Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF NOTICE OF INTENTION TO MAKE
A PROPOSAL OF
BLIZZA BRANDS INC.

MOTION RECORD OF BLIZZA BRANDS INC.
(Returnable July 23, 2026)

July 20, 2026

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Lawyers for the Debtor, Blizza Brands Inc.

TO: **THE SERVICE LIST**

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)

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

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

SERVICE LIST

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Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF NOTICE OF INTENTION TO MAKE
A PROPOSAL OF
BLIZZA BRANDS INC.

I N D E X

TAB 1

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

NOTICE OF MOTION
(Returnable July 23, 2026)
(Re: Stay Extension and DIP Approval)

Blizza Brands Inc. ("**Blizza**" or the "**Company**") will make a Motion to the Honourable Justice Steele on Thursday, July 23, 2026 at 11:00 a.m., or as soon after that time as the Motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard

[ ] In writing under subrule 37.12.1(1) because it is;

[ ] In writing as an opposed motion under subrule 37.12.1(4);

[ ] In person;

[ ] By telephone conference;

[X] By video conference.

at the following location:

https://ca01web.zoom.us/j/67927063702?pwd=c1Z2eFN3NXB1N0xOK0lYSWtCL2ZBZz09#success

THE MOTION IS FOR

1. An order substantially in the form of the draft order at **Tab** “**3**” to this Motion Record, among other things, pursuant to section 50.4(9) of *the Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (“**BIA**”), among other things:

(a) extending the time for Blizza to file a proposal up to and including September 4, 2026;

(b) approving a debtor-in-possession financing facility (the “**DIP Facility**”) in the maximum principal amount of $150,000, authorizing the Company to borrower under the DIP Facility, and approving a corresponding charge over the property, assets and undertaking of the Company, as security for all obligations arising under the DIP Term Sheet (the “**DIP Lender’s Charge**”) in favour of ND Supplies Inc., in such capacity, the “**DIP Lender**”); and

(c) such other relief as this Court may deem just.

THE GROUNDS FOR THE MOTION ARE

2. Blizza filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to section 50.4(1) of the BIA on June 23, 2026. Since filing the NOI, Blizza has continued to work with the Proposal Trustee and its advisors to stabilize operations and advance a restructuring for the benefit of its stakeholders. In particular, Blizza and its advisors and working towards formulating a proposal to their creditors.

DIP Facility and DIP Lender's Charge

3. The Company requires interim financing in order to fund its ongoing operations, preserve enterprise value and continue its restructuring efforts during these NOI proceedings.

4. The Company, with the assistance of the Proposal Trustee, has prepared revised cash flow projections which demonstrate that additional liquidity is required during the proposed extension period. The cash flow forecast demonstrates that absent the DIP Facility, the Company will face liquidity constraints that may impair its ability to continue operating in the ordinary course and advance the within restructuring.

5. The Company has negotiated the material terms of the DIP Facility, which will be documented in the DIP Term Sheet and appended to the Second Report.

6. The DIP Facility represents the best available source of interim financing available to the Company in the circumstances. The relief sought is on notice to the Company's secured creditor, which remains supportive of the Company's restructuring efforts.

7. The Proposal Trustee supports approval of the DIP Facility and DIP Lender's Charge.

Extension of the Stay

8. The current stay of proceedings expires on July 23, 2026.

9. Blizza has been acting, and continues to act, in good faith and with due diligence.

10. The Company and its advisors have been actively working on the formulation of a proposal to creditors, including the review and analysis of creditor claims, consideration of proposal funding

alternatives, discussions with prospective proposal sponsors, preparation of a draft proposal and work relating to the preparation and review of a liquidation analysis.

11. The requested extension is necessary to permit the Company to continue discussions with stakeholders, finalize the terms of a proposal and complete the work necessary to present that proposal to creditors.

12. No creditor will be materially prejudiced by the requested extension of time.

13. The Proposal Trustee supports the requested extension of time.

Other Grounds

14. Rules 1.04, 1.05, 2.01, 2.03, 16.04 and 37 of the *Rules of Civil Procedure* (Ontario).

15. The provisions of the BIA, including sections 50.4(6), 50.4(9), 50.4(11) and 50.6.

16. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

(a) The Affidavit of Linh Diep sworn July 20, 2026;

(b) The Second Report of the Proposal Trustee, to be filed; and

(c) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

July 20, 2026

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Lawyers for the Debtor, Blizza Brands Inc.

TO: SERVICE LIST

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)

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

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

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IN THE MATTER OF NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

NOTICE OF MOTION
(returnable July 23, 2026)

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Lawyers for the Debtor, Blizza Brands Inc.

TAB 2

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

IN THE MATTER OF NOTICE OF INTENTION TO MAKE
A PROPOSAL OF
BLIZZA BRANDS INC.

AFFIDAVIT OF LINH DIEP
(July 20, 2026)

I, Manh Linh Diep, of the City of Vancouver, in the Province of British Columbia, MAKE OATH AND SAY:

1. I am the President and director of Blizza Brands Inc. ("**Blizza**" or the "**Company**") and a member of the board of directors of the Company, having served in these roles since the business began operating in 2021.

2. My primary responsibilities include managing the Company's overall operations and resources, making strategic business decisions, and acting as the main point of contact between the board of directors and the day-to-day management team.

3. As such, I have knowledge of the matters to which I depose in this affidavit, save and except for matters which are stated to be based on information and belief, and where so stated, I believe same to be true.

4. On June 23, 2026 (the "**NOI Filing Date**"), Blizza filed a Notice of Intention to Make a Proposal ("**NOI**") pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985,

c. B-3, as amended (the "**BIA**"). Goldhar & Associates Ltd. ("**Goldhar**") was appointed as the proposal trustee in this proceeding (in such capacity, the "**NOI Proceeding**").

