

2025



Hfx No. 542329

SUPREME COURT OF NOVA SCOTIA

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 CRESO
CANADA LIMITED

DISTRIBUTION, DISCHARGE AND TERMINATION ORDER

BEFORE THE HONOURABLE JUSTICE JOHN BODURTHA IN CHAMBERS:

WHEREAS Grant Thornton Limited ("**GTL**") was appointed to monitor the assets, business and affairs (in such capacity, the "**Monitor**") of Mernova Medicinal Inc. ("**Mernova**") and Creso Canada Limited ("**Creso**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36 (the "**CCAA**") by Order dated April 16, 2025 (the "**Initial Order**"), and the Amended and Restated Initial Order issued on April 25, 2025 (the "**ARIO**");

AND WHEREAS the Monitor has filed a motion seeking an Order: (i) abridging the timelines for filing and service under the Nova Scotia Civil Procedure Rules; (ii) approving the distribution of funds in the manner set out in the Monitor's Fourth Report dated September 16, 2025 (the "**Fourth Report**"); (iii) extending the stay of proceedings until the earlier of the date on which Creso is assigned into bankruptcy by the Monitor, or the termination of the CCAA proceedings upon the filing of the Monitor's Termination Certificate; (iv) terminating the DIP Charge, Director and Officer's Charge, and KERP Charge; (v) terminating these CCAA proceedings and discharging the Monitor from its duties as described in the Initial Order and ARIO upon the filing of the Monitor's Termination Certificate; (vi) terminating the Administration Charge upon the filing of the Monitor's Termination Certificate; (vii) approving the activities of the Monitor set out in its Fourth Report; and (viii) approving the fees and disbursements of the Monitor and those of its counsel;

AND UPON reading the Fourth Report and the other materials on file herein;

AND UPON HEARING from counsel for the Monitor and such other parties who were present and wished to be heard;

NOW UPON MOTION IT IS HEREBY ORDERED THAT:

Service and Definitions

1. Service of the Notice of Motion and the supporting documents, as set out in the affidavit of service, is hereby abridged and validated so that this Motion is properly returnable today and further service thereof is hereby dispensed with.
2. All capitalized terms used in this Order not otherwise defined herein shall have the meanings ascribed to them in the Initial Order, the ARIO or the Fourth Report.

Distribution of Funds

3. The Monitor is hereby authorized and directed to pay:
 - (a) the sum of \$5,398,440.00 to La Plata Capital LLC ("**La Plata**"); and
 - (b) the sum of \$65,473.46 to the West Hants Regional Municipality,

with the sum of \$75,808.00 being held back for the payment of professional fees (the "**Distribution Holdback**").

4. The Distribution Holdback, any accumulated interest thereon and any tax refunds received shall be transferred to GTL as Trustee in Bankruptcy of Creso and held in trust as a Third Party Deposit pursuant to Directive No. 16 of the Office of the Superintendent of Bankruptcy, and will not be an asset of Creso distributable amongst its creditors.
5. Upon payment of the professional fees contemplated in the Fourth Report, filing of the Monitor's termination certificate and conclusion of the bankruptcy proceedings of Creso, the Monitor is hereby authorized and directed to pay the balance of the Distribution Holdback (if any) to La Plata.

Extension of the Stay Period

6. The Stay Period be and is hereby extended to the earlier of: (i) the assignment of Creso into bankruptcy, pursuant to the Monitor's enhanced powers at paragraph 24 of the Approval and Reverse Vesting Order dated August 5, 2025, (ii) the termination of the CCAA proceedings upon the filing of the Monitor's Termination Certificate, or (iii) such other date as this Court may order.

Termination of DIP Charge, Director and Officer's Charge, and KERP Charge

7. The DIP Charge, Director and Officer's Charge, and KERP Charge, and all other charges granted in these CCAA proceedings other than the Administration Charge, shall be terminated, released and discharged as of the date of issuance of this Order without any further act or formality.

Discharge of the Monitor

8. Effective at the CCAA Termination Time (as defined herein), Grant Thornton Limited shall be and is hereby discharged from its duties as the Monitor and shall have no further duties, obligations or responsibilities as Monitor from and after the CCAA Termination Time.

9. Notwithstanding the foregoing, the Monitor shall have authority from and after the date of this Order to complete any matters that may be incidental to the termination of these CCAA proceedings or any other matters necessary to complete these CCAA proceedings.

10. Effective at the CCAA Termination Time, in addition to the protections in favour of the Monitor in any order of this Court in the CCAA proceedings or pursuant to the CCAA, the Monitor, Stewart McKelvey, and each of their respective affiliates, officers, directors, partners, employees and agents, as applicable, (collectively, the **"Released Parties"**) shall be released and forever discharged from any and all liability that the Released Parties now or may hereafter have by reason of any act, omission, transaction, dealing or other occurrence in any way relating to arising out of, or in respect of the CCAA proceedings, including in carrying out any incidental matters, whether known or unknown, matured or unmatured, foreseen or unforeseen, relating to matters that were raised, or could have been raised, in the within proceedings (collectively, the **"Released Claims"**), save and except for any gross negligence or wilful misconduct.

11. No action or other proceeding shall be commenced against the Monitor in any way arising from or related to its capacity or conduct as monitor except with prior leave of this Court and on prior written notice to the Monitor.

