IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF an application of
Big Erics Inc. and Terra Nova Old Port Foods
Inc.

AND IN THE MATTER OF the *Companies' Creditors Arrangement Act* R.S.C., 1985 c. C-36 as amended ("**CCAA**")

FIFTH REPORT OF GRANT THORNTON LIMITED, IN ITS CAPACITY AS MONITOR UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36 OF BIG ERICS INC. AND TERRA NOVA OLD PORT FOODS INC.

February 22, 2024

Grant Thornton

Grant Thornton Limited,
Court-Appointed Monitor

Suite 300 – 15 International Place
St. John's, NL A1A 0L4

4133-1011-8478

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Appendix A – SISP Update (Confidential)

INTRODUCTION

1. On July 11, 2023, Big Erics Inc ("**BEI**") and Terra Nova Old Port Foods Inc. ("**TNOPFI**") (collectively as, the "**Companies**") made an application to the Supreme Court of Newfoundland and Labrador (the "**Court**") to convert previously filed Notices of Intention to Make a Proposal ("**NOIs Proceedings**") to proceedings under the *Companies*' *Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended ("**CCAA Proceedings**"). On July 18, 2023, the Court issued an order (the "**Initial Order**") and Grant Thornton Limited was appointed as Monitor (in such capacity, the "**Monitor**") for the Companies.

2. Pursuant to the Initial Order, amongst other things, all creditors were stayed from commencing or continuing any proceedings against the Companies until, and including, July 28, 2023 ("**Stay of Proceedings**"), or until such date as the Court may subsequently order. The Stay of Proceedings was further extended by multiple orders, most recently, to March 31, 2024 by an order issued on January 25, 2024 ("**January 2024 Order**").

3. On October 25, 2023, the Court issued a sales and investment solicitation process order ("**SISP**" and "**SISP Order**") which directed and empowered Noseworthy Chapman (the "**SISP Advisor**") to administer a SISP in the CCAA Proceedings.

4. On January 15, 2024, the Court issued an order declaring that the *Wage Earner Protection Program Act (Canada)*, SC 2005, c 47, s 1 ("**WEPP**"), applies to TNOPFI in conjunction with the *Wage Earner Protection Program Regulations*. The declaration was a requirement of Service Canada as communicated to the Monitor.

5. On January 25, 2024, the Court issued the January 2024 Order for, amongst other things:

   (a) provided an extension of the Stay of Proceedings to March 31, 2024;

   (b) provided a Sealing Order of various confidential materials from the Monitor, the Company and the Bank of Montreal ("**BMO**");

   (c) required of BEI to provide to BMO and to Imagination Capital Inc. and Myles & Company Inc. (collectively, the "**Mezzanine Lenders**") monthly internally prepared financial statements within 5 days of preparation and to respond in a timely manner to reasonable information requests;

(d) required of the SISP Advisor and the Monitor to host weekly calls with BMO's financial advisor, Ernst & Young Inc. ("**EY**") and the Mezzanine Lenders to provide updates on the SISP, as well as for the SISP Advisor to provide written reports on the SISP, upon request no frequently than weekly;

(e) required of the SISP Advisor to provide a report on February 20, 2024 of any Phase 2 binding offers received, the details of the offers and any applicable analysis;

(f) required of BEI to provide to the Monitor, then providing to BMO and the Mezzanine Lenders, weekly accounts receivable and inventory listings, as well as report to the Monitor any purchase orders for amounts greater than $75,000.00 from the preceding weeks; and

(g) provided for a cap of the TNOPFI operating line of credit of $550,000.00.