5. My first affidavit in this NOI Proceeding was sworn on June 26, 2026 (the "**First Linh Affidavit**") in support of an Order, among other things, preserving the status quo in respect of the Company's licences; lifting restrictions on the Company's bank accounts; and granting an administration charge in the maximum amount of $175,000 in favour of administrative professionals.

6. A copy of the First Linh Affidavit, which contains detailed background on the Company and the events that precipitated this NOI Proceeding, is attached, without exhibits, as **Exhibit** "**A**".

7. A copy of the Order of Justice Black and the accompanying endorsement dated June 29, 2026, is attached as **Exhibit** "**B**".

8. All terms capitalized but not defined below are as defined in the First Linh Affidavit.

9. This affidavit is sworn in connection with the Company's current motion for an order, among other things, extending the time for Blizza to file a proposal pursuant to section 50.4(9) of the BIA up to and including September 4, 2026, and approving the DIP Term Sheet and DIP Lender's Charge (each as defined below) in favour of ND Supplies Inc. (in such capacity, the "**DIP Lender**").

A. BACKGROUND ON NOI PROCEEDING

10. Blizza is a federally licensed cannabis cultivator and processor operating from a facility in London, Ontario. The Company produces and sells branded cannabis products for the Canadian

recreational market through provincial wholesalers and maintains a number of business-to-business supply relationships within the cannabis industry. The Company's most significant assets are its Licences which are essential to the continued operation of the business.

11. As described in the First Linh Affidavit, the NOI was filed as a result of significant liquidity constraints arising from, among other things, substantial excise tax and other amounts owing to the Canada Revenue Agency ("**CRA**"), escalating CRA enforcement measures, and restrictions imposed on the Company's operating bank accounts.

12. By June 2026 the Company was facing the imminent risk of losing its Licences and no longer had access to the funds necessary to continue operating in the ordinary course. Management therefore determined that commencing these NOI proceedings was necessary to preserve enterprise value and pursue a restructuring for the benefit of stakeholders.

B. UPDATE SINCE FILING OF NOI

13. Since the filing of the NOI, the Company has continued operating and maintaining its regulatory compliance obligations in accordance with the June 29, 2026 Order.

14. In addition, management has worked diligently to stabilize the business and, together with the Proposal Trustee and its advisors, has focused on addressing a number of urgent operational and restructuring matters. In particular, management continued to engage with CRA and the Department of Justice regarding the Company's licence status, CRA enforcement actions and the status of various requirements to pay and garnishments that had been issued prior to the commencement of these NOI proceedings.

15. The Company received confirmation on July 14, 2026 that CRA had received the amounts collected pursuant to the various requirements to pay previously issued by CRA and is currently awaiting the return of those funds.

16. The Company has also continued to work with its banking institutions regarding restrictions and limitations affecting its operating bank accounts, which were subsquently lifted.

17. Management has continued discussions with key stakeholders, including the Mortgage Lenders, who remain supportive of the Company's restructuring efforts. The Company is also maintaining an ongoing dialogue with its employees and critical retail customers to keep them apprised of these NOI proceedings and manage concerns to ensure business is conducted in the ordinary course.

18. In addition, the Company and its advisors have been actively working on the formulation of a proposal to creditors. This work has included the review and analysis of creditor claims, consideration of proposal funding alternatives, discussions with prospective proposal sponsors, the preparation of a draft proposal, and work relating to the preparation and review of a liquidation analysis.

19. While significant progress has been made, additional time is required to continue discussions with stakeholders, finalize the terms of a proposal, complete the liquidation analysis and advance the restructuring efforts currently underway.

20. Management remains committed to pursuing a restructuring that will preserve value for creditors and allow the Company to continue operating as a going concern.

C. DIP FACILITY AND DIP TERM SHEET

21. The Company has negotiated the commercial terms of a debtor-in-possession financing facility (the "**DIP Facility**"), the material terms of which will be set out in a debtor-in-possession financing term sheet (the "**DIP Term Sheet**") to be appended to the Second Report of the Proposal Trustee.

22. The high-level terms of the DIP Term Sheet are as follows:

(a) **DIP Lender**: ND Supplies Inc.

(b) **Maximum Principal Amount**: up to $150,000

(c) **Commitment Fee**: 2% of the maximum principal amount of the DIP Facility

(d) **Interest Rate**: 12% per annum

(e) **Conditions**: The obligations under the DIP Facility will be secured by the proposed DIP Lender's Charge.

23. In connection with the proposed DIP Facility, the Company has prepared revised cash flow projections with the assistance of the Proposal Trustee. The revised cash flow projections, which will be appended to the Second Report, demonstrate that additional liquidity is required in order for the Company to fund ongoing operating expenses, preserve going-concern value and continue its restructuring efforts during the proposed extension period.

24. Absent the availability of the DIP Facility, the Company will face liquidity constraints that may impair its ability to continue operating in the ordinary course, preserve value and pursue a restructuring for the benefit of creditors and other stakeholders.

25. I believe that the proposed DIP Facility is in the best interests of the Company and its stakeholders. The Company intends to seek approval of the DIP Term Sheet and a corresponding charge in favour of the DIP lender (the "**DIP Lender's Charge**") as security for amounts advanced under the DIP Facility. The DIP Lender has advised that it is not prepared to provide the DIP Facility without the protection of the DIP Lender's Charge.

26. I understand that the Proposal Trustee supports the Company's efforts to obtain interim financing and will provide further details regarding the proposed DIP Facility, including the revised cash flow projections, in its Second Report.

27. The prospective DIP lender is a party related to the Company. Given its familiarity with the Company's business, operations and financial circumstances, the proposed DIP lender has been willing to engage with the Company and provide interim financing to support the restructuring efforts currently underway.

28. Given the Company's current financial circumstances and ongoing NOI proceedings, the Company has limited access to conventional financing sources.

29. In the circumstances, the Company believes that the proposed DIP Facility represents the best available source of interim financing and is necessary to preserve enterprise value while the Company continues to formulate a proposal for its creditors.