12. Notwithstanding any provision of this Order and the termination of these CCAA proceedings, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor shall continue to have the benefit of, all of the rights, approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the ARIO or any other Order of this Court in these CCAA Proceedings or otherwise, all of which are expressly continued and confirmed following the CCAA

Termination Time, including in connection with any other actions taken by the Monitor following the CCAA Termination Time with respect to the Applicant or these CCAA proceedings.

Termination of Administration Charge

13. The Administration Charge shall be terminated, released and discharged upon the filing of the Termination Certificate (as defined below) without any further act or formality.

CCAA Termination

14. Upon service by the Monitor of an executed certificate in substantially the form attached hereto as Schedule "A" (the "**Termination Certificate**") on the Service List certifying that, to the knowledge of the Monitor, all matters to be attended to in connection with these CCAA proceedings have been completed, these CCAA proceedings shall be terminated without any further act or formality (the "**CCAA Termination Time**"), save and except as provided in this Order, and provided that nothing herein impacts the validity of any Orders made in these CCAA proceedings or any action or steps taken by any Person pursuant thereto.

15. The Monitor is hereby directed to file a copy of the Termination Certificate with the Court as soon as is practicable following the service thereof on the Service List.

Approval of the Monitor's Activities

16. The activities of the Monitor as set out in its Fourth Report dated September 16, 2025 be and are hereby approved, provided, however, that only the Monitor, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

17. The Monitor has fulfilled its obligations pursuant to the CCAA, the ARIO and further orders of the Court until and including the date of this Order.

Approval of the Fees and Disbursements of the Monitor and its Counsel

18. The fees and disbursements related to the activities of the Monitor, as detailed in the Fourth Report and set out at Appendix F thereto, are hereby approved.

19. The fees and disbursements of the Monitor's legal counsel, Stewart McKelvey ("**Stewart McKelvey**"), as detailed in the Fourth Report and set out at Appendix G thereto, are hereby approved.

20. The anticipated further fees and disbursements of the Monitor and Stewart McKelvey in connection with the completion by the Monitor of its remaining duties and administration of the CCAA proceedings as set out in the Fourth Report be and are hereby approved, and the Monitor and Stewart McKelvey shall not be required to pass their accounts in respect of any further activities in connection with the administration of the CCAA Proceedings.

General

21. This Order and all other orders in these CCAA Proceedings shall have full force and effect in all provinces and territories of Canada.

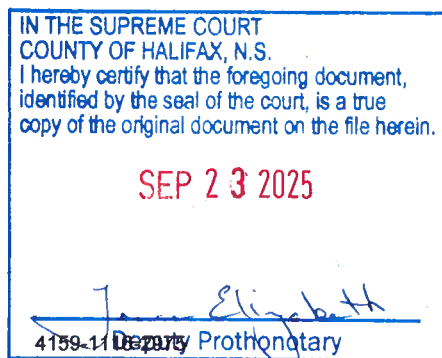
22. The aid and recognition of any Court, tribunal, regulatory or administrative body in Canada, the United States of America or elsewhere, to give effect to this Order and to assist the Monitor and its respective agents in carrying out the terms of this Order. All Courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, to assist the Monitor, and to act in aid of and to be complementary to this Court, in carrying out the terms of this Order.

23. The Monitor may apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and the Monitor may act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

Effective Time

24. This Order and all of its provisions are effective as of 12:01 a.m. (Atlantic Daylight Time) on the date of this Order.

Issued *September 23*, 2025



Trace Elizabeth
Deputy Prothonotary

TRACE ELIZABETH
Deputy Prothonotary

Schedule "A"

2025

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ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

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CANADA LIMITED

TERMINATION CERTIFICATE

RECITALS

- A. Grant Thornton Limited ("**GTL**") was appointed to monitor the assets, business and affairs of Mernova Medicinal Inc. ("**Mernova**") and Creso Canada Limited ("**Creso**") in the within proceeding (the "**CCAA Proceedings**") commenced under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") pursuant to an Initial Order of the Supreme Court of Nova Scotia (the "**Court**") dated April 16, 2025 (the "**Initial Order**"), and the Amended and Restated Initial Order issued on April 25, 2025 (the "**ARIO**").
- B. Pursuant to an Order of this Court dated August 5, 2025, among other things, Mernova ceased to be an applicant in these CCAA Proceedings and from the purview of the ARIO.
- C. Pursuant to an Order of this Court dated _____, 2025 (the "**CCAA Termination Order**"), among other things, GTL shall be discharged as the Monitor and the CCAA Proceedings shall be terminated upon the service of this Termination Certificate on the service list in these CCAA Proceedings, all in accordance with the terms of the CCAA Termination Order.
- D. Unless otherwise indicated herein, capitalized terms used in this Termination Certificate shall have the meaning given to them in the CCAA Termination Order

THE MONITOR CERTIFIES the following:

- 1. To the knowledge of the Monitor, all matters to be attended to in connection with the CCAA Proceedings (Hfx No. 542329) have been completed.

ACCORDINGLY, the CCAA Termination Time as defined in the CCAA Termination Order has occurred.

DATED at Halifax, Nova Scotia, this ____ day of _____, 2025.

GRANT THORNTON LIMITED, in its capacity
as the Court-appointed Monitor of Creso
Canada Limited and not in its personal or
corporate capacity

Per: _____
Name:
Title: