10,000)	(32,699)
Payment Integration Services		-	(12,328)	12,328	-	-	-	(13,964)	-	(13,964)
Administrative / Office		-	(1,050)	1,050	(1,095)	-	(1,095)	(6,630)	-	(6,630)
Advertising and Marketing	*Note 6*	(3,000)	(2,373)	(627)	-	(1,749)	1,749	(12,600)	(109,766)	97,166
Inventory Purchases	*Note 7*	(5,000)	-	(5,000)	-	-	-	(5,000)	(48,636)	43,636
Other Costs	*Note 8*	-	(3,085)	3,085	-	(15)	15	(784)	(5,095)	4,311
Restructuring Fees	*Note 9*									
Legal Fees		-	(37,668)	37,668	(50,000)	-	(50,000)	(50,000)	-	(50,000)
Monitor Fees		-	-	-	(25,000)	-	(25,000)	(50,000)	-	(50,000)
Total Cash Disbursements		(59,264)	(267,496)	208,232	(81,363)	(33,675)	(47,688)	(240,860)	(255,731)	14,871
Net Cash Flow		(59,264)	(267,496)	(208,232)	(81,363)	(33,675)	47,688	(232,878)	(94,931)	137,947
Opening Cash		479,764	958,524		420,500	691,027		339,137	657,352	
Closing Cash		**420,500**	**691,027**	270,527	**339,137**	**657,352**	318,215	**106,259**	**562,421**	456,162

Disclaimers

1. This cash flow statement of Swarmio Media Holdings Inc., Swarmio Media Inc., and Swarmio Inc. (collectively, the "**Company**") is prepared by the Company.
2. The Company prepared the Initial Cash Flow Projection based on probable and hypothetical assumptions that reflect the Company's planned course of action for the period of June 19, 2023 to August 18, 2023. Management is of the view that, as at the date of filing the Cash Flow Projection, the assumptions used to develop the projection represent the most probably set of economic conditions facing the Company and that the assumptions used proved a reasonable basis for, and are consistent with, the purpose of the Cash Flow Projection.
3. The information contained in the Cash Flow is subject to changing assumptions and/or receipt of new or additional information; actual results may vary. This Cash Flow Projection should not be used for any other purpose, and creditors are cautioned that the information provided in the cash flow could vary based on changing future circumstances.
4. The Cash Flow period is intended to cover a sufficient period of time for a sale process to be conducted and a successful purchaser identified.

Notes:

1. Collections are based on actual sales, sales projections and related payment terms, and the Company's best estimate on the receipt of such sales.
2. The Company has used Debtor in Possession financing to support operations during the CCAA Proceedings.
3. Unprojected receipts from telecom customer.
4. The Company's Cash Flow Projection does not contemplate the payment of pre-filing creditors, only inter-period costs for ongoing operations.
5. Salary and related payments are based on contractual or negotiated arrangements with the Company's employees.
6. Advertising and Marketing relates to the maintainance of critical relationships or events that are considered of high value to the Company's continued operation.
7. Inventory relates to purchases of pre-paid cards from telecoms for marketing and operations during the Cash Flow period.
8. Other Costs relate to miscellaneous operational costs expected to be incurred in the normal course of business.
9. Restructuring Fees relate to the estimated cost of these CCAA Proceedings and include the Company's counsel, Monitor's fees, and the Monitor's Counsel's fees.

August 18, 2023

DocuSigned by:

Swarmio Media Holdings Inc.,
Swarmio Inc., and Swarmio Media Inc.
Per. Vijai Karthigesu, CEO

Grant Thornton Limited, Monitor
Per. Daniel Wootton

Sale/Investment Opportunity

July 5, 2023

Key Features

- **Proprietary Gaming Platform**
  - Developed and operating a turn-key gaming and esports platform, Ember, which enables telecommunication service providers (Telcos) to monetize gamers. Current revenue stream capability includes subscriptions, online ecommerce store for in-game contents (i.e. game tokens/skins/contents), and payment processing (B2C revenue stream).

- **Patented Latency-Optimization Technology**
  - Developed and patented a deep reinforcement learning (DRL) technology to select the best edge node to run applications, such as gaming, with reduced latency and delay. The Swarmio Group is bringing their Telco partnerships to Edge computing and away from the cloud to better serve the gaming industry (B2B revenue opportunity).

- **Strategic Partnerships**
  - The Swarmio Group has strategic partnerships with Telcos in Sri Lanka, Philippines, U.A.E., and Tunisia, who collectively serve over 100 million regional users.
  - The Swarmio Group has partnerships with gaming publishers for access to and the sale of content through its Ember platform.

- **Expert Management Team**
  - Corporate officers collectively have +100 years of IT infrastructure, cloud technology, and mobile payment industry experience and who have a track record of success in technology and start-up operations.

- **Significant Growth Opportunities**
  - Per Newzoo's 2022 Global Games Market Report, gaming represents the largest entertainment market in the world, with USD $200 billion in annual revenue.
  - The industry is generally underserved, with publishers struggling to engage and monetize gamers.

Enquiries should be directed to:

Grant Thornton Limited, in its capacity as Monitor of the Swarmio Group

David Collins, Senior Associate
T +1 416 360-5131
E David.Collins@ca.gt.com

Dan Wootton, Senior Vice President
T +1 416 360-3063
E Dan.Wootton@ca.gt.com

Company Overview

Swarmio Media Holdings Inc., Swarmio Inc., and Swarmio Media Inc. (collectively, the "**Swarmio Group**") is an early-stage technology and media company focused on the gaming sector. The Swarmio Group has developed partnerships with Telcos as a technology service supplier allowing Telco's to access and monetize their gaming users through product offerings and payment solutions. The Swarmio's Group's patented technology will help Telcos provide low latency access to gaming events (such as esports tournaments) and online play using Edge computing technology.

The Swarmio Group Is headquartered in Canada, but has multinational operations, having developed critical partnerships in the Philippines, Tunisia, Sri Lanka, and the UAE.

Products and Services

The Swarmio Group's turnkey gaming platform, Ember, meets Telco technical, operational, privacy and security standards, allowing for access to Telco infrastructure and revenue sharing agreements. Ember offers online game events such as esports tournaments, payment processing via direct carrier billing (DCB) and e-wallets, and an e-commerce gaming retail store for in-game content. The Swarmio Group's patented technology can reduce latency by up to 10x compared to traditional cloud computing, thereby improving game play and allowing for further integration into Telco infrastructure, improved service offering for Telco gaming users, and additional revenue.

Strategic Partnerships

The Swarmio Group has formed strategic partnerships and working relationships with major companies in both the gaming industry and the telecommunication industry. Major Telco partnerships include Telekom Malaysia, Globe, Etisalat, and Ooredoo. Major gaming publisher relationships include Riot Games, Tencent Games, and Moonton.

Significant Growth Opportunities

The Swarmio Group has identified gaps in the existing market, with the industry underserved throughout most of Asia, the Middle East, Africa, and Latin America. Low credit card penetration in these regions has challenged effective monetization with the Swarmio Group estimating an underserved consumer group of approximately 2 billion users. Through its strategic partners, the Swarmio Group streamlines the value chain by effectively monetizing this segment of the market by facilitating non-credit based sales and better connection services.

The Swarmio's Group's Edge computing division is intended to provide business to business revenue generation by allowing gaming publishers and Telco customers access the Company's proprietary low-latency platform to enhance consumer's multiplayer gaming experience.

All pertinent information regarding the Sale and Investment Solicitation Process is available at: www.GrantThornton.ca/Swarmio.

Disclaimer

This document has been prepared solely for informational purposes and is intended to solicit interest in, and opportunities for: (i) the assets and operations of the Swarmio Group; and/or (ii) for an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Swarmio Group. Bids considered pursuant to the sale and investment solicitation process may include one or more offers respecting an investment in, restructuring, recapitalization, or refinancing of, or other form of reorganization of the business and affairs of the Swarmio Group as a going concern or a sale (or partial sales) of all, substantially all, or certain aspects of the Swarmio Group, or a combination thereof (the "**Opportunity**"). This document is not intended to form the basis of any decision respecting the Opportunity. Distribution of this document is limited to specific parties who may have an interest in the Opportunity.

This document has been prepared to assist prospective purchasers in making their own preliminary evaluation of the Opportunity and does not purport to contain all the information which a prospective purchaser may need or desire. In all cases, each potential bidder should conduct and rely on its own inspection, valuation, investigation and analysis of the Opportunity. The Monitor makes no representations or warranties whatsoever as to the accuracy or completeness of the information contained in this document or otherwise made available to recipients, and shall have no liability whatsoever for any information, omission, representation or warranty, express or implied, concerning the subject matter of this document or for any errors contained herein or in any other written or oral communications that are transmitted to or received by the recipient from any source whatsoever in connection with its evaluation of the Opportunity.

The sole purpose of this document is to assist recipients in deciding whether they wish to proceed with a further investigation of a possible transaction with the Swarmio Group. This document does not constitute an offer or invitation for the sale or purchase of securities. The contents of this document shall not be construed as legal, tax, regulatory, accounting or investment advice or recommendation. Any recipient should consult its own counsel, tax, and financial advisors as to legal and related matters concerning the Opportunity or any other transaction with the Swarmio Group.

While still adversaries, China and the U.S. are talking

U.S. Treasury Secretary Yellen said two sides would pursue more frequent dialogue at the highest levels

ALAN RAPPEPORT
KEITH BRADSHER

U.S. Treasury Secretary Janet Yellen, left, shakes hands with Chinese Vice-Premier He Lifeng during a meeting at the Diaoyutai State Guesthouse in Beijing on Saturday. Ms. Yellen's trip was the first by a U.S. treasury secretary in four years. PEDRO PARDO/POOL/AFP VIA GETTY IMAGES

Treasury Secretary Janet Yellen came to China amid hopes that the United States could restart a relationship that has been deteriorating for years and had gotten off the rails recently over significant points of tension – including the war in Ukraine, a Chinese spy balloon that flew over U.S. territory and was shot down by the American military, and the two countries' escalating exchange of restrictions on trade.

After 10 hours of meetings over two days in Beijing, Ms. Yellen said at a news conference on Sunday that she believed the United States and China were on a steadier footing despite their "significant disagreements."

"We believe that the world is big enough for both of our countries to thrive," Ms. Yellen said.

Ms. Yellen announced that the two sides would pursue more frequent communication at the highest levels, describing improved dialogue as a way to prevent mistrust from building and fraying a relationship that she called "one of the most consequential of our time." Her trip followed one a few weeks ago by Secretary of State Antony Blinken. And later this month, John Kerry, the special presidential envoy for climate change, will visit China to restart global warming negotiations.

Yet a meaningful easing of the economic tension may not be likely. Ms. Yellen headed back to Washington on Sunday with no announcements of breakthroughs or agreements to mend the persistent fissures between the two nations. And Ms. Yellen made clear that the Biden administration has serious concerns about many of China's commercial practices, including its treatment of foreign companies, and policies that the United States views as efforts at economic coercion.

On her trip, the first by a U.S. Treasury secretary in four years, Ms. Yellen met with four of the most powerful Chinese leaders involved in economic policy making under President Xi Jinping, who is at the start of his third term in office: Premier Li Qiang, China's No. 2 official; Ms. Yellen's counterpart, Vice Premier He Lifeng; the finance minister, Liu Kun; and the newly installed party chief of the People's Bank of China, Pan Gongsheng.

Hours before Ms. Yellen's news conference, China's official news agency, Xinhua, issued a report on her visit that described the talks as constructive but also reiterated what China sees as key areas of dispute. The report expressed China's continued objections to the Biden administration's emphasis on preserving U.S. national security through trade restrictions.

"China believes that generalizing national security is not conducive to normal economic and trade exchanges," Xinhua said. "The Chinese side expressed concern about U.S. sanctions and restrictive measures against China."

The U.S.-China relationship is enormously consequential. Their economies, the world's two largest, together represent 40 per cent of global output and remain integral partners in many ways. They sell and buy critical products from each other, finance each other's businesses, and create apps and movies for audiences in both countries.

Chinese officials raised their own concerns with Ms. Yellen. The Treasury secretary said they discussed the tariffs that the Trump administration imposed on Chinese imports, which have been left in place. While Ms. Yellen has criticized tariffs as ineffective, she suggested that the administration would not make any decision about the levies until an ongoing internal review of them was concluded, reiterating the position of the administration since President Joe Biden took office.

She also acknowledged Chinese concerns about looming U.S. restrictions on investment in China and said that she tried to explain that such measures would be narrowly targeted at certain sectors and would not be intended to have broad effects on China's economy. Chinese officials and experts also worry that the administration's efforts to limit China's access to certain technology could impair their development of high-potential industries such as artificial intelligence and quantum computing.

> The U.S.-China relationship is enormously consequential. Their economies, the world's two largest, together represent 40 per cent of global output and remain integral partners in many ways.

China has had its own broader restrictions on outbound investment since 2016, as it has encouraged Chinese companies and households to steer clear of overseas real estate speculation and has pushed them instead to invest abroad in sectors of strategic value such as aircraft production, heavy manufacturing and cybersecurity.

Wu Xinbo, dean of international studies at Fudan University in Shanghai, cautioned that Ms. Yellen's trip would not result in a substantive improvement in relations unless it was accompanied by changes in the Biden administration's policies toward China.

"So far, we haven't seen any sign that Biden will rethink his economic policy toward China," he said.

The desire for more dialogue struck some analysts as a significant development, with both countries at least talking about their disagreements after months of silence.

He Weiwen, a former official at China's Ministry of Commerce who is now a senior fellow at the Center for China and Globalization in Beijing, welcomed Ms. Yellen's comment that both China and the United States could thrive.

"China and the U.S. have profound differences, so constant, direct exchanges are not only constructive but of crucial importance," he said.

Chinese economic policy makers have a long history of working more closely with the Treasury Department, which has historically valued China as a sizable investor in U.S. bonds and as a potential market for American financial services. The Commerce Department and the Office of the United States Trade Representative, with their greater emphasis on fostering employment and industrial self-reliance, have tended to have more fractious relationships with their Chinese counterparts.

This was particularly true during the Trump administration. Liu He, who was the vice-premier overseeing international economic policy until He Lifeng succeeded him four months ago, tried repeatedly to reach compromises on trade and economic matters with Steven Mnuchin, who served as Treasury Secretary under former president Donald Trump. But Mr. Mnuchin was unable to persuade Mr. Trump, who ended up imposing tariffs on a wide range of Chinese exports as retaliation for what he said were unfair business practices.

Many U.S. businesses with ties to China, along with Chinese officials, had hoped for friendlier relations under Mr. Biden. Instead, tensions between the U.S. and China have grown deeper over the past two years and became downright frosty after the spy balloon episode in February.

While Ms. Yellen's visit was seen as a positive step, many experts in both China and the United States cautioned against expecting a lot to change.

"Yellen's trip will likely turn down the temperature on the economic relationship for a bit and remind the U.S. and China that they share some commercial interests, even if waning, and they need to talk through thick and thin – perhaps business conditions will improve at the margins," said Mark Sobel, a former long-time Treasury official.

But given national security concerns in both countries, a perception in China that the U.S. seeks to contain its economic advancement and hawkish political language on both sides, he said, "Yellen's trip will hardly change the underlying dynamic and trajectory of the economic relationship."

NEW YORK TIMES NEWS SERVICE

Three takeaways from Yellen's trip to Beijing

KEITH BRADSHER

The deep chill between the United States and China moderated a little over the past few days as U.S. Treasury Secretary Janet Yellen held marathon talks with a new group of top economic policy makers in Beijing.

Ms. Yellen used softer language for the U.S.'s economic strategy toward China, disavowing a term that had caught on in Washington but offended Beijing. Yet even though more talks are a likely outcome of Ms. Yellen's trip to China, neither she nor Chinese officials retreated from their policy positions. That left the two sides facing the prospect of further conflicts over trade, investment and technology.

She forged ties with China's economic leaders

Last fall, China's Communist Party congress cleared the way for the country's president, Xi Jinping, to install a new team of loyalists in top economic roles. The officials – including Ms. Yellen's counterpart, Vice-Premier He Lifeng – generally have less international experience than their predecessors and are less familiar to policy makers in the West. China has also gradually curtailed the release of economic information, discontinuing many reports, making it harder to know what is really happening in the Chinese economy.

One of Ms. Yellen's top goals was to meet China's new team. She also wanted to understand what is happening in the Chinese economy, which has rebounded more slowly than expected this year after China lifted nearly three years of stringent pandemic measures.

At least on these narrow goals, Ms. Yellen appears to have had some success as she held talks totalling 10 hours with four of China's top economic policy makers, particularly Mr. He. While the Biden administration has held several rounds of high-level diplomatic talks with China, these were the first such economic talks during this administration.

She used a new D-word for supply chains: 'Diverse'

Chinese officials keenly sensitive to the language of diplomacy have vigorously opposed calls in Washington over the past several years for the U.S. economy to pull away, or "decouple," from China's. They fear that multinational companies would shift their extensive supply chains and tens of millions of jobs from China to other countries.

The European Commission president, Ursula von der Leyen, put forward in March a gentler and more neutral term: "de-risking." Chinese officials and state media initially had few objections to de-risking, but started denouncing it after the U.S. national-security adviser, Jake Sullivan, used it in a speech a month later.

Ms. Yellen sought repeatedly during her trip to allay China's concerns that the United States sought to decouple at all, and she even avoided mentioning de-risking. She said instead that the United States wanted diverse supply chains – which happens to be a longtime public policy goal of China as well.

"There is an important distinction between decoupling, on the one hand, and on the other hand, diversifying critical supply chains or taking targeted national-security actions," she said.

The Biden administration maintains that the recent limits it has placed on high-tech exports to China, notably of the most advanced semiconductors, are narrowly focused on U.S. military security.

But even after Ms. Yellen's visit, many in China are skeptical. As the United States presents policies as "just for national security, then the question is how big is the yard of national security," said Wu Xinbo, dean of international studies at Fudan University in Shanghai.

She offered no new policies. Nor did China

Conspicuously missing from a news conference Ms. Yellen held Sunday, and from a separate statement by China's official news agency, Xinhua, was any suggestion that even one of the many trade, investment and technology issues between the two countries had been resolved.

> Janet Yellen nonetheless tried Sunday to put an optimistic spin on her visit, as she sought to rebut speculation that conflict may be inevitable.

China placed restrictions last Monday on the export of two critical metals, gallium and germanium, used in computer chips. China produces almost all of the world's supply of both materials. The export controls were widely seen as retaliation for U.S. limits on semiconductor exports to China, although Beijing did not characterize its measure as retaliation. Ms. Yellen, speaking Sunday on CBS's *Face the Nation*, said the move was "potentially" retaliatory.

Beijing is also bracing for the long-discussed possibility that the Biden administration may limit U.S. investment in certain high-tech sectors of the Chinese economy.

Ms. Yellen nonetheless tried Sunday to put an optimistic spin on her visit, as she sought to rebut speculation that conflict may be inevitable.

"Navigating the contours of the relationship between the United States and China is no easy task, but we must never forget that, despite the challenges, our path is not predestined," she said.

NEW YORK TIMES NEWS SERVICE

Fisher, Heather

From: Insolvency Insider <editor@insolvencyinsider.ca>
Sent: July-10-23 7:02 AM
To: Wootton, Daniel
Subject: Large BC medical clinic files; Ekati mine sold

CAUTION: EXTERNAL EMAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST

NEW DO NOT ENTER YOUR GT PASSWORD ON ANY EXTERNAL EMAIL REQUEST

July 10, 2023

Large BC medical clinic files; Ekati mine sold

Exclusive insolvency news, trends and legal updates

Subscribe

Recent Filings

Perativ General Partnership et al., a leading automatic teller machine operator in Canada, obtained CCAA protection on July 3, on application by **BMO** as agent for a syndicate of lenders. The business closures during the pandemic had a negative impact on the companies and their operations. The following two years brought on a severe downtown in operations and adversely affected the financial performance of the companies, with operating losses totaling $25.8 million in 2020, $61.3 million in 2021 and $12.6 million in 2022. After the companies executed an unsuccessful pre-filing SISP, they engaged in discussions with their main shareholder and CEO regarding a potential restructuring of their debt and capital structure. Discussions broke down, and the lenders sought an initial order under the CCAA. Ultimately, the lenders are aiming to conclude a transaction that will provide them with control of the companies, allowing them to right-size the debt structure and appoint an interim CEO while pursuing their operations on a going concern basis. **PwC** is the Monitor, represented by **Fasken**. **Norton Rose Fulbright** is counsel for **CIBC**, and **Cassels** is counsel for **AF Realizations**.

Razar Contracting Services Ltd., a Manitoba-based construction company, was placed in receivership on July 6, on application by **BMO**, owed approximately $3.5 million. The company defaulted on its loan in May 2022, and **BMO** agreed to forbear in October 2022. After paying down approximately $320,000 of the debt, the company has not made a payment since February 1, 2023. **Razar** also has approximately $260,000 in arrears owing to **CRA**. **EY** was appointed Receiver, represented by **Gowlings**. **Pitbaldo** is counsel for **BMO** and **Tapper Cuddy** is counsel for the company.

eBuyNow eCommerce Ltd., a Victoria, British Columbia-based consumer electronics company, filed an assignment in bankruptcy on June 27. The company lists approximately $15.2 million in liabilities, including approximately $10.4 million in secured debt to **Vesta Wealth Partners**. **Harris & Partners** is the Bankruptcy Trustee.

Atlas Biotechnologies Inc. and Atlas Growers Ltd., Edmonton, Alberta-based companies which produce medical cannabis products for the healthcare sector, were placed in receivership on June 28, on application by **Agricultural Financial Services Corporation** (“**AFSC**”), owed approximately $8.5 million. **EY** was appointed Receiver, represented by **Duncan Craig**. **Dentons** is counsel for **AFSC** and **Osler** is counsel for the companies.

Document Library Updates

Have you subscribed to our new Document Library service yet? If not, you've missed out on last Thursday's subscribers-only email where we discussed:

- the recognition by the Ontario Superior Court of a roll-up DIP approved by the United States Bankruptcy Court; and
- the concurrent NOI and interim receivership proceedings of a couple of natural gas companies.

Make sure your group is subscribed so you're aware of all the important case updates and legal issues developing. Check out our website for further details on the Document Library, including pricing. When you're ready, send us an email to get your group subscribed!

Assets for Sale

Our Assets for Sale section now appears at the bottom of this email.

Click here for a new interactive map of all active land listings. Email us to book an appointment with our team of Specialists.

Insolvency Stories in the News

- Largest medical clinic operator in B.C. in receivership for 'financial crisis'
- Ekati sale official, new owners hopeful the future is bright
- Francophone community 'blindsided' Ontario won't fund University of Sudbury
- Police investigate Airdrie bridal boutique after abrupt closure leaves brides-to-be in the lurch
- Legacy food supplier Wallace & Carey files for creditor protection amid COVID-19 supply chain hangover

- Minto Metals hasn't paid mining royalties in two years, says Yukon gov't
- CRA, ex-wife get paid before man's creditor after matrimonial home is sold
- Judge rejects counterproposal for cannabis firm Fire & Flower sale process
- Trevali Announces Enhancement of Monitor's Powers in CCAA Proceedings

Insolvency Directory

Click the button below for our comprehensive directory of who's who in the Canadian insolvency market — trustees, lawyers, lenders, liquidators, property managers, turnaround professionals, industry consultants, distressed purchasers and more.

Insolvency Directory

Also listed are strategic players and investors looking to purchase distressed assets, so make sure to check it out if you're running a sales process.

Want to be included in the directory? Email us for details.

Restructuring Webinar

We've just recorded a very timely and informative 1-hour discussion on Higher scrutiny of fees? CRA takes aim at NOI priming charges. Our expert panel considers these questions, together with the implications of a number of significant recent cases. We'll cover, among other things:

- whether the Supreme Court's decision in *Petrowest* went far enough, and the questions it left open;
- recent cases from across the country scrutinizing fees and lawyers' hourly rates;
- creative new arguments attempting to elevate the status of a judgment creditor above other unsecured creditors;
- conflicting processes proposed for valuing claims in a mass tort insolvency;
- a new attempt by CRA to challenge priming charges; and
- how a court will consider competing CCAA applications brought by a debtor and its lenders.

Watch Now

The full agenda and link to register can be found HERE. The cost is only $79.00 + HST. The webinar can be watched at your convenience, so make sure you register and set aside 45 minutes to watch it! It is well worth your time to get up-to-speed on what you need to know right now in our fast-paced market!

Upcoming Events

The **Calgary Chapter of RMA Alberta** and the **Northwest Chapter of the Turnaround Management Association** will be holding their first-ever Stampede breakfast on Thursday July 13, 2023 from 8:30 - 10:30am. Further details.

Join an expert faculty of lawyers, judges, bankers and trustees from across Canada at the **17th Annual CBA Insolvency Law Conference** on September 29, 2023 in Montréal. Further details.

Want to promote an event? **Email us**

U.S. Filings and News

- Bankruptcy Judge Reportedly Approves Sale of SVB Financial Group's Investment Bank
- MediaMath's bankruptcy exposes ad tech's cash flow and credit management challenges
- Billionaire Winklevoss Outlines 'Final Offer' in Genesis Crypto Bankruptcy
- BuyBuy Baby Stores to Go Dark After Bankruptcy Auction Falters
- Bitwise employees jump into bankruptcy case with claims for 'stolen' wages, deductions
- Actor Danny Trejo Reportedly Files For Chapter 11 Bankruptcy, Owes Over $2 Million To The IRS
- Mallinckrodt delays $200M settlement payment again as it mulls bankruptcy

Assets for Sale

msi Spergel inc. in its capacity as Court Appointed Receiver of **Vellend-Tech Inc.**, an importer and wholesaler of Reid bicycles and assorted cycling footwear, is soliciting offers to purchase the company's assets, properties and undertakings. Further information can be found HERE.

Ernst & Young Inc. in its capacity as Trustee to the notice of intention of **B.S.K. Group Inc.**, is soliciting offers to purchase some or all of the **B.S.K. Group Inc.'s**, assets, including inventory and fixed assets. Interested parties must deliver their offer by no later than **3:00 p.m. ET on July 14, 2023**. Further information can be found HERE.