D. EXTENSION OF TIME TO FILE PROPOSAL

30. The Company has acted, and continues to act, in good faith and with due diligence in these NOI proceedings and requires additional time to continue discussions with stakeholders, finalize the terms of a proposal and complete the work necessary to present that proposal to creditors.

31. I believe that the requested extension will enhance the prospect of a successful restructuring and will not materially prejudice any creditor.

32. I understand that the Proposal Trustee is supportive of the requested extension of time.

SWORN by Linh Diep of the City of Vancouver, in the Province of British Columbia, before me at the City of Mississauga, in the Province of Ontario, on July 20, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Monica Faheim
A927328446B742A...

Commissioner for Taking Affidavits
(or as may be)

MONICA FAHEIM

Signed by:
Linh Diep
265BBE686D784F7...

LINH DIEP

This is Exhibit "A" referred to in the Affidavit of Manh Linh Diep sworn by Manh Linh Diep of the City of Vancouver, in the Province of British Columbia, before me at the City of Mississauga, in the Province of Ontario, on July 20, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Monica
A927328446B742A...

Commissioner for Taking Affidavits (or as may be)

MONICA FAHEIM

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

IN THE MATTER OF NOTICE OF INTENTION TO MAKE
A PROPOSAL OF
BLIZZA BRANDS INC.

AFFIDAVIT OF LINH DIEP
(June 26, 2026)

TABLE OF CONTENTS

I, Manh Linh Diep, of the City of Vancouver, in the Province of British Columbia, MAKE OATH AND SAY:

1. I am the President and director of Blizza Brands Inc. ("**Blizza**" or the "**Company**") and a member of the board of directors of the Company, having served in these roles since the business began operating in 2021.

2. My primary responsibilities include managing the Company's overall operations and resources, making strategic business decisions, and acting as the main point of contact between the board of directors and the day-to-day management team.

3. As such, I have knowledge of the matters to which I depose in this affidavit, save and except for matters which are stated to be based on information and belief, and where so stated, I believe same to be true.

4. On June 23, 2026 (the "**NOI Filing Date**"), Blizza filed a Notice of Intention to Make a Proposal ("**NOI**") pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"). Goldhar & Associates Ltd. ("**Goldhar**") was appointed as the proposal trustee in the proposal proceedings (in such capacity, the "**Proposal Proceedings**").

5. This affidavit is sworn in connection with the Company's filing of the NOI and its current motion for an order, among other things:

(a) abridging and validating the time for service of the Notice of Motion and the Motion Record and dispensing with further service thereof;

(b) ordering that the status quo in respect of the Company's Licences shall be preserved and maintained during the pendency of the stay of proceedings, and to the extent any such licences may expire during the stay of proceedings, the terms of such licences shall be deemed to be extended by a period equal to the stay period (the "**Stay Period**");

(c) ordering that any garnishments, freezes, holds, restrictions or limitations imposed on the Company's bank accounts be lifted, terminated or suspended during the NOI proceedings, and directing the Company's financial and banking institutions to permit the Company to access and utilize its bank accounts in the ordinary course of business;

(d) authorizing the Company, with the consent of the Proposal Trustee, to pay certain pre-filing amounts owing to critical suppliers, regulatory authorities and service providers (together "**Critical Vendors**") where such payments are necessary to preserve the Company's business, assets, operations, licences or restructuring prospects;

(e) granting the Administration Charge (defined below); and

(f) such other relief as this Court may deem just.

A. BACKGROUND ON THE BUSINESS

(i) Corporate Structure, Operations and Place of Business

6. Blizza is a private corporation that was formed by amalgamation on May 10, 2021 pursuant to the *Business Corporations Act* (Ontario) (the "**OBCA**") with its registered head office at 371 Neptune Crescent, London, Ontario. A copy of Blizza's corporate profile report is attached as **Exhibit** "**A**".

7. Blizza is a federally licensed cannabis cultivator and processor. It produces and sells premium craft cannabis products for the Canadian recreational market and distributes its products through provincial wholesalers, including the Ontario Cannabis Store ("**OCS**") and authorized retailers across Canada. Blizza markets products under several consumer brands, including VOLO, OP, KWALL, Deep Value and KEFF. Established in 2021, Blizza has focused on indoor craft cannabis cultivation and the development of premium branded products.

8. In addition to marketing and distributing its own branded products, the Company maintains business-to-business supply relationships with other participants in the cannabis industry and derives revenue from wholesale cannabis sales and processing activities.

9. The Company owns and operates a facility located at 371 Neptune Crescent, London, Ontario (the "**Facility**"), which houses approximately 9,000 square-feet of indoor cannabis cultivation and processing space. The Facility contains cultivation rooms, processing and packaging areas, multi-purpose production space, office space, and a secure vault storage for cannabis inventory and finished goods. The Facility serves as the Company's principal operating location. A copy of the Parcel Register for the Facility is attached as **Exhibit** "**B**".

(ii) Cannabis Licences

10. Blizza holds two licences that are essential to its operations: (a) a cannabis licence issued by Health Canada pursuant to the *Cannabis Act* (the "**Health Canada Licence**"); and (b) a cannabis excise licence issued by the Canada Revenue Agency ("**CRA**") pursuant to the *Excise Act*, 2001 (the "**Excise Licence**", and together with the Health Canada Licence, the "**Licences**").

11. The Licences are among the Company's most significant assets. The Licences are non-transferable and are critical to the Company's operations and going-concern value. Without the Licences, the Company cannot lawfully cultivate, process, package or sell cannabis products in Canada.

12. The Health Canada Licence permits the Company to conduct cannabis cultivation, processing and sale activities from its licensed facility. The Health Canada Licence is subject to various conditions and regulatory requirements prescribed by Health Canada and the *Cannabis Act*, including requirements relating to security, record-keeping, quality assurance, reporting and inventory controls.