6. This fifth report of the Monitor (the "**Fifth Report**"), as well as the previous reports of the Monitor and all other relevant information in respect of these CCAA Proceedings and the previous NOIs Proceedings has been made available to stakeholders on the Monitor's case website at www.GrantThornton.ca/BigErics. Readers are encouraged to read the following reports of the Proposed Monitor and of the Monitor, the materials filed with the Court in relation to the applications and the orders of the Court, to provide additional information on these CCAA proceedings:

Reports to the Court

(a) Pre-Filing Report of Grant Thornton Limited in its capacity as Proposed Monitor dated July 17, 2023;

(b) First Report of Grant Thornton Limited in its capacity as Monitor dated July 25, 2023;

(c) Second Report of Grant Thornton Limited in its capacity as Monitor dated September 20, 2023;

(d) Third Report of Grant Thornton Limited in its capacity as Monitor dated December 15, 2023; and

(e) Fourth Report of Grant Thornton Limited in its capacity as Monitor dated January 19, 2023

Court Orders

(a) CCAA Initial Order dated July 18, 2023;

(b) ARIO dated July 28, 2023;

(c) ARIO dated August 25, 2023;

(d) ARIO dated September 22, 2023;

(e) SISP Order dated October 25, 2023;

(f) Consent Order dated December 18, 2023;

(g) Consent Order dated January 11, 2024;

(h) WEPP Order dated January 15, 2024; and

(i) January 2024 Order dated January 25, 2024.

PURPOSE OF THE FIFTH REPORT

7. The purpose of the Fifth Report is to provide an update on the status of the SISP to the Court. The Monitor has prepared the Fifth Report solely for this purpose and has not included any other updates, including on activities of BEI, the Monitor or on the financial results in this Fifth Report.

UPDATE ON CANADA REVENUE AGENCY ("CRA")

8. CRA has confirmed to the Monitor that it has completed its trust examinations of BEI and TNOPFI and no assessments will be raised, and the accounts are up to date.

SALES AND INVESTMENT SOLICITATION PROCESS

9. Per the SISP Order, Phase 2 Bids were due to be received by all Phase 2 Participants by February 16, 2024.

10. The Monitor hereby confirms to the Court that as of February 21, 2024, BEI is reviewing any Phase 2 Bid received in conjunction with the SISP Advisor, the Monitor, BMO and the Mezzanine Lenders.

11. The upcoming SISP deadlines remain unchanged from the SISP Order granted by this Court on October 25, 2023 and reconfirmed on January 24, 2024, and are as follows:

Event	Date
5. Phase 2 Bid Deadline & Qualified Bidders	By no later than February 16, 2024, at 5:00 pm.
Phase 2 bid deadline of definitive offers.	
6. Selection of Successful Bidder	
Deadline for selection of final successful bidder.	By no later than February 28, 2024, at 5:00 pm.
7. Definitive Documentation	
Deadline for completion of definitive documentation in respect of successful bidder.	By no later than March 25, 2024, at 5:00 pm.
8. Approval Motion - Successful Bid	
Deadline for filing of Approval Motion in respect of successful bidder	By no later than April 1, 2024, at 5:00 pm.
9. Closing - Successful Bid	
Anticipated deadline for closing of successful bidder.	Five (5) Business Days after the expiration of the appeal period following the issuance of the approval order.

12. An update and copy of the Phase 2 Bids received is attached hereto as **Confidential Appendix "A"**.

13. BEI has advised that it will continue to discuss the Phase 2 Bids received with respective Phase 2 Participants, the SISP Advisor, the Monitor, BMO and the Mezzanine Lenders ahead of the deadline of February 28, 2024.

14. Given the short period of time between the Phase 2 Bid Deadline and end of day February 21, 2024, BMO and the Mezzanine Lenders have not yet had the opportunity to provide their views of the Phase 2 Bids received to the Monitor, BEI or the SISP Advisor, but the Monitor understands discussions are on-going.

RECOMMENDATION

15. For the reasons set out in this Fifth Report, the Monitor respectfully recommends that this Honorable Court:

    (a) seal Confidential Appendix "A" of the Fifth Report.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 22nd day of February 2024.

GRANT THORNTON LIMITED,
SOLELY IN ITS CAPACITY AS MONITOR OF
BIG ERICS INC. AND TERRA NOVA OLD PORT FOODS INC.
AND NOT IN ITS CORPORATE OR PERSONAL CAPACITY

Phil Clarke, CPA, CA, CIRP, LIT
Senior Vice President

Appendix A

SISP Update (Confidential)