

PROCEDURES FOR THE SALE AND INVESTMENT SOLICITATION PROCESS

Preamble

- A. On October 27, 2025, Lithion Technologies Inc. (the “**Company**”), Lithion Saint-Bruno Inc. and Lithion International Inc. (collectively with the Company, the **Debtors**) commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Superior Court of Québec (Commercial Division) in the District of Montréal (the **Court**) pursuant to an initial order rendered by the Court on October 28, 2025 (collectively, as further amended or restated from time to time, the “**Initial Order**”).
- B. On November 7, 2025, the Court also issued a Sale and Investment Solicitation Process Order (the “**SISP Approval Order**”) that, among other things, authorized the Debtors to implement a sale and investment solicitation process (“**SISP**”) in accordance with the procedures set out herein (the “**SISP Procedures**”).
- C. These SISP Procedures set out the manner in which (i) binding bids for executable transaction alternatives involving the shares and/or the business, property and assets of the Debtors (collectively, the “**Business**”) will be solicited from interested parties, and any such bids received will be addressed, (ii) any Successful Bid (as defined below) will be selected, and (iii) Court approval of any Successful Bid will be sought. Such transactions may include, among other things, a sale of some or all of the Business and/or an investment in the Business, each of which shall be subject to all terms set forth in this SISP.
- D. The SISP shall be conducted by the Debtors, and Ernst & Young Orenda, in its capacity as SISP agent (“**EY**”, or the “**SISP Agent**”), with the supervision of KPMG Inc., in its capacity as court-appointed monitor (the “**Monitor**”) (the Monitor and the SISP Agent together with the Debtors, the “**SISP Team**”).
- E. Parties who wish to have their bids considered shall be expected to participate in the SISP as conducted by the SISP Team, in accordance with the present SISP Procedures, which shall govern the SISP, including the solicitation of Sale Proposals and Investment Proposals.

Defined Terms

1. Capitalized terms used in this SISP have the meanings given thereto in Appendix A.

SISP Procedures

Opportunity

2. The SISP is intended to solicit interest in, and opportunities for: (i) one or more sales or partial sales of all, substantially all, or certain portions of the Business; and/or (ii) for an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Debtors or their Business. Bids considered pursuant to the SISP may include one or more of the potential transactions referred to in clauses (i) and (ii) of this paragraph (collectively, the "**Opportunity**"),
3. The SISP Procedures describe the manner in which prospective bidders may gain access to due diligence materials concerning the Debtors and the Business, the manner in which bidders may participate in the SISP, the requirement of and the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder and the requisite approvals to be sought from the Court in connection therewith. The SISP Team shall conduct the SISP in the manner set forth herein.
4. The SISP Team (i) shall consult with Investissement Québec, General Motors Ventures LLC, IMM Investment Hong Kong Holdings and Construction Seneca Inc. (collectively, the "**Secured Creditors**") with respect to all matters relating to the SISP and provide to them any information or documents reasonably requested by any of them in relation thereto, and (ii) shall in the circumstances indicated in these SISP Procedures, obtain the prior written consent of Investissement Québec, or in the event of a disagreement, the Court's approval. Notwithstanding the foregoing and anything to the contrary herein, Investissement Québec will be deemed to have provided its consent under these SISP Procedures if Investissement Québec has not confirmed to the SISP Team that a requested consent is not acceptable within two (2) business days of the SISP Team requesting such a consent in writing.
5. The SISP Team, may at any time and from time to time, in consultation with the Secured Creditors and with the prior written consent of Investissement Québec where required hereunder, or in the event of a disagreement, the Court's approval, modify, amend, vary or supplement the SISP or the SISP Procedures, without the need for obtaining an order of the Court, provided that the Monitor determines that such modification, amendment, variation or supplement is useful in order to give effect to the substance of the SISP, the SISP Procedures, the SISP Approval Order and the Initial Order.
6. The Monitor shall post on the Monitor's website, as soon as practicable, any such modification, amendment, variation or supplement to the SISP Procedures and the SISP Team shall inform the bidders impacted by such modifications.

7. In the event of a dispute as to the interpretation or application of the SISP or SISP Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute.
8. As more particularly set out herein, a summary of the key dates pursuant to the SISP are as follows:

<u>Event</u>	<u>Date</u>
PHASE 1	
1. <u>Solicitation Letter</u> SISP Agent to distribute Solicitation Letter, to potentially interested parties	By no later than November 13, 2025
2. <u>CIM and VDR</u> Debtors to prepare and have available for parties having executed the NDA (Potential Bidders) the CIM and VDR	By no later than November 20, 2025
3. <u>Phase 1 Qualified Bidders & Bid Deadline</u> Phase 1 Bid Deadline (for delivery of non-binding LOIs by Phase 1 Qualified Bidders in accordance with the requirement of paragraph 11 of the SISP Procedures)	By no later than December 15, 2025, at 5:00 p.m. (prevailing Eastern Time)
4. <u>Phase 1 Satisfactory Bid</u> SISP Agent to notify each Phase 1 Qualified Bidder in writing as to whether its bid constituted a Phase 1 Satisfactory Bid	By no later than December 17, 2025, at 5:00 p.m. (prevailing Eastern Time)
PHASE 2	
5. <u>Phase 2 Bid Deadline & Qualified Bidders</u> Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the requirement of paragraph 25 of the SISP Procedures)	By no later than January 16, 2025, at 5:00 p.m. (prevailing Eastern Time)
6. <u>Auction(s)</u> Auction(s) (if needed)	Week of January 19, 2025
7. <u>Selection of final Successful Bid(s)</u>	By no later than January 21,

<u>Event</u>	<u>Date</u>
Deadline for selection of final Successful Bid(s)	2025, at 5:00 p.m. (prevailing Eastern Time)
8. <u>Definitive Documentation</u> Completion of definitive documentation in respect of Successful Bid(s)	Week of January 26, 2025
9. <u>Approval Application - Successful Bid(s)</u> Filing of Approval Application in respect of Successful Bid(s)	Week of January 26, 2025
10. <u>Closing - Successful Bid(s)</u> Anticipated deadline for closing of Successful Bid(s)	Week of February 2, 2025, or such earlier date as is achievable
11. <u>Outside Date – Closing</u> Outside Date by which the Successful Bid must close	February 6, 2025

Solicitation of Interest: Notice of the SISP

9. As soon as reasonably practicable after the granting of the SISP Approval Order:
 - (a) a notice of the SISP and such other relevant information which the SISP Team considers appropriate shall be published in La Presse+ and The Globe & Mail and such other publications as may be considered appropriate; and
 - (b) a press release setting out the notice and such other relevant information regarding the Opportunity as may be considered appropriate, shall be issued with Canada Newswire designating dissemination in Canada.
10. The SISP Agent shall send to potential bidders, as soon as practical after the granting of the SISP Approval Order, a letter describing the Opportunity (a "**Solicitation Letter**"), outlining the salient elements of the SISP and inviting recipients of the Solicitation Letter to express their interest pursuant to the SISP.

Virtual Data Room

11. By no later than November 20, 2025, a confidential virtual data room (the "**VDR**") in relation to the Opportunity will be made available by the SISP Team to Potential Bidders that have executed the NDA (as defined below) in accordance

with paragraph 12 herein. Following the completion of Phase 1, but prior to the completion of Phase 2, additional information may be added to the VDR to enable Phase 2 Qualified Bidders to complete any confirmatory due diligence in respect of the Debtors and the Opportunity. The SISP Team may establish separate VDRs (including “**Clean Rooms**”) if the SISP Team determines that doing so would further the Debtors’ and any Potential Bidders’ compliance with applicable antitrust and competition laws, or would prevent the distribution of commercially sensitive competitive information. The SISP Team may also limit the access of any Potential Bidder to any confidential information in the VDR where the SISP Team reasonably determines that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Business or its value.

PHASE 1: NON-BINDING LOIs

Phase 1 Qualified Bidders and Delivery of Confidential Information Memorandum

12. In order to participate in the SISP, and prior to the distribution of any confidential information to an interested party (including access to the VDR), such interested party must deliver to the SISP Agent an executed non-disclosure agreement in form and substance satisfactory to the Monitor and the Debtors (each, an “**NDA**”). Pursuant to the terms of the NDA to be signed by a potential bidder (each potential bidder who has executed an NDA with the Debtors a “**Potential Bidder**”), each Potential Bidder will confirm that it agrees to be bound by the SISP Approval Order and these SISP Procedures, and that it will be prohibited from communicating with any other Potential Bidder or any of the Debtors’ creditors regarding the Opportunity during the term of the SISP, without the consent of the SISP Team. Prior to the Debtors executing an NDA with any potential bidder, any potential bidder may be required to provide evidence, reasonably satisfactory to the SISP Team, of its financial wherewithal to complete a transaction in respect of the Opportunity (either with existing capital or with capital reasonably anticipated to be raised prior to closing) and/or to disclose details of their ownership and/or investors, and whether the potential bidder has any direct or indirect interest in the Debtors (including through equity, debt, convertible rights or any other rights) or in any of the Debtors’ creditors. For the avoidance of doubt, a party who has executed an NDA or a joinder with a Potential Bidder for the purpose of providing financing to a Potential Bidder in connection with the Opportunity (such party a “**Financing Party**”) shall not be deemed a Potential Bidder for purposes of the SISP, provided that such Financing Party undertakes to inform the SISP Team in the event that it elects to act as a Potential Bidder.
13. A Potential Bidder that has executed an NDA and provided any additional information required pursuant to paragraph 12, will be deemed a “**Phase 1 Qualified Bidder**” and will be promptly notified of such classification by the SISP Agent.

14. The SISP Agent will prepare (with the oversight of the Monitor) and send to each Phase 1 Qualified Bidder a confidential information memorandum providing additional information considered relevant to the Opportunity (a “**CIM**”) as soon as practicable. The Debtors, the Monitor, the SISP Agent and each of their respective affiliates, related persons or entities, partners, directors, officers, employees, agents, controlling persons, lenders, legal counsel and advisors (collectively, the “**Representatives**”) make no representation or warranty as to the information contained in the CIM or otherwise made available pursuant to the SISP.
15. The SISP Team shall provide any person deemed to be a Phase 1 Qualified Bidder with access to the VDR. The Debtors, the Monitor, the SISP Agent and their respective Representatives make no representation or warranty as to the information contained in the VDR.
16. If a Phase 1 Qualified Bidder wishes to submit a bid, it must deliver a non-binding letter of intent (an “**LOI**”) (each such LOI, provided in accordance with paragraph 17 below, a “**Phase 1 Qualified Bid**”), to the SISP Agent at the email addresses specified in Appendix B hereto so as to be received by the SISP Agent no later than 5:00 p.m. (prevailing Eastern Time) on December 15, 2025, or such other date or time as may be agreed by the SISP Team, with prior written consent of Investissement Québec (the “**Phase 1 Bid Deadline**”).
17. An LOI submitted by a Phase 1 Qualified Bidder will only be considered a “**Phase 1 Qualified Bid**” if the LOI complies at a minimum with the following:
 - (a) it has been duly executed by the Phase 1 Qualified Bidder and all other required parties of the Phase 1 Qualified Bidder;
 - (b) it is received by the Phase 1 Bid Deadline;
 - (c) it contains an agreement by the Phase 1 Qualified Bidder to be bound by the terms of the SISP;
 - (d) it provides written evidence, satisfactory to the Monitor, in consultation with the Debtors, the Secured Creditors and the SISP Agent, of the ability to fully fund and consummate the transaction within the timeframe contemplated by the SISP and to satisfy any obligations or liabilities to be assumed on closing of the transaction, including a specific indication of the sources of capital;
 - (e) it identifies all proposed material conditions to closing including any internal, regulatory or other approvals and any form of consent, agreement or other document required from a government body, stakeholder or other third party, and an estimate of the anticipated timeframe and any anticipated impediments for obtaining such approvals, along with information sufficient for the Monitor, in consultation with the

Debtors, to determine that these conditions are reasonable in relation to the Phase 1 Qualified Bidder;

- (f) it (i) identifies the Qualified Phase 1 Bidder and representatives thereof who are authorized to appear and act on behalf of the Qualified Phase 1 Bidder for all purposes regarding the contemplated transaction, and (ii) fully discloses the identity of each entity or person that will be sponsoring, participating in or benefiting from the transaction contemplated by the LOI;
- (g) it contains an outline of the due diligence completed to the date of submission of the LOI and any additional due diligence required to be conducted in order to submit a binding offer;
- (h) it clearly indicates:
 - (i) whether the Phase 1 Qualified Bidder is seeking to acquire all or substantially all of the Business, whether through an asset purchase, a share purchase or a combination thereof (either one being, a “**Sale Proposal**”) or some other portion of the Business (a “**Partial Sale Proposal**”); and/or
 - (ii) whether the Phase 1 Qualified Bidder is offering to make an investment in, restructure, recapitalize, reorganize or refinance the Debtors or their business (an “**Investment Proposal**”); and
- (i) it does not provide for any break fee or expense reimbursement;
- (j) it contains such other information as may be reasonably requested by the SISP Team, in consultation with the Secured Creditors;
- (k) in the case of a Sale Proposal, it identifies or contains the following:
 - (i) the purchase price and key assumptions supporting the valuation and the anticipated amount of cash payable on closing of the proposed transaction;
 - (ii) any contemplated purchase price adjustment;
 - (iii) a description of the specific assets that are expected to be subject to the transaction and any assets expected to be excluded;
 - (iv) a description of those liabilities and obligations (including operating liabilities and obligations to employees) which the Phase 1 Qualified Bidder intends to assume and which liabilities and obligations it does not intend to assume and are to be excluded as part of the transaction;

- (v) a description of the anticipated tax planning, if any;
- (vi) information sufficient for the SISP Team, in consultation with the Secured Creditors, to determine that the Phase 1 Qualified Bidder has sufficient ability to satisfy and perform any liabilities or obligations assumed pursuant to subparagraph (iv) above; and
- (vii) any other terms or conditions of the Sale Proposal or Partial Sale Proposal that the Phase 1 Qualified Bidder believes are material to the transaction; and

(I) in the case of an Investment Proposal, it identifies the following:

- (i) a description of how the Phase 1 Qualified Bidder proposes to structure the proposed investment, restructuring, recapitalization, refinancing or reorganization;
- (ii) the aggregate amount of the equity and/or debt investment to be made in the Debtors or their business;
- (iii) the underlying assumptions regarding the pro forma capital structure;
- (iv) a description of those liabilities and obligations (including operating liabilities and obligations to employees) which the Phase 1 Qualified Bidder intends to assume and which liabilities and obligations it does not intend to assume and are to be excluded as part of the transaction;
- (v) information sufficient for the SISP Team, in consultation with the Secured Creditors, to determine that the Phase 1 Qualified Bidder has sufficient ability to satisfy and perform any liabilities or obligations assumed pursuant to subparagraph (iv) above; and
- (vi) any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the transaction.

18. The SISP Team may, in consultation with the Secured Creditors and with the prior written consent of Investissement Québec, or in the event of a disagreement, with the Court's approval, waive compliance with any one or more of the requirements specified in paragraph 17 and deem any such non-compliant LOI to be a Phase 1 Qualified Bid.

Assessment of Phase 1 Qualified Bids and Subsequent Process

19. The SISP Team will inform the Secured Creditors in writing as soon as practicable of any material development in connection with Phase 1 of the SISP and remit copies to the Secured Creditors of any LOIs received.
20. The SISP Team, in consultation with the Secured Creditors, may, following the receipt of any LOI, seek clarification with respect to any of the terms or conditions of such LOI and/or request and negotiate one or more amendments to such LOI prior to determining if the LOI should be considered a Phase 1 Qualified Bid or a Phase 1 Satisfactory Bid (as defined below).
21. Following the Phase 1 Bid Deadline, the SISP Team shall determine, in accordance with the requirements of paragraph 17, and with the prior written consent of Investissement Québec or, in the event of a disagreement, with the Court's approval, the LOI(s) that are selected as the most favorable Phase 1 Qualified Bid(s), which Phase 1 Qualified Bid(s) shall be deemed a "**Phase 1 Satisfactory Bid(s)**" and which Phase 1 Qualified Bidder(s) accordingly shall be deemed a "**Phase 2 Qualified Bidder(s)**", if any. For greater certainty, there can be more than one Phase 1 Qualified Bid that may be determined as being a Phase 1 Satisfactory Bid, and more than one Phase 1 Qualified Bidder that may be determined as being a Phase 2 Qualified Bidder.
22. Only Phase 2 Qualified Bidders - being those that have submitted a Phase 1 Satisfactory Bid - shall be permitted to proceed to Phase 2 of the SISP.
23. The SISP Agent shall notify each Phase 1 Qualified Bidder in writing as to whether its Phase 1 Qualified Bid constituted a Phase 1 Satisfactory Bid- such that it is a Phase 2 Qualified Bidder – no later than December 17, 2025, at 5:00 p.m. (prevailing Eastern Time), or at such later time as the SISP Team deems appropriate, in consultation with the Secured Creditors.
24. In the event that no Phase 1 Qualified Bid is received, or the SISP Team has determined in its business judgment, in consultation with the Secured Creditors, that continuation of the SISP would not be in the best interest of the Debtors and their stakeholders, the SISP Team may terminate the SISP by posting a notice on the Monitor's website that the SISP has been terminated. Notwithstanding the foregoing, Phase 2 of the SISP cannot be initiated without prior written consent from Investissement Québec, or, in the event of a disagreement, with the Court's approval.