13. The Health Canada Licence is currently valid until September 15, 2026. To the best of my knowledge, Health Canada has not raised any material concerns regarding the Company's compliance with the *Cannabis Act* or the conditions of the Health Canada Licence. As of the date of this affidavit, the Company remains in good standing with respect to its Health Canada licensing obligations. The Company does, however, owe approximately $28,713 to Health Canada in respect of licensing fees.

14. A copy of the Excise Licence is attached as **Exhibit** "**C**".

15. As a holder of the Excise Licence and pursuant to the *Excise Act*, the Company is required to remit to CRA excise duties which accrue from the sale of cannabis. I understand that approximately $430,011.63 in excise taxes were owing to CRA as of the NOI Filing Date (the "**Excise Arrears**").

(iii) Employees

16. As of the date of this affidavit, the Company employs 8 full-time employees. Functions of employees include, among other roles, grow technicians, sales managers, marketing and regulatory affairs and compliance managers, a bookkeeper, and production managers. Employees are paid bi-weekly in arrears. The Company also has two independent contractors.

17. The Company does not have any employees that are unionized or otherwise party to a collective agreement in connection with their employment. The Company provides a standard benefits plan to certain of its employees that covers, among other things, medical assistance and extended health services, dental care, accidental death and dismemberment insurance, life insurance, and critical illness insurance.

18. The Company is current on payroll to its employees.

B. CAUSES OF INSOLVENCY

19. The Company's financial difficulties arose from a combination of operational, financial and industry-specific factors. Beginning in or around 2024, the Company experienced significant deficiencies in its finance and accounting functions, which contributed to delays and inaccuracies in tax reporting, remittance obligations and other regulatory compliance matters. These issues

resulted in audits, assessments, penalties and growing liabilities owing to CRA and other governmental authorities.

20. Although the Company subsequently found replacement finance personnel and undertook efforts to improve its financial reporting and compliance functions, by that time substantial arrears had accumulated and operational issues had compounded.

21. The Company's financial difficulties were exacerbated by broader challenges facing the Canadian cannabis industry, including significant regulatory and tax burdens, compressed margins, intense market competition and ongoing liquidity constraints. In particular, the Company's Excise Arrears increased significantly over time and frequently became payable before the Company had collected corresponding receivables from customers.

22. Despite management's efforts to reduce costs, improve operations, negotiate payment arrangements with creditors and governmental authorities, and raise additional capital, the Company's liquidity position continued to deteriorate. By June 2026, the Company was facing substantial tax arrears, escalating CRA enforcement measures, including liens, garnishments and requirements to pay ("**RTPs**"), and the imminent loss of the Excise Licence. In the circumstances, the value of the Company's business, inventory and other assets was at significant risk. The Company concluded that the NOI Proceedings were necessary to preserve enterprise value, maintain its regulatory licences and pursue a restructuring for the benefit of its stakeholders.

(i) CRA Communications regarding Excise Licence

23. Beginning in or around late 2025, the Company was subject to increasing collection activity and engagement with CRA regarding excise duties, GST/HST and payroll-related

obligations. As a result of the Company's growing Excise Arrears and other tax liabilities, the CRA initiated discussions with the Company regarding its compliance with the *Excise Act* and the continued renewal of the Excise Licence.

24. On May 13, 2026, CRA advised the Company that its Excise Licence had been renewed effective May 16, 2026, but only until June 15, 2026. CRA further advised that the renewal constituted a "final renewal" and provided no assurance of any further renewal. CRA indicated that any future renewal would depend on the Company's compliance with its filing and payment obligations, the payment of amounts owing to CRA, the reduction of existing Excise Arrears, and the maintenance of sufficient financial resources to conduct its business in a responsible manner. CRA also advised that failure to satisfy these requirements could render the Company ineligible for future renewal of the Excise Licence. A copy of the May 13, 2026 correspondence is attached as **Exhibit** "**D**".

25. Following receipt of the May 13, 2026 correspondence, the Company engaged with CRA Collections and other CRA representatives in an effort to negotiate a payment arrangement that would address the Excise Arrears and permit the Company to continue operating under a renewal of the Excise Licence. The Company explored various restructuring measures and liquidity alternatives in an effort to meet CRA's requirements.

26. On June 15, 2026, CRA advised the Company that its cannabis licence would not be renewed and would be cancelled effective June 16, 2026. CRA advised that the Company had failed to satisfy certain conditions imposed in connection with the May 13, 2026 renewal and further advised that an excise duty officer would attend at the Company's facility on June 16, 2026

to facilitate the destruction of cannabis products, plants, seeds and excise stamps located onsite. A copy of the June 15, 2026 letter is attached as **Exhibit** “**E**”.

27. Following urgent discussions involving the Company, its advisors, CRA representatives and representatives of the Department of Justice, CRA subsequently extended the Company’s Excise Licence until June 30, 2026. The extension was conditional and imposed significant restrictions on the Company’s operations, including restrictions on cultivation, processing, packaging, stamping and sales activities. CRA further required that all current balances and arrears be paid in full before June 30, 2026 and advised that, failing compliance, CRA would attend at the Company’s facility to destroy cannabis inventory and excise stamps remaining onsite. A copy of the June 23, 2026 extension letter is attached as **Exhibit** “**F**”.

28. In accordance with the June 23, 2026 extension letter, the Company has submitted a renewal application which includes all of the requirements set out in the letter.

29. Since the issuance of the June 23 extension letter, the Company has continued discussions with CRA and representatives of the Department of Justice concerning renewal of the Excise Licence and the resolution of outstanding tax arrears. As described below, the DOJ has confirmed that the Excise Licence will be extended beyond June 30, 2026. The Company is currently awaiting formal documentation reflecting that extension.

