

**BZAM**  
**CCAA Communications Package**  
**Frequently Asked Questions (“FAQs”)**

**General CCAA FAQs**

**1. What is the CCAA?**

- The *Companies’ Creditors Arrangement Act*, or the “CCAA”, is a federal statute that enables companies to restructure their financial affairs under the supervision of the Courts.
- As part of the CCAA proceedings, the Court grants a “stay of proceedings” in favour of the company which prevents creditors, such as lenders, suppliers, contractual counterparties and other stakeholders from commencing or continuing any proceedings or taking any steps to enforce their rights against the company or its subsidiaries. The stay of proceedings gives the company the time and stability it requires to enable it to restructure while continuing its day-to-day operations.
- On February 28, 2024, BZAM Ltd. and its subsidiaries (collectively, “**BZAM**” or the “**Company**”) commenced restructuring proceedings under the CCAA.

**2. Is the Company bankrupt?**

- No. Under Canadian insolvency and restructuring laws, “bankruptcy” is a specific type of proceeding under which an insolvent company’s operations are terminated and its assets are sold or “liquidated”.
- The CCAA proceedings, amongst other things, prevents creditors from taking enforcement steps against the Company while it attempts to restructure its business.

**3. Why did the Company file under the CCAA?**

- The Company has been facing significant liquidity issues. The Company needed to commence proceedings under the CCAA in order to seek protection from its creditors and give it the time and stability required to restructure and to continue its ongoing strategic review process, which will include the commencement of a process to sell its businesses and operations (the “**Sale Process**”).
- As part of the CCAA process, the Company has obtained interim financing (referred to as “**DIP Financing**”), which will provide the Company with sufficient liquidity to operate during the CCAA proceedings.

**4. Is CCAA the same as declaring bankruptcy in the US?**

- CCAA would be most similar to a Chapter 11 reorganization in the US.

**5. Who is now in charge of the Company?**

- The Board of Directors and the executive management team remain in control of the Company and are responsible for overseeing its operations, subject to the specific requirements of the CCAA Initial Order.
- The Court has appointed FTI Consulting Canada Inc. (“**FTI Consulting**”) as its Monitor to oversee the activities of the Company and assist stakeholders with the CCAA process.

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**6. What is the Monitor?**

- The Monitor is an officer of the Court whose responsibilities include assisting the Company with its restructuring, reporting to the Court from time to time on the progress of such proceedings and, ultimately, providing a recommendation on the Company’s proposed restructuring plan. In this case, FTI Consulting has been appointed as Monitor.
- The Company will be giving its full co-operation to the Monitor.

**7. Is there a public filing or disclosure required as part of filing for protection under the CCAA?**

- Yes. Among other public documents filed with the Court, the Company submits an Affidavit that includes, but is not limited to, the following information: a brief history of the Company and an overview of its business; a description of the nature of its assets and liabilities; the reasons for its financial difficulties; and support for the relief being sought from the Court.
- Once the CCAA Initial Order is issued, the Monitor is required to notify known creditors and publish a public notice in local newspapers of the CCAA proceedings. The Monitor is also required to establish a website where materials relating to the CCAA proceedings will be posted, which, in the case of the Company is: <http://cfcanada.fticonsulting.com/bzam>.
- In addition to the Affidavit and the application for a CCAA Initial Order, there will be motions filed with the Court throughout the CCAA proceedings, as well as reports submitted to the Court by the Monitor that will provide the Court and stakeholders with updates as to the progress of the CCAA proceedings.
- These documents will be matters of public record and will generally be made available by the Monitor on its website: <http://cfcanada.fticonsulting.com/bzam>.

**8. Where can public Court documents and other information related to the CCAA proceedings be accessed?**

- Court materials, including reports prepared by the Monitor, will be available at the Monitor’s website: <http://cfcanada.fticonsulting.com/bzam>.

**9. What do I do if I have other questions?**

- For every-day business questions, you should continue to speak to your regular contact person at BZAM.
- For questions relating to the CCAA proceedings, the Monitor can be contacted at 416-649-8065 or toll free at 1-833-446-7441 or at [bzam@fticonsulting.com](mailto:bzam@fticonsulting.com).
- Additional information is also available on the Monitor’s website at: <http://cfcanada.fticonsulting.com/bzam>.

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**10. How long will the CCAA proceedings take to complete?**

- The Company will work to complete its restructuring in a timely fashion, though there is no standard timeframe for the duration of CCAA proceedings. At this time, we do not know how long the proceedings will take to complete. We will provide further updates as appropriate.
- The Court has granted an initial stay of proceedings of 10 days, which is the maximum allowed by law on an initial application under the CCAA. The Company intends to return to the Court within the first 10 days following the Court’s Initial Order to seek an extension of the stay period in order to execute on its ongoing operations, cost-savings initiatives and other restructuring plans, and seek approval of the Sale Process.
- Information on the filing and upcoming milestones throughout the CCAA proceedings can be found on a website being maintained by the Monitor at: <http://cfcanda.fticonsulting.com/bzam>.

**11. What will happen with the shares of BZAM?**

- During the CCAA process, the CSE and OTCQX will place BZAM under delisting review and there is no assurance as to the outcome of such review of the continued qualification of the Company’s CSE and OTCQX listings.