EY, in its capacity as Receiver of **1194038 Alberta Ltd.** is seeking offers to purchase a 20,397 sq ft commercial building and related land located at 10103 178 Street NW, Edmonton, AB. Further information can be found HERE.

Grant Thornton Limited in its capacity as monitor of **Swarmio Media Holdings Inc., Swarmio Media Inc.**, and **Swarmio Inc.** (collectively, the "**Swarmio Group**") is seeking non-binding letters of intent ("**LOI**") for the **Swarmio Group's** business, property, assets, and undertakings. Further information can be found HERE.

KSV Restructuring Inc. has engaged **Colliers International** to solicit offers for the sale of a development property located at **189 Summerset Drive, Barrie**. Further information can be found HERE.

KSV Restructuring Inc. has engaged **Colliers International** to solicit offers for the sale of a development property located at **88-99 Nashville Road, Vaughan**. Further information can be found HERE.

PricewaterhouseCoopers Inc. in its capacity as Court Appointed Receiver of **IE CA 3 Holdings Ltd. and IE CA 4 Holdings Ltd**. has engaged **Foundry Digital LLC** to solicit offers on approximately 38,000 bitcoin mining machines. **The deadline for offers is July 31, 2023**. Further details can be found HERE.

CBRE as the listing agent for the court appointed selling officer is seeking offer for property located on Blackstrap Lake, near Saskatoon, known as **Lakeside Golf Resort**. Further information can be found HERE.

FTI Consulting Canada Inc., in its capacity as court-appointed Monitor of **Fire & Flower Holdings Corp.** et al., which operate a large network of cannabis dispensaries, is conducting a SISP to solicit interest in **Fire & Flower**. Interested parties must deliver a non-binding LOI by no later than **5:00 p.m. ET on July 13, 2023**. Further information can be found HERE.

KSV Restructuring Inc. in its capacity as court appointed receiver and manager of **StateView Homes (ELM & CO) INC**., has engaged **Cushman & Wakefield ULC** to solicit offers for the sale of the residential development property located at **12942 York Durham Line, Stouffville**. Further information can be found HERE.

KSV Restructuring Inc. in its capacity as court appointed receiver and manager of **StateView Homes (NAO TOWNS II) INC.**, has engaged **Cushman & Wakefield ULC** to solicit offers for the sale of the residential development parcels located at **7810-7846 McCowan Road, Markham**. Further information can be found HERE.

RSM Canada Limited, in its capacity as Court-appointed receiver and manager of **Stateview Homes (Hampton Heights) Inc.** is inviting offers for the purchase of the company's interest in the properties municipally known as **39 Auburn Court and 2, 4, 6 and 8 Teck Road in Barrie, Ontario**. All offers must be received by the Receiver on or before **12:00 noon (EST) on July 17, 2023**. Further information can be found HERE.

BDO Canada Limited, in its capacity as Receiver and Manager of **Taiga Sports Fishing Ltd.** is soliciting offers through **Coldwell Banker** for the sale of its right, title and interest in the **Blachford Lake Lodge**, a world-class wilderness resort focusing on eco-tourism and international winter aurora viewing outside of Yellowknife, NT. Further information can be found HERE.

RSM Canada Limited, in its capacity as Court-appointed Receiver of the lands and premises known municipally as **134, 148, 152, 184/188, 214, 224 and 226 Harwood Avenue South, Ajax, Ontario** has engaged **Avison Young Commercial Real Estate**

Services, LP to solicit offers to purchase the property. Further information can be found HERE.

msi Spergel Inc. (GRIP), in its capacity as the monitor of **Plant-Based Investment Corp.**, is soliciting offers for the business and assets of the company, including certain shares and debt instruments in both publicly traded and private corporations. The deadline for the submission of offers is **July 25, 2023 at 5:00 pm** (Toronto time). Further information can be found HERE.

Alvarez & Marsal Canada Inc., in its capacity as receiver and manager of **Skymark Finance Corporation** is soliciting offers for the purchase of, or investment in, any or all of Skymark's assets or business (a portfolio of loans and leases provided to consumer borrowers for home renovations, water systems, HVAC systems and smart home improvements). **Binding offers must be submitted to the Receiver by no later than 5:00pm (Eastern) on July 10, 2023**. Further information can be found HERE.

MNP Ltd., in its capacity as Court Appointed Receiver of the **Index Group of Restaurants**, invites offers for the purchase on an "as is, where is" basis for certain **Denny's** and **Popeyes Louisiana Kitchen** operating franchise restaurants. **The deadline to submit offers is July 4.** Further information can be found HERE.

Coldwell Banker Commercial Integrity are selling several land parcels located in Port Colborne, ON on behalf of **Pillar Capital Corporation** under power of sale: 404 acres of Industrial land comprised of two separate land parcels of 241 Acres and 163 acres (approximately 382 developable acres). Further information can be found HERE.

Deloitte Restructuring Inc. in its capacity as Receiver of **Meridien Atlantic Fishing Ltd.**, **Rocky Coast Seafoods Ltd.** and **9514228 Canada Inc.** has engaged **TriNav Marine Brokerage Inc.** and **TriNav Realty** to solicit offers to purchase some or all of the **Meridien Group's** assets, including a fish processing facility in Comeauville, Nova Scotia, a fish buyers license and fish processors license, and two undeveloped waterfront parcels in Church Point, Nova Scotia. Further information can be found HERE.

Raymond Chabot Inc., in its capacity as court-appointed receiver of **30 Cedar Holdings Inc.**, has engaged **Royal LePage North Heritage Realty** to solicit offers for the commercial property located at **30 Cedar Street, Sudbury, Ontario**. Further information can be found HERE.

MNP Ltd. in its capacity as court appointed Receiver and Manager of **2399430 Alberta Ltd.** and **2399449 Alberta Ltd.** has engaged **NAI Commercial Real Estate Inc.** to solicit offers to purchase the following properties: **8020 – 105 Street NW, Edmonton, AB**; **109 Street NW, Edmonton, AB**; and **10507 Saskatchewan Drive NW, Edmonton, AB**. Further information can be found HERE.

Deloitte Restructuring Inc. in its capacity as Receiver and Manager of **Zio's Pizza Kitchen Ltd.** has engaged **Cushman & Wakefield Atlantic** to solicit offers to purchase the commercial property located at **214 Church Street, Moncton, New Brunswick** and the parking lot located at **14-146 Mountain Road, Moncton, New Brunswick**. Further information can be found HERE.

Dodick Landau Inc., the financial advisor to the Estate Trustee of the late **Ellery Jay Muchmaker**, has engaged **CBRE** to solicit offers to purchase the multi-unit residential property located at 34-36 King Street E, Kawartha Lakes, Ontario. Further information can be found HERE.

PricewaterhouseCoopers Inc., LIT, in its capacity as court-appointed receiver and manager of **Prendiville Industries Ltd.** has engaged **Cushman & Wakefield Stevenson** to solicit offers for the property located at **68 Crane, Thompson. MB**. The property includes a 17,000 SF freestanding industrial building on 1.34 acres. Further information can be found HERE.

CBRE Land Specialists are selling a property under power of sale: + 27.20 acres of mixed use waterfront development land with over 400 units as-of-right, ~1,500 ft. of Highway 400 frontage & ~1,500 ft. of direct water frontage located at **116, 162, 192 & 206 Port Severn Road North in Port Severn, Muskoka**. Further information can be found HERE.

Need to promote a distressed asset sale? Email us.

From the Editor

Dina Kovacevic is the editor of the Insolvency Insider publication.

Feedback and suggestions on how we can improve our format and/or content are always welcome!

Interested in sponsorship? Request a media kit for further details.

Have a great week!

8 Beaumont Drive
Ajax, Ontario L1T1R9, Canada

Court File No: CV-23-00701377-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.

AFFIDAVIT OF DANIEL WOOTTON

I, **DANIEL WOOTTON**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** that:

1. I am Senior Vice-President of Grant Thornton Limited, ("**GTL**") in its capacity as monitor (in such capacity, the "**Monitor**") of the CCAA Proceedings of Swarmio Media Holdings Inc. ("**Swarmio Parent**"), Swarmio Inc ("**Swarmio OpCo**")., and Swarmio Media Inc. ("**Swarmio Media**"), and collectively, the "**Swarmio Group**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe such to be true.

2. Attached and marked as Exhibit "**A**" to this my affidavit is a true copy of the detailed billing setting out the fees and disbursements of GTL in its capacity as Monitor from June 7, 2023 to July 31, 2023, totalling $124,427.36, including Disbursements of $2,720.21 and HST in the amount of $14,314.65 and such is summarized on Exhibit "**B**" to this my affidavit.

3. Given the complexity of this insolvency matter, I believe the hourly rates and the total amount of fees are reasonable and comparable for insolvency services of this nature rendered by other firms in the City of Toronto.

4. The hours spent on this matter and disbursements incurred by GTL are outlined in detail in Exhibits "**A**" and "**B**" and I believe were reasonable and appropriate in the circumstances.

5. This affidavit is sworn in connection with the approval of the fees and disbursements of GTL and for no improper purpose.

SWORN BEFORE ME over video teleconference this 2nd day of August 2023.	)
	)
	)
	)
	)
	)
Commissioner for Taking Affidavits, etc.	) Dan Wootton

Faddle-Ann Lakeram
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires March 30, 2026.

Exhibit "**A**" to the Affidavit Daniel Wootton, sworn before me this 2nd day of August 2023

Commissioner for Taking Affidavits, etc.

Faddie-Ann Lakeram
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires March 30, 2026.

Grant Thornton

Court File No. CV-23-00701377-00CL

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.

BILLING

BN 12738 4717 RT0001
Client # 346810
Invoice#LSON-9084

To: Professional services rendered as Consultant from June 7, 2023 to June 28, 2023.

Date	Full Name	Hours	Detail
June 7, 2023	David Collins	0.70	Internal call and correspondence. Introductory call with Swarmio management.
June 8, 2023	David Collins	0.50	Correspondence with Company. Internal calls and correspondence.
June 8, 2023	Dan Wootton	2.60	Correspond with Debtor. Correspond with counsel, review checklist, complete consent. Internal planning re: communications, cash flow and reporting.
June 9, 2023	David Collins	3.50	Call with MT. Calls with Company. Reviewed cash flow provided by Company and drafted note to D. Wootton. Correspondence with Company. Meeting with Company.
June 9, 2023	Dan Wootton	3.20	Update call with MT, and counsel. Review of cash flow forecast with support. Internal correspondence re: cash flow forecast, review of formulas and assumptions.
June 10, 2023	David Collins	5.00	Internal correspondence. Reviewed documents in data room. Further review of cash flow and drafted cash flow for filing. Sent notes and cash flow to D. Wootton for review.
June 11, 2023	Dan Wootton	6.80	Review data room materials. Review and prepare comments on draft DIP term sheet, Affidavit, and Stalking Horse Agreement. Review and update cash flow forecast. Update call with counsel.
June 11, 2023	David Collins	2.00	Internal calls and correspondence. Reviewed additional data room documents.
June 12, 2023	Dan Wootton	4.40	Correspond with Swarmio re: cash flow, communications, and operations. Correspond with MT re: cash flow, affidavit and next steps. Internal planning re: communications. Update calls with counsel re: draft document commentary.
June 12, 2023	David Collins	4.20	Call with Company. Call with MT. Internal meetings. Drafted communications plan and

Date	Full Name	Hours	Detail
			sent to D. Wootton for review.
June 13, 2023	David Collins	1.50	Internal meeting. Prepared materials to write First Report. Updated communication strategy document and provided draft for D. Wootton.
June 13, 2023	Dan Wootton	1.20	Correspond with MT re: cash flow and DIP Lender. Internal review and correspondence re: communication plan and report to court.
June 14, 2023	David Collins	4.00	Correspondence with Company. Began drafting First Report.
June 15, 2023	David Collins	3.50	Reviewed LTM general ledgers for various Swarmio entities. Internal correspondence.
June 15, 2023	Dan Wootton	1.30	Correspond with counsel and forward draft communication plan. Finalize communication plan and froward to the Company.
June 16, 2023	Dan Wootton	1.20	Update call with MT. DIP Lender correspondence. Update cash flow forecast and circulate.
June 16, 2023	David Collins	2.50	Internal call and correspondence. Document review. Call with Company and Counsel.
June 18, 2023	Ada Shahini	0.40	Reviewed file, prepared WEPP workbook and responded to teams email re legislation for Nova Scotia and Ontario.
June 19, 2023	Dan Wootton	0.60	Correspond with DIP Lender. Confirm url address for case web page and respond to MT.
June 19, 2023	David Collins	0.80	Correspondence with Company. Performed additional review of general ledgers.
June 20, 2023	Dan Wootton	3.20	Prepare for initial hearing. Review and update cash flow. Review and comment on draft notice of motion, draft initial order, and draft affidavit. Review signed DIP term sheet. Correspond with Company, MT and counsel re: communications. Provide comments on draft termination letters. Correspond with Company re: source deduction liabilities, press release, and payroll arrears.
June 20, 2023	David Collins	4.00	Internal meeting. Call with Company. Continued drafting Court report.
June 20, 2023	Ada Shahini	1.00	Set up website as requested for team and liaised with IT to set up shorter URL; Communicated via call and email with team re: website status update.
June 20, 2023	Dan Wootton	1.50	Call with Debtor re: communications. Internal report planning call. Correspond with MT re: press release and shareholder communications. Review and provide comments on newspaper notice and OSB forms.

Date	Full Name	Hours	Detail
June 21, 2023	Ada Shahini	0.60	Uploaded initial file documentation on the website and responded to teams email; Discussed file with team re: employee termination and forwarded details required to draft report to court for eligibility under the CCAA.
June 21, 2023	Dan Wootton	2.80	Prepare for and attend Court hearing for an Initial Order and Monitor appointment. Update call with counsel re: report to Court and next steps. Call with MT and Swarmio re: sale process. Forward WEPPA language to MT for consideration.
June 21, 2023	David Collins	10.40	Internal calls and correspondence. Calls with Miller Thompson. Call with Company. Attended Court. Continued drafting first report and provided to D. Wootton for review. Call with investor. Correspondence with Company.
June 22, 2023	Ada Shahini	0.30	Uploaded the Order and the Endorsement from Justice Steele on the website and website folder on the server; Responded to teams emails.
June 22, 2023	Dan Wootton	0.30	Web page maintenance.
June 23, 2023	Dan Wootton	4.80	Correspond with Swarmio and counsel re: revised cash flow. Complete and sign off on revised cash flow. Review and provide comments on draft SISP. Review and update draft report to Court.
June 25, 2023	Dan Wootton	5.80	Review and comment on draft affidavit, SISP order, and ARIO. Correspond with counsel. Review and update Monitor's First Report to Court and forward to counsel for review. DIP Lender correspondence. Correspond with counsel re: SISP.
June 26, 2023	David Collins	0.50	Call with DIP lender. Internal correspondence.
June 26, 2023	Ada Shahini	0.20	Uploaded Motion record on the website and website folder on server; Responded to teams emails.
June 26, 2023	Dan Wootton	3.40	Internal planning re: creditor mailing, newspaper notice, and sale process. Review and comment on creditor mailing notice. Work with counsel to finalize report to Court. Arrange for revised cash flow, signing, and inclusion in report to Court. Call with DIP Lender.
June 27, 2023	David Collins	4.00	Drafted Teaser and Insolvency Insider blurb. Internal calls and correspondence. Correspondence with Company.
June 27, 2023	Dan Wootton	1.40	Sale process planning. Internal update re: creditor mailing, web page maintenance, and WEPPA. Correspond with MT re: Telecom Malaysia. Review and comment on TM

Date	Full Name	Hours	Detail
			response.
June 27, 2023	Ada Shahini	2.50	Uploaded the Monitor's Report on the website and website folder on the server; Extracted and uploaded both copies with appendices and without on server; Responded to teams emails; Communicated with team and contact at company re: WEPP requirements; Updated WEPP workbook and listed requirements require to finalise the process. Uploaded details on server.
June 27, 2023	Valerie Naccarato	4.50	Entered creditors to Ascend; printed labels for mailing.
June 28, 2023	Valerie Naccarato	0.50	Printed creditor packages.
June 28, 2023	Dan Wootton	2.40	Review data room for sale process materials. Review and comment on teaser and insolvency insider ad. Review and approve of creditor mailing and provide comments on list of creditors. Sale process planning with D. Collins. Correspond with Swarmio re: data room materials.
June 28, 2023	Ada Shahini	0.20	Uploaded the Factum on the website and website folder on the server; Responded to teams email.
June 28, 2023	David Collins	0.50	Internal calls and correspondence. Correspondence with Companies.

Time Charges and Expenses:

D. Wootton, Partner	46.90	hours @	$ 765.00	per hour	$ 35,878.50
D. Collins, Sr. Associate	47.60	hours @	$ 305.00	per hour	$ 14,518.00
A. Shahini, Sr. Associate	5.20	hours @	$ 255.00	per hour	$ 1,326.00
V. Naccarato, Analyst	5.00	hours @	$ 150.00	per hour	$ 750.00
	104.70				$ 52,472.50
HST (13%)					$ 6,821.42
Total Invoice Due					**$ 59,293.92**

Grant Thornton

Court File No. CV-23-00701377-00CL

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.