(ii) CRA Enforcement Activity

30. There have been substantial recent collection and enforcement measures against the Company by CRA, including, among other things:

(a) On June 16, 2026, CRA registered three tax liens directly against title to the London Facility, as follows: (i) a lien under the *Excise Act* in the amount of approximately $369,645.22; (ii) a lien under the *Excise Tax Act* in the amount of approximately $299,129.61; and (iii) a lien under the *Income Tax Act* in the amount of approximately $138,947.64;

(b) Also on June 16, 2026, CRA representatives attended at the Facility. During that attendance, certain cannabis inventory, plants and genetics were destroyed;

(c) On or about June 23, 2026, CRA issued RTPs to the OCS and other recipients, directing them to remit funds otherwise payable to the Company directly to CRA;

(d) On or about June 23, 2026, the Company learned that its bank accounts had become subject to garnishment and related restrictions arising from CRA collection activity. The Company's banking institution, Bank of Montreal ("**BMO**"), advised that certain transactions could no longer be processed as a result of the garnishment and the main operating bank accounts with BMO currently remain frozen.

31. These enforcement measures have materially impacted the Company's liquidity and ability to continue its operations in the ordinary course and have necessitated the filing of the NOI.

32. However, following the filing of the NOI, the Company, through its counsel, engaged in discussions with DOJ regarding the status of the Excise Licence. On June 26, 2026, DOJ advised that CRA intends to extend the Excise Licence for a period corresponding with the duration of the statutory stay of proceedings. The Company is currently awaiting formal documentation reflecting

that extension. The Company and its advisors continue to engage with DOJ and CRA regarding the implementation of that extension and the terms of the relief sought on this motion.

33. In addition, after the filing of the NOI, DOJ advised the Company that CRA had begun withdrawing the RTPs issued. The Company understands that CRA expected the withdrawal process to be completed by the end of the day on June 26, 2026. As of the date of this Affidavit, however, the Company has not received confirmation that all restrictions, freezes and holds affecting its bank accounts and banking arrangements have been lifted and remains concerned that its access to banking services may continue to be impaired absent the relief sought on this motion.

C. ASSETS AND LIABILITIES

34. The Company is both cash flow and balance sheet insolvent.

35. The Company's principal assets include: (a) cannabis inventory, including cannabis plants, dried flower and packaged products; (b) equipment and other property used in its cultivation and processing operations; (c) accounts receivable; (d) cash on hand; and (e) the Licences. As noted above, the Licences are critical to the Company's operations and are necessary for the Company to lawfully cultivate, process, package and sell cannabis products in Canada.

36. Based on the Company's internal financial statements as at May 31, 2026, the Company had assets with a total book value of approximately $5.4 million. The Company's largest asset categories consisted of property and equipment of approximately $2.9 million and inventory of approximately $2.0 million.

37. The Company also had approximately $43,000 in cash, approximately $25,000 in accounts receivable and approximately $120,000 held as a CRA bond deposit.

38. A significant portion of the Company's indebtedness is comprised of amounts owing to CRA, together with obligations owing to secured and unsecured creditors.

39. The Company's financial position has continued to deteriorate as a result of ongoing operating losses, increasing tax liabilities and escalating enforcement activity.

D. CREDITORS

(i) PPSA Registrations

40. Based on the searches conducted in the Personal Property Security Registration System ("**PPSA**"), the following registrations have been filed against the Company:

(a) a registration in favour of 1537638 Ontario Limited, registered on January 10, 2025 and expiring on January 10, 2030, relating to certain equipment described as a Lexmark XC4342 printer and accessories;

(b) a registration in favour of Stoke Receivables Finance II Corp., registered on February 26, 2025; and

(c) a registration in favour of Stoke Receivables Finance Corp. (and together with Stoke Receivables Finance II Corp, "**Stoke**"), registered on March 28, 2025.

41. A copy of a certified search of the PPSA registry as at June 26, 2026 with respect to the Company is attached as **Exhibit** "**G**".

(ii) 0933805 BC Limited and Pierino Alberto Papa

42. In October 2023, the Company (then operating as Volo Inc.) entered into a loan transaction with 0933805 BC Limited and Pierino Alberto Papa (collectively, the "**Mortgage Lenders**"), pursuant to which the Mortgage Lenders advanced a loan in the original principal amount of $1,100,000 (the "**Mortgage Loan**"). The Mortgage Loan was advanced pursuant to a commitment letter dated October 11, 2023 and is secured by a first-ranking mortgage against the Company's London Facility.

43. The Mortgage Loan was originally structured as a one-year facility and has subsequently been extended by agreement on an annual basis. The current maturity date of the Mortgage Loan is October 19, 2026. The facility bears interest at 13% per annum and is serviced through monthly interest-only payments.

44. The Company has maintained an ongoing relationship with the Mortgage Lenders and has been advised that the Mortgage Lenders are supportive of the Company's restructuring efforts and, if required, are prepared to consider extending the Mortgage Loan beyond its current maturity date, if necessary, while the Company pursues a restructuring through these NOI proceedings.

45. Title to the London Facility is subject to a first-ranking registered charge in favour of the Mortgage Lenders securing the Mortgage Loan. The charge was registered on October 19, 2023 as Instrument No. ER1550209 against the London Facility.

(iii) Stoke

46. The Company has utilized a receivables financing facility with Stoke having a purchase limit of up to $500,000. Stoke has registered security interests under the PPSA. The Company is not currently indebted to Stoke.

(iv) Crown Obligations and Priority Claimants

47. As of the NOI Filing Date, the Company estimates that it owes approximately $599,196.79 to the CRA, comprised of approximately $430,011.63 in Excise Arrears, $139,214.35 in payroll-related obligations and $29,970.81 in GST/HST obligations.

(v) Unsecured Creditors

48. The Company has unpaid trade debt and other unsecured obligations incurred in the ordinary course of business. Based on the Company's books and records, as of June 2026 its trade accounts payable were approximately $885,704.53.

49. The Company's unsecured creditors include suppliers, professional advisors, service providers, cannabis industry participants and governmental authorities.

E. NOI PROCEEDINGS

50. On June 23, 2026, as a result of the enforcement activity by CRA and the imminent expiry of the Excise Licence, the Company filed the NOI.

51. Attached as **Exhibit** "**H**" is a copy of Blizza's certificate of filing of an NOI and the related filings. Goldhar was appointed as the Proposal Trustee in the NOI Proceedings.

52. The Company intends to use the NOI Proceedings to preserve the status quo while it continues to engage with its key stakeholders, including CRA and its other creditors. During the proposed extension period, the Company, with the assistance of the Proposal Trustee, intends to assess restructuring alternatives and develop a viable restructuring strategy for the benefit of its stakeholders, including formulating and presenting a proposal to its creditors.

F. RELIEF SOUGHT

(i) Status Quo of Licences

53. The Company is currently operating under a limited extension of its Excise Licence issued by CRA on June 23, 2026.

54. The Company and its advisors have continued discussions with representatives of the Department of Justice and CRA regarding the status of the Excise Licence. I am advised that as of June 26, 2026, DOJ has confirmed that the Excise Licence will be extended beyond June 30, 2026 for the duration of the statutory stay period. The Company is currently awaiting formal documentation reflecting that extension. While this development is positive, the Company continues to require the protections of these NOI Proceedings in order to stabilize its operations, address CRA's claims and pursue a restructuring for the benefit of its stakeholders.

55. The Company is therefore seeking an order that the status quo in respect of the Company's Licences be preserved and maintained during the pendency of the proposed Stay Period, and that to the extent that any Licence may expire during the Stay Period, the term of such licence shall be deemed to be extended by a period equal to the Stay Period granted by the Court.

(ii) Lifting of any bank account freezes and holds

56. As described, certain of the Company's bank accounts have been frozen as a result of CRA collection or enforcement activity. The Company requires access to its banking facilities in order to preserve the value of its business and assets, maintain its regulatory licences, pay ongoing operating expenses, and pursue a restructuring for the benefit of its stakeholders.

57. The Company therefore seeks an Order directing that such freezes, holds restrictions or limitations imposed on the bank accounts be lifted, terminated or suspended during the NOI proceedings, and directing the financial and banking institutions to permit the Company to access and utilize its bank accounts in the ordinary course of business.

(iii) Administration Charge

58. The Company seeks a first-ranking charge on all of its property, in priority to all other charges in the maximum amount of $175,000 (the "**Administration Charge**") to secure the fees and disbursements of the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Company incurred in connection with services rendered to Blizza both before and after the commencement of this NOI Proceeding.

59. It is critical to the success of the Company's restructuring to have the Administration Charge in place to ensure that the restructuring professionals who have rendered services prior to and after the commencement of the NOI Proceeding are protected with respect to their fees and disbursements. The professionals that are the beneficiaries of the Administration Charge have significantly contributed, and continue to contribute, to the restructuring of the Company.

60. Blizza has worked with the Proposal Trustee and the other restructuring professionals to estimate the proposed quantum of the Administration Charge and I believe it to be reasonable and appropriate in the circumstances when considering amounts accrued and owed to certain of the restructuring professionals.

(iv) Critical Vendors

61. The Company seeks authority, with the consent of the Proposal Trustee, to pay Critical Vendors up to the aggregate amount of $75,000, where such payments are necessary to preserve the Company's business, assets, operations, licences or restructuring prospects.

62. The Company believes that limited flexibility to satisfy certain critical pre-filing obligations may be necessary to maintain key relationships, preserve the value of the business and facilitate the formulation of a viable proposal for the benefit of creditors.

63. I make this Affidavit in support of the Company's motion as described herein, and for no other or improper purpose or delay.

SWORN by Linh Diep of the City of Vancouver, in the Province of British Columbia, before me at the City of Mississauga, in the Province of Ontario, on June 26, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Monica Faheim
A927328446B742A...

Commissioner for Taking Affidavits
(or as may be)

MONICA FAHEIM

Signed by:
Linh Diep
265BBE686D784F7...

LINH DIEP

IN THE MATTER OF NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

AFFIDAVIT OF LINH DIEP
(June 26, 2026)

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Lawyers for the Debtor, Blizza Brands Inc.

This is Exhibit "B" referred to in the Affidavit of Manh Linh Diep sworn by Manh Linh Diep of the City of Vancouver, in the Province of British Columbia, before me at the City of Mississauga, in the Province of Ontario, on July 20, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Monica

A927328446B742A...

Commissioner for Taking Affidavits (or as may be)

MONICA FAHEIM

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	MONDAY, THE 29TH DAY
	)	
JUSTICE W.D. BLACK	)	OF JUNE, 2026

IN THE MATTER OF NOTICE OF INTENTION TO MAKE
A PROPOSAL OF
BLIZZA BRANDS INC.

ORDER

THIS MOTION, made by Blizza Brands Inc. (the "**Company**"), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") was heard this day by video conference at 330 University Avenue, Toronto, Ontario in accordance with the Guidelines to Determine Mode of Proceeding in Civil.

ON READING the Notice of Motion, the Affidavit of Linh Diep sworn June 26, 2026 and the exhibits thereto (the "**Diep Affidavit**"), the first report dated June 28, 2026 (the "**First Report**") of Goldhar & Associates Ltd. (in such capacity, the "**Proposal Trustee**"), and on being advised that the secured creditors who are likely affected by the charge created herein were given notice, and on hearing the submissions of counsel for the Company and counsel for the Proposal Trustee, and those other parties present, no one else appearing although duly served as appears from the Affidavit of Service, filed,

SERVICE AND INTERPRETATION

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record of the Company are hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service hereof.

2. **THIS COURT ORDERS** that capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Diep Affidavit or the First Report, as applicable.

STATUS QUO RELIEF

3. **THIS COURT ORDERS** that the status quo in respect of the excise licence issued by the Canada Revenue Agency held by the Company shall be preserved and maintained during the pendency of the Stay Period, and to the extent that such licence may expire during the stay of proceedings in favour of the Company (the "**Stay Period**"), the term of the licence shall be deemed to be extended by a period equal to the Stay Period.

FILING OF TAX RETURNS AND REMITTANCES

4. **THIS COURT ORDERS** that the Company shall file all returns that have become due since June 23, 2026 (the "**NOI Date**") and all returns as and when they become due subsequent to the date of this Order.

5. **THIS COURT ORDERS** that the Company shall remit or pay, in accordance with legal requirements, for the period on or after the NOI Date the following amounts:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, (iv) income taxes, and (v) and all other amounts related to such deductions or employee wages payable for periods following the Initial Order pursuant to the *Income Tax Act*, the *Canada Pension Plan*, the *Employment Insurance Act* or similar provincial statutes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Company in connection with the sale of goods and services by the Company, but only where such Sales Taxes are accrued or collected after NOI Date, or where such Sales Taxes were accrued or collected prior to the NOI Date but not required to be remitted until on or after the NOI Date;

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Company; and

(d) any taxes, duties or other amounts required under the *Excise Act, 2001* to the Crown in right of Canada or of any Province thereof or any other taxation authority on or after the NOI Date.

UNFREEZING OF BANK ACCOUNTS

6. **THIS COURT ORDERS** that any garnishments, freezes, holds, restrictions, limitations or other enforcement measures affecting the Company's bank accounts arising from pre-filing collection or enforcement activity are hereby stayed, suspended and lifted for the duration of the Stay Period.

7. **THIS COURT ORDERS** that the Company's financial institutions are authorized and directed to permit the Company to access and utilize its bank accounts and banking facilities in the ordinary course of business during the Stay Period.

POSSESSION OF PROPERTY AND OPERATIONS

8. **THIS COURT ORDERS** that the Company shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**"). The Company is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

9. **THIS COURT ORDERS** that the Company shall be entitled, but not required, to pay the following expenses, whether incurred prior to, on or after the date of this Order:

(a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental, vision, insurance and similar benefit plans or arrangements), vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing practices, compensation policies and arrangements of the Company;

(b) the fees and disbursements of any Assistants retained or employed by the Company in respect of these proceedings, at their standard rates and charges; and

(c) amounts owing for goods or services actually provided to the Company prior to the date of this Order by third parties if, in the opinion of the Company, such third party is critical to the Company's business and ongoing operations of the Company, provided that such payments shall: (i) not exceed an aggregate amount of $75,000, and (ii) be approved in advance by the Proposal Trustee or by further Order of the Court.

PROFESSIONAL FEES

10. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Company shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Company as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel for the Proposal Trustee and counsel for the Company on a weekly basis.

11. **THIS COURT ORDERS** that the Proposal Trustee and its legal counsel shall pass their accounts from time to time and, for this purpose, the accounts of the Proposal Trustee and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

ADMINISTRATION CHARGE

12. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee, and the Company's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of $175,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Company's counsel, the Proposal Trustee and its counsel both before and after the making of this Order in respect of these proceedings.

13. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

14. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on the Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except any validly perfected security interest in favour of equipment lessors.

15. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Proposal Trustee under the BIA or as an officer of this Court, the Proposal Trustee shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this

Order shall derogate from the protections afforded to the Proposal Trustee under the BIA or any applicable legislation.

GENERAL

16. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in these proceedings, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial) shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (the "**Rules**"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol and shall be accessible by selecting the Company's name from the engagement list at the following URL: https://goldhar.ca/corporate-engagements/blizza-brands-inc

17. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Company and the Proposal Trustee are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Company's creditors or other interested parties at their respective addresses as last shown on the records of the Company and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received

on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

18. **THIS COURT ORDERS** that the Company and the Proposal Trustee and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Company's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

19. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, to give effect to this Order and to assist the Company, the Proposal Trustee 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 Company and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Company and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

20. **THIS COURT ORDERS** that each of the Company or the Proposal Trustee shall be at liberty and are 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.

21. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order, and this Order is enforceable without the need for entry and filing.

IN THE MATTER OF NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at
Toronto

ORDER
Returnable June 29, 2026

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Lawyers for the Debtor, Blizza Brands Inc.

Estate Number: BK-26-03390093-0035

ONTARIO SUPERIOR COURT OF JUSTICE

BANKRUPTCY ENDORSEMENT FORM

BEFORE:	**Justice W.D. Black**	**Court File Number**: **BK-26-03390093-0035**

In the Matter of the bankruptcy of: BLIZZA BRANDS INC.

Name of the Bankrupt

Case Management: ☐ **Yes** If so, by whom: **No:**

Participants and Non-Participants:

Party	Counsel	E-mail Address	Phone #	Participant (Y/N)
1) Goldhar & Associates Proposal Trustee	David Seifer	dseifer@dickinsonwright.com		Y
2) Blizza Brands Inc. Debtor	Monica Faheim	mfaheim@millerthomson.com		Y

Date Heard: **June 29, 2026**

Nature of Hearing (mark with an "X"):

☐ Motion Taxation ☐ Trustee Discharge ☒ **Bankrupt Discharge** ☐ Application

Format of Hearing (mark with an "X"):

☐ In Writing ☐ Telephone ☒ Videoconference ☐ In Person

If in person, indicate courthouse address:

Relief Requested:

This was a motion by Blizza Brands Inc. ("Blizza"), seeking to preserve the current status quo and to facilitate its restructuring efforts under the BIA. In particular, Blizza seeks relief relative to its cannabis licences, its banking arrangements, certain critical vendor payments and an administrative charge to support these NOI proceedings.

Disposition made at hearing or conference (operative terms ordered):

I am granting the relief sought, and have signed the order provided, which I am advised incorporates input from CRA.

Costs: On a	indemnity basis, fixed at $		are payable
by	to	[when]	

Brief Reasons, if any:

I am satisfied that without the relief sought, Blizza will not be able to restructure and that stakeholder value will be destroyed. I note that Blizza's one secured creditor supports the relief sought, and that the CRA is likewise prepared to see the Excise Licence renewed for a period equal to the statutory stay of proceedings (and the Proposal Trustee has undertaken to file with the court the CRA's written confirmation of that willingness). I have read the First Report of the Proposal Trustee, and its recommendation that the order sought be granted, and note as well the efforts of Blizza and the Proposal Trustee to discuss these matters with various stakeholders. There is no opposition currently evident to the proposed relief, and in my view the relief is consistent with and advances the goal of preserving the status quo and facilitating the chance to preserve value for stakeholders.

Additional pages attached: ☐ Yes ☒ No:

June 29, 20 **26**

Date of Endorsement

IN THE MATTER OF NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at
Toronto

AFFIDAVIT OF LINH DIEP
(July 20, 2026)

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Lawyers for the Debtor, Blizza Brands Inc.

TAB 3

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 23rd
	)	
JUSTICE STEELE	)	DAY OF JULY, 2026

(Court Seal)

IN THE MATTER OF NOTICE OF INTENTION TO MAKE
A PROPOSAL OF
BLIZZA BRANDS INC.

ORDER
(Re: Stay Extension and DIP approval)

THIS MOTION, made by Blizza Brands Inc. (the "**Company**"), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") was heard this day by video conference at 330 University Avenue, Toronto, Ontario in accordance with the Guidelines to Determine Mode of Proceeding in Civil.

ON READING the Notice of Motion, the Affidavit of Linh Diep sworn July 20, 2026 and the exhibits thereto (the "**Second Diep Affidavit**"), the second report dated July ●, 2026 (the "**Second Report**") of Goldhar & Associates Ltd. (in such capacity, the "**Proposal Trustee**"), the Order of Justice Black dated June 29, 2026, and on being advised that the secured creditors who are likely affected by the charge created herein were given notice, and on hearing the submissions of counsel for the Company and counsel for the Proposal Trustee, and those other parties present, no one else appearing although duly served as appears from the Affidavit of Service, filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Second Diep Affidavit or the Order of Justice Black dated June 29, 2026, as applicable.

EXTENSION OF TIME TO FILE A PRROPOSAL

3. **THIS COURT ORDERS** that Pursuant to subsection 50.4(9) of the BIA, the time for the Company to file a proposal is hereby extended up to and including September 4, 2026, and the stay of proceedings and all other protections afforded to the Company under the BIA shall continue until up to and including September 4, 2026.

DIP TERM SHEET AND DIP LENDER'S CHARGE

4. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to obtain and borrow under a credit facility (the "**DIP Facility**") from ND Supplies Inc. (the "**DIP Lender**") in order to finance the Company's working capital requirements and other general corporate purposes and capital expenditures as described in the DIP Term Sheet between the Company and the DIP Lender dated July [●], 2026 (the "**DIP Term Sheet**"), provided that borrowings under the DIP Facility shall not exceed the principal amount of $150,000, excluding interest, fees and expenses, unless permitted by further Order of this Court.

5. **THIS COURT ORDERS THAT** the DIP Facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet, filed, subject to such minor amendments as may be acceptable to the Company and the DIP Lender, with the approval of the Proposal Trustee.

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

7. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of, and is hereby granted, a charge (the "**DIP Lender's Charge**") on the Property as security for the Company's obligations to the DIP Lender under the DIP Term Sheet, which DIP Lender's Charge shall not exceed the principal amount of $150,000 (plus accrued and accruing interest and the reasonable fees and expenses payable under the DIP Term Sheet). The DIP Lender's Charge shall not secure an obligation that exists before this Order is made unless permitted by further Order of the Court. The DIP Lender's Charge shall have the priority set out in paragraphs 10 and 12 hereof.

8. **THIS COURT ORDERS** that notwithstanding any other provision of this Order or sections 69 and 69.1 of the BIA:

(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the DIP Term Sheet or the Definitive Documents, the DIP Lender, upon three days' written notice to the Company and the Proposal Trustee, may exercise any and all of its rights and remedies against the Company or the Property under or pursuant to the DIP Term Sheet, the Definitive Documents and the DIP Lender's Charge, including, without limitation, to cease making advances to the Company and set off and/or consolidate any amounts owing by the DIP Lender to the Company against the obligations of the Company to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Company and for the appointment of a trustee in bankruptcy of the Company; and

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Company or the Property.

9. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any proposal filed by the Company under the BIA with respect to any advances made under the DIP Term Sheet or the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

10. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $175,000); and

Second – DIP Lender's Charge (to the maximum amount of $150,000) plus accrued and accruing interest and the reasonable fees and expenses payable under the DIP Term Sheet).

11. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as

against any right, title or interest filed, registered, recorded or perfected prior to or subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

12. **THIS COURT ORDERS** that that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

13. **THIS COURT ORDERS** that, except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Company also obtains the prior written consent of the Proposal Trustee and the beneficiaries of the Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

14. **THIS COURT ORDERS** that the Charges, the DIP Term Sheet, and the Definitive Documents shall not be rendered invalid or unenforceable, and the rights and remedies of the Chargees, including the DIP Lender, shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such application(s); (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") that binds the Company, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Company of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Company entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

(c) the payments made by the Company pursuant to this Order, the DIP Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

GENERAL

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, to give effect to this Order and to assist the Company, the Proposal Trustee and their respective agents in carrying out the terms of this Order.

16. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Company and the Proposal Trustee, or such other notice as this Court may order.

17. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order.

(Signature of judge, officer or registrar)

IN THE MATTER OF NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

Court File No.: BK-26-03390093-0035
Estate No.: 35-3390093

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

ORDER
Returnable July 23, 2026
(Re: Stay extension and DIP Approval)

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IN THE MATTER OF NOTICE OF INTENTION TO MAKE A PROPOSAL OF BLIZZA BRANDS INC.

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MOTION RECORD OF BLIZZA BRANDS INC.
(Returnable July 23, 2026)

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