BILLING

BN 12738 4717 RT0001
Client # 346810
Invoice#LSON-9141

To: Professional services rendered as Consultant from June 29, 2023 to July 21, 2023.

Date	Full Name	Time	Detail
June 29, 2023	Ada Shahini	0.60	Reviewed email from J.Visna and responded on the WEPP requirements; Called to discuss WEPP process and payments covered under the WEPP program; Updated team on call and estimated time for the payroll records.
June 29, 2023	Dan Wootton	1.30	Internal correspondence re: sale process planning. Correspond with OSB. Arrange for e-filing of CCAA materials. Internal correspondence re: creditor mailing. MT correspondence re: Swarmio court hearing planning and status of secured creditor.
June 29, 2023	David Collins	1.00	Correspondence with Company. Correspondence with international GT offices. Internal calls and correspondence.
June 29, 2023	Valerie Naccarato	1.00	Mailing to creditors.
June 30, 2023	Dan Wootton	4.20	Prepare for and attend Swarmio Court hearing. Review and respond to counsel re: draft NDA. Call with Swarmio to review and discuss sales process and related materials. Internal correspondence re: list of potential bidders. Web page maintenance. Update sale process materials.
June 30, 2023	Dana Hankinson	0.40	Review correspondence from D. Wootton re: website documents; upload same.
June 30, 2023	David Collins	4.40	Internal calls and correspondence. Call with Company. Call with MT. Assisted drafting and reviewing sales documents. Began drafting memorandum.
July 4, 2023	Dan Wootton	2.40	Review and update sale process materials and buyer list. Email Insolvency Insider re: notice of sale process.
July 5, 2023	Adam Neumark	2.50	
July 5, 2023	Dan Wootton	4.80	Work on sale process: list of potential buyers, teaser, NDA, CIM, data room materials. Discuss list of potential buyers with Swarmio and Monitor's counsel. Finalize email blast to potential buyers and initiate. Contact Insolvency Insider. Arrange for Globe ad. Coordinate with OSB re: dashboard. Review data room materials and arrange for data room completion. Work internally to expand list of potential buyers.

Grant Thornton

Date	Full Name	Time	Detail
July 5, 2023	David Collins	10.00	Prepared mailing documents and populated interested party tracker. Distribution mailing. Prepared data room. Internal calls and correspondence. Calls and correspondence with Company.
July 6, 2023	Dan Wootton	6.90	Review and comment on data room materials, internal discussions. Follow up with counsel re: APS. OSB correspondence. Internal calls and correspondence. Developed CIM. Correspondence with Company.
July 7, 2023	Dan Wootton	3.70	Review and update CIM. Call with Swarmio re: data room materials and financial forecast. Respond to general enquiries from Swarmio. Follow up with MT re: APS.
July 7, 2023	David Collins	4.50	Call with Company. Continued developing interested party list. Correspondence with interested parties. Call with interested party. Correspondence with creditors. Finalized draft CIM. Internal calls and correspondence.
July 8, 2023	David Collins	0.40	Reviewed loan offer from interested party. Internal correspondence.
July 9, 2023	Dan Wootton	0.20	Review status and follow up on data room materials.
July 10, 2023	Dan Wootton	1.30	Coordinate data room materials. Review financial forecast. Follow up on SPA and enquire into APS. Creditor correspondence. Sale process enquiries.
July 10, 2023	David Collins	3.00	Calls with J. Vizva. Internal meetings and correspondence. Correspondence with creditors. Correspondence with interested parties.
July 11, 2023	Dan Wootton	1.30	Review comments on draft CIM, provide instructions internally to update and finalize. Assist with responses to interested parties. Creditor correspondence. TM correspondence. Arrange for data room to go live and to commence process with those who have provided signed approved NDAs.
July 11, 2023	David Collins	4.00	Call and correspondence with interested parties. Internal correspondence. Correspondence with Company. Correspondence with Miller Thompson. Updated CIM based on comments. Added and removed documents in data room to finalize Phase 1 room.
July 12, 2023	Dan Wootton	0.60	Update correspondence re: SISP. Provide instructions on data room, WEPPA, follow up correspondence with Known Interested Parties, SISP tracking sheet, and draft Court order.
July 12, 2023	David Collins	1.00	Provided access to data room. Internal calls and correspondence. Correspondence with interested parties.
July 13, 2023	Dan Wootton	0.60	Update and planning call with counsel. NDA correspondence.
July 13, 2023	David Collins	1.20	Correspondence with interested parties. Internal correspondence. Correspondence with secured creditor. Correspondence with Company.
July 13, 2023	Valerie Naccarato	0.10	Updated address for BDC with contact name.
July 14, 2023	David Collins	4.00	Correspondence with interested parties. Correspondence with company. Internal correspondence.

Grant Thornton

Date	Full Name	Time	Detail
July 17, 2023	Dan Wootton	1.30	Swarmio SISP matters. NDAs and responses to purchaser enquiries. Follow up on data room materials. Update SPA.
July 17, 2023	David Collins	2.00	Calls and correspondence with interested parties. Internal correspondence. Correspondence with Company. Updated Interested Party Tracker. Updated documents on Firmex.
July 18, 2023	Dan Wootton	1.40	Planning call internally re: SISP. Call with potential purchaser re: SISP process. NDA correspondence.
July 18, 2023	David Collins	1.30	Call with company. Calls and correspondence with interested parties. Call with MT.
July 19, 2023	Dan Wootton	0.60	SISP correspondence.
July 19, 2023	David Collins	1.50	Correspondence with Company. Correspondence with interested parties. Provided data room access.
July 20, 2023	Dan Wootton	1.20	Correspond with potential purchaser re: SISP. Internal SISP correspondence and planning for phase 1 bids.
July 20, 2023	David Collins	1.50	Calls and correspondence with interested parties. Provided Firmex data room access. Correspondence with Company as it relates to questions from interested parties.
July 21, 2023	Dan Wootton	0.90	Update call with counsel re: SISP, deposits, APA, and phase 1 bids.
July 21, 2023	David Collins	2.00	Call with counsel. Call with Company. Reviewed precedent documents to highlight any matters to discuss with counsel and prepare to draft next report.

Time Charges and Expenses:

D. Wootton, Partner	27.20	hours @	$ 765.00	per hour	$ 20,808.00
D. Collins, Sr. Associate	47.30	hours @	$ 305.00	per hour	$ 14,426.50
A. Nuemark, Sr. Associate	2.50	hours @	$ 275.00	per hour	$ 687.50
A. Shahini, Sr. Associate	0.60	hours @	$ 255.00	per hour	$ 153.00
D. Hankinson, Associate	0.40	hours @	$ 210.00	per hour	$ 84.00
V. Naccarato, Analyst	1.10	hours @	$ 150.00	per hour	$ 165.00
	79.10				$ 36,324.00
Disbursements					
Postage Fee					$ 603.07
HST (13%)					$ 4,800.52
Total Invoice Due					**$ 41,727.59**

Grant Thornton

Court File No. CV-23-00701377-00CL

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.

BILLING

BN 12738 4717 RT0001
Client # 346810
Invoice#LSON-9163

To: Professional services rendered as Consultant from July 24, 2023 to July 31, 2023.

Date	Full Name	Time	Detail
July 24, 2023	Ada Shahini	0.40	Reviewed file with team and requested extension from WEPP for filing claims; Received extension and updated team and file details.
July 24, 2023	Dan Wootton	2.30	Correspond with potential purchasers. NDAs. Update call with MT. Review comments on APA.
July 24, 2023	David Collins	3.00	Calls and correspondence with Interested Parties. Internal meeting. Correspondence with counsel.
July 25, 2023	Dan Wootton	1.70	Review and respond to securities enquiries re: proposed sale transactions. SISP matters. Update call with Swarmio. Cash flow monitoring.
July 25, 2023	David Collins	5.50	Call and correspondence with interested parties. Call and correspondence with company. Calls with counsel. Updated party tracker. Reviewed Phase I LOIs.
July 26, 2023	Dan Wootton	2.40	Review revised APA, and correspond with counsel. Update with counsel re: SISP and remaining potential bidder. Update correspondence with DIP lender, Swarmio, and MT. Review offers and share with MT.
July 26, 2023	David Collins	4.00	Internal correspondence. Call and correspondence with counsel. Correspondence with interested parties. Began drafting Second Report.
July 27, 2023	Dan Wootton	1.40	Update call with Gowlings and MT re: SISP and next steps. Call with Singh. Call with PubCo offeror.
July 27, 2023	David Collins	0.50	Call with interested party.
July 28, 2023	Dan Wootton	0.40	Update call re: draft report to Court. Respond to purchaser enquiries.
July 28, 2023	David Collins	5.00	Completed first draft of report and provided to D. Wootton for review. Reviewed Swarmio cash flows. Continued drafting Second Report. Internal correspondence.
July 30, 2023	Dan Wootton	5.30	Review of offers, update draft report to Court. Compile appendices. Review and utilize precedence. Correspond with purchaser.
July 31, 2023	Dan Wootton	3.10	Finalize draft report and share with counsel for comment. Provide instructions on remaining appendices.
July 31, 2023	David Collins	1.00	Internal meeting. Drafted confidential appendix. Correspondence with Company. Correspondence with creditors.

Time Charges and Expenses:

D. Wootton, Partner	16.60	hours @	$ 765.00	per hour	$	12,699.00
D. Collins, Sr. Associate	19.00	hours @	$ 305.00	per hour	$	5,795.00
A. Shahini, Sr. Associate	0.40	hours @	$ 255.00	per hour	$	102.00
	36.00				$	18,596.00
Disbursements						
The Globe and Mail ad					$	2,117.14
HST (13%)					$	2,692.71
Total Invoice Due					**$**	**23,405.85**

Exhibit "**B**" to the Affidavit of Daniel Wootton,
sworn before me this 2nd day of August 2023

Commissioner for Taking Affidavits, etc.

Faddie-Ann Lakeram
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires March 30, 2026.

Exhibit "B"

SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.
Billing Summary
for the period from June 7, 2023 to July 31, 2023

Period	Hours	Fees	Disbursements	Subtotal	HST	Total
June 7, 2023 to June 28, 2023	104.70	$ 52,472.50	$ -	$ 52,472.50	$ 6,821.42	$ 59,293.92
June 29, 2023 to July 21, 2023	79.10	$ 36,324.00	$ 603.07	$ 36,927.07	$ 4,800.52	$ 41,727.59
July 24, 2023 to July 31, 2023	36.00	$ 18,596.00	$ 2,117.14	$ 20,713.14	$ 2,692.71	$ 23,405.85
	219.80	**$ 107,392.50**	**$ 2,720.21**	**$ 110,112.71**	**$ 14,314.65**	**$ 124,427.36**

Average Hourly Rate: **$ 488.59**

Court File No: CV-23-00701377-00CL

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

AFFIDAVIT OF DANIEL WOOTTON

GRANT THORNTON LIMITED
200 King Street West
11th Floor
Toronto, ON, M5H 3T4

Tel. 416-366-0100
Fax. 416-360-4948

Email: Dan.Wootton@ca.gt.com

Court File No. CV-23-00701377-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.,

Applicants

AFFIDAVIT OF HEATHER FISHER
(sworn August 17, 2023)

I, **HEATHER FISHER**, of the City of Toronto in the Province of Ontario, MAKE OATH AND SAY:

1. I am an Associate with the law firm of Gowling WLG (Canada) LLP, lawyers for the Monitor, Grant Thornton Limited ("**GT**" or the "**Monitor**"), and as such, have personal knowledge of the following matters herein deposed, except where stated to be on information and belief, and where so stated, I verily believe it to be true.

2. Attached hereto as **Exhibit "A"** is a copy of the bill of are true copies of Gowling WLG accounts rendered to the Monitor for services billed during the period June 8, 2023 to August 15, 2023.

3. Attached and marked as **Exhibit "B"** is a summary of the hours charged by Gowling WLG professionals from the period June 8, 2023 to August 15, 2023 to. Gowling WLG incurred a total of 78.4 hours at an average hourly rate of $1,078.95.

4. During the relevant period, Gowling WLG expended approximately 78.4 hours for total fees of $ $84,590.00 plus HST and disbursements, based on Gowling WLG's standard billing rates in effect from time to time during the relevant period. The attached accounts reflect the time spent by Gowling WLG and Gowling WLG rates are typical for Toronto firms of Gowling WLG's size.

SWORN by Heather Fisher at the City of Toronto, in the Province of Ontario, virtually before me on August 17, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
C. Haddon Murray
6F9FAB7AA4414D5...

Commissioner for Taking Affidavits
(or as may be)

C. Haddon Murray **(LSO #61640P)**

DocuSigned by:
Heather Fisher
2F7B29C04CC6424...

HEATHER FISHER

THIS IS EXHIBIT "A" TO THE AFFIDAVIT OF

HEATHER FISHER SWORN REMOTELY BEFORE ME

ON AUGUST 17, 2023

DocuSigned by:

C. Haddon Murray

6F9FAB7AA4414D5...

A COMMISSIONER FOR TAKING OATHS

GOWLING WLG

August 15, 2023

Heather Fisher
Direct +1 416 369 7202
Direct Fax +1 416 862 7661
heather.fisher@gowlingwlg.com

Daniel Wootton
CIRP, LIT/ Partner
Grant Thornton Limited
200 King Street West
11th Floor
Toronto, ON M5H 3T4

Re: Swarmio Media Holdings Inc. .

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending August 15, 2023

FEES

Date	Narrative	Hrs	TK Name
8-Jun-23	Initial call re filing and monitor counsel role;	0.5	Prophet, Cliff
8-Jun-23	Email correspondence with D. Wootton (proposed Monitor) re: consent to act;	0.1	Fisher, Heather
9-Jun-23	Meeting with company and counsel re filing structural issues and cash flow; call with D. Wootton thereafter;	1.1	Prophet, Cliff
9-Jun-23	Initial call with debtor, D. Wootton (proposed Monitor), and C. Prophet re: debtor background and status of filing;	1.4	Fisher, Heather
11-Jun-23	Review and comment on DIP Loan agreement; call with client re cashflow;	1	Prophet, Cliff
11-Jun-23	Reviewing Initial Affidavit, DIP term sheet and stalking horse APA,, call with D. Wootton and C. Prophet re: cash flow;	1.9	Fisher, Heather
12-Jun-23	Review and comment on proposed affidavit; meet with company counsel and monitor;	2.8	Prophet, Cliff
12-Jun-23	Call with client; review of comments on stalking horse;	1.1	Prophet, Cliff
12-Jun-23	Review of cashflow comments from Monitor; review of and comment on DIP Loan term sheet;	2.1	Prophet, Cliff

GOWLING WLG

Date	Narrative	Hrs	TK Name
12-Jun-23	Reviewing email correspondence from C. Prophet to D. Wootton re: terms of DIP and stalking horse APA;	0.5	Fisher, Heather
13-Jun-23	Further review of stalking horse issues; e-mail from D. Wootton;	0.6	Prophet, Cliff
19-Jun-23	Review and comment on communication plan; review and comment on cash flow;	0.6	Prophet, Cliff
20-Jun-23	Reviewing draft initial order, affidavit and cash flow, reviewing PPSA searches for service list, revising service list, reviewing application record re: initial order;	2	Fisher, Heather
20-Jun-23	E-mails with D. Wootton re further comment on first day application materials, including DIP term sheet, initial order and affidavit in support; communications with counsel to debtore; comment on first day application materials; instructions to H. Fisher;	3.2	Prophet, Cliff
21-Jun-23	Post-court call with client to prepare work plan for comeback hearing; instructions to H. Fisher;	1	Prophet, Cliff
21-Jun-23	Attendance at CCAA hearing re: initial order, reviewing email correspondence from Justice Steele re: place of business;	2	Fisher, Heather
21-Jun-23	Prepare for and attend Court for first day hearing; submissions in support of application;	2.1	Prophet, Cliff
23-Jun-23	Review and comment on SISP;	1	Prophet, Cliff
25-Jun-23	Correspondence with Debtor's counsel and C. Prophet re: SISP and ARIO drafts, call with C. Prophet re: same;	0.3	Fisher, Heather
25-Jun-23	Review of comeback material (SISP, affidavit and ARIO); calls with D. Wootton and with A. Iqbal of counsel to debtor; instructions to H. Fisher;	2.6	Prophet, Cliff
26-Jun-23	Reviewing and revising Monitor's First report, compiling Monitor's First Report, coordinating service of Monitor's First report;	2.9	Fisher, Heather
26-Jun-23	E-mails with client and further comment on First Report and cash flow;	1.5	Prophet, Cliff
26-Jun-23	Review and comment on report; review and comment on final SISP materials;	1.5	Prophet, Cliff

Date	Narrative	Hrs	TK Name
27-Jun-23	Coordinating service and filing of First Report of Monitor with court, commissioning affidavit of service, uploading materials to Caselines;	0.6	Fisher, Heather
28-Jun-23	E-mails to and from D. Wootton in preparation for comeback hearing;	0.7	Prophet, Cliff
28-Jun-23	Reviewing stay agreements and email correspondence re: same, coordinating Caselines logistics re: Monitor's Report;	0.5	Fisher, Heather
28-Jun-23	Work on SISP preparations;	0.3	Prophet, Cliff
28-Jun-23	Email correspondence with D. Wootton re: NDA for SISP, reviewing Stay Agreements for managements, reviewing NDAs;	1.1	Fisher, Heather
29-Jun-23	Revisions to NDA for SISP;	1.6	Prophet, Cliff
29-Jun-23	Call with C. Prophet re: stay agreements, reviewing email correspondence from D. Wootton re: same;	0.3	Fisher, Heather
29-Jun-23	Review and comment on stay letter agreements for CEO and other manager;	0.3	Prophet, Cliff
29-Jun-23	E-mail re NDA;	0.2	Prophet, Cliff
30-Jun-23	Prepare for and attend comeback hearing; e-mails re SISP preparation;	2	Prophet, Cliff
30-Jun-23	Attendance at Comeback Hearing, reviewing email correspondence re: NDA, teaser and newspaper ad;	0.6	Fisher, Heather
5-Jul-23	Communications with client;	0.3	Prophet, Cliff
5-Jul-23	Review and comment on NDA;	0.8	Prophet, Cliff
6-Jul-23	E-mail to D. Wootton re data room information and CIM;	0.5	Prophet, Cliff
10-Jul-23	Review of CIM; e-mail re same; review of SISP issues and communications;	1.5	Prophet, Cliff
10-Jul-23	Reviewing CIM draft and C. Prophet comments re: same;	0.5	Fisher, Heather
10-Jul-23	Call with C. Prophet re securities law considerations in insolvency matter;	0.4	Mitchell, Ian

GOWLING WLG

Date	Narrative	Hrs	TK Name
10-Jul-23	Communications with client; call with I. Mitchell, securities specialist re compliance of CIM with disclosure rules;	0.3	Prophet, Cliff
11-Jul-23	E-mails from and to client re SISP and material for bidders;	1	Prophet, Cliff
13-Jul-23	Call re SISP issues and template agreements; review of SPA template;	2.2	Prophet, Cliff
14-Jul-23	Call for SISP update with D. Wootton and A. Iqbal; further work on template for SISP and instructions re same;	1.7	Prophet, Cliff
19-Jul-23	Communicating with H. Fisher;	0.2	Prophet, Cliff
20-Jul-23	Call with Monitor;	0.3	Prophet, Cliff
21-Jul-23	Call with D. Wootton, D. Collins and C. Prophet re: status of sales process and next steps;	0.4	Fisher, Heather
21-Jul-23	Update call re SISP and preparation for evaluation of bids;	0.8	Prophet, Cliff
24-Jul-23	Call from L. Williams, of counsel to credit bidder;	0.8	Prophet, Cliff
24-Jul-23	Reviewing and providing comments on APA;	0.5	Fisher, Heather
24-Jul-23	Review of transaction structure; review of APA as backstop; communicating with Monitor;	2.3	Prophet, Cliff
24-Jul-23	Communicating with Miller Thomson;	0.5	Prophet, Cliff
25-Jul-23	Call with D. Collins re structure and securities listing issues;	0.9	Prophet, Cliff
25-Jul-23	Call with D. Collins, D. Wootton and C. Prophet re: sale transaction mechanics;	1.1	Fisher, Heather
25-Jul-23	Further work re credit bid from DIP lender;	0.6	Prophet, Cliff
26-Jul-23	Reviewing bids for Swarmio, call with D. Collins, D. Wootton and C. Prophet re: review of bids;	1.3	Fisher, Heather
26-Jul-23	Review of SPA from DIP lender; call with Paige Capital re bid for shell;	1.5	Prophet, Cliff
27-Jul-23	Call with Monitor and company to evaluate bids; instructions to H. Fisher;	1.1	Prophet, Cliff
27-Jul-23	Call with C. Prophet and H. Fisher re reorganization matters;	0.5	Mitchell, Ian

GOWLING WLG

Date	Narrative	Hrs	TK Name
27-Jul-23	Call with S. Singh; report to group on outcome; call with BC counsel re reorganization transaction for shell incorporated in BC;	1	Prophet, Cliff
27-Jul-23	Brief instructions to H. Fisher;	0.3	Prophet, Cliff
27-Jul-23	Reviewing sale bids, call with D. Wootton, D. Collins and C. Prophet re: same, call with Monitor and Debtor's counsel (S. Massie and L. Ellis) re: same;	1.9	Fisher, Heather
1-Aug-23	Email correspondence with A. Iqbal and C. Prophet re: return date for sale approval motion;	0.2	Fisher, Heather
2-Aug-23	Call with C. Prophet re: SPA terms and sale approval logistics, email correspondence with S. Massie re: same, email correspondence with D. Wootton and C. Prophet re: SPA and sale logistics;	0.5	Fisher, Heather
2-Aug-23	E-mails re report and motion;	0.3	Prophet, Cliff
3-Aug-23	Review and comment on Monitor's report;	2.1	Prophet, Cliff
3-Aug-23	Call with S. Massie, M. Faheim, and C. Prophet re: SPA and sale logistics, email correspondence with D. Wootton re: same;	0.4	Fisher, Heather
8-Aug-23	E-mail re successful offer;	1	Prophet, Cliff
9-Aug-23	Work on approval motion issues;	0.3	Prophet, Cliff
10-Aug-23	Call with Monitor and company counsel and with PubCo bidder;	0.5	Prophet, Cliff
10-Aug-23	Communications with company counsel re transaction for public shell;	0.5	Prophet, Cliff
10-Aug-23	Call with all parties re dealings with public shell and preparation for approval motion;	1	Prophet, Cliff
11-Aug-23	Call with C. Prophet re: terms of SPA and sale approval logistics;	0.2	Fisher, Heather
11-Aug-23	Further e-mails re dealing with PubCo;	0.3	Prophet, Cliff
14-Aug-23	Review and comment on AVO;	0.6	Prophet, Cliff

GOWLING WLG

Date	Narrative	Hrs	TK Name
14-Aug-23	Review and comment on affidavit in support of AVO;	2	Prophet, Cliff
14-Aug-23	Preliminary drafting of fee affidavit, correspondence with D. Wootton re: sale approval motion materials;	0.7	Fisher, Heather
14-Aug-23	Review and comment on CCAA termination order;	0.4	Prophet, Cliff
14-Aug-23	E-mails with client;	0.2	Prophet, Cliff

Lawyer	Hours	Rate	Amount
Clifton Prophet	55.6	$1,250.00	$69,500.00
Heather Fisher	11.9	$650.00	$14,235.00
Ian Mitchell	0.9	$950.00	$855.00

Total Fees	$84,590.00
HST (@13%) on Fees	$10,996.70
Total Fees and HST	**$95,586. 70**

DISBURSEMENTS

Process Server	$60.00
HST (@13%) on Taxable Disbursements	$7.80
Total Disbursements and HST	**$67.80**
TOTAL NOW DUE	**$95,654.50**

Sincerely,

Gowling WLG (Canada) LLP

H Fisher

Heather Fisher

HF:fg

THIS IS EXHIBIT "B" TO THE AFFIDAVIT OF

HEATHER FISHER SWORN REMOTELY BEFORE ME

ON AUGUST 17, 2023

DocuSigned by:

C. Haddon Murray

6F9FAB7AA4414D5...

A COMMISSIONER FOR TAKING OATHS

Summary of total professional fees by invoice for the period June 8, 2023 to August 15, 2023

Invoice	Date	Total Hours	Legal Fees	Disbursements	Taxes	Billed Amt	Average Hourly Rate
20079342	June 30, 2023	42	$43,590.00	$0.00	$1,886.30	$49,256.70	
20095183	July 28, 2023	25.2	$26,490.00	$60.00	$3,451.50	$30,001.50	
20104139	August 16., 2023	11.2	$14,510.00	$0.00	$1,886.30	$16,396.30	
Total		**78.40**	**$84,590.00**	**$60.00**	**$11,004.50**	**$95,654.50**	**$1,078.95**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC. ET AL.,
Applicants

Court File No.: CV-23-00701377-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF HEATHER FISHER
(SWORN AUGUST 17, 2023)

GOWLING WLG (CANADA) LLP
Barristers & Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto ON M5X 1G5

Clifton Prophet (34845K)
clifton.prophet@gowlingwlg.com
Tel: 416-862-3509

Heather Fisher (75006L)
heather.fisher@gowlingwlg.com
Tel: 416-369-7202

Lawyers for the Monitor

Court File No: CV-23-00701377-00CL

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SWARMIO MEDIA HOLDINGS INC., SWARMIO INC., AND SWARMIO MEDIA INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

SECOND REPORT OF GRANT THORNTON LIMITED AS THE COURT-APPOINTED MONITOR DATED AUGUST 18, 2023

GOWLING WLG (CANADA) LLP

100 King St W, Suite 1600
Toronto, ON M5X 1G5
Fax: 416.862.7661

Clifton P. Prophet (LSO #34845K)
Tel: 416.862.3509
Clifton.prophet@gowlingwlg.com

Heather Fisher (LSO #75006L)
Tel: 416.369.7202
Heather.fisher@gowlingwlg.com

Lawyers for the Grant Thornton Limited, in its capacity as Court-appointed Monitor