PHASE 2: FORMAL OFFERS AND REMOVAL OF CONDITIONS

Formal Binding Offers

25. Any Phase 2 Qualified Bidder that wishes to make a formal offer with respect to its Sale Proposal, Partial Sale Proposal or Investment Proposal shall submit a

binding offer (a “**Binding Offer**”) comprising: (a) in the case of a Sale Proposal or a Partial Sale Proposal, a draft purchase agreement or a mark-up to a draft form of purchase agreement made available to the Phase 2 Qualified Bidder; or (b) in the case of an Investment Proposal, a plan or restructuring support agreement or a mark-up to a draft form of plan or restructuring support agreement made available to the Phase 2 Qualified Bidder (each, such Binding Offer submitted in accordance with paragraph 26 below, a “**Phase 2 Qualified Bid**”) in each case to the SISP Agent, with a copy to the Debtors and to the Monitor, so as to be received by such parties not later than 5:00 p.m. (prevailing Eastern Standard Time) on January 16, 2025, or such other date or time as may be agreed by the SISP Team, in consultation with the Secured Creditors (as may be extended, the “**Phase 2 Bid Deadline**”).

26. A Binding Offer will only be considered as a Phase 2 Qualified Bid if the Binding Offer:
 - (a) has been received by the Phase 2 Bid Deadline;
 - (b) is a Binding Offer: (i) to purchase all, substantially all, or a portion of the Business; and/or (ii) to make an investment in, restructure, recapitalize, reorganize or refinance the Debtors or their business;
 - (c) identifies all executory contracts of the Debtors that the Phase 2 Qualified Bidder will assume and clearly describes, for each contract or on an aggregate basis, how all monetary defaults and non-monetary defaults will be remedied, as applicable;
 - (d) is not subject to any due diligence or financing condition;
 - (e) contains evidence of authorization and approval from the Phase 2 Qualified Bidder’s board of directors (or comparable governing body) and, if necessary to complete the transaction, Phase 2 Qualified Bidder’s equity holder(s);
 - (f) is unconditional, other than upon the receipt of the Approval Order(s) (as defined below) and satisfaction of any other conditions expressly set forth in the Binding Offer;
 - (g) specifies any regulatory or other third-party approvals the Phase 2 Qualified Bidder anticipates would be required to complete the Opportunity;
 - (h) the Binding Offer must be accompanied by a letter that confirms that the Binding Offer: (i) may be accepted by the Debtors by countersigning the Binding Offer, and (ii) is irrevocable and capable of acceptance until the earlier of (A) two Business Days after the date of closing of the Successful Bid; and (B) the Outside Date;

- (i) does not provide for any break fee, expense reimbursement or similar type of payment;
- (j) is accompanied by a cash deposit in the amount of not less than 10% of the cash purchase price payable on closing or total new investment contemplated, as the case may be (the “**Deposit**”), along with acknowledgement that if the Phase 2 Qualified Bidder is selected as the Successful Bidder (as defined below), that the Deposit will be non-refundable subject to approval of the Successful Bid (as defined below) by the Court and the terms described in paragraph 38 below;
- (k) contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction set out therein on or before the week of February 2, 2025, or such earlier date as is practical for the parties to close the contemplated transaction, following the satisfaction or waiver of the conditions to closing (the “**Target Closing Date**”) and in any event no later than February 6, 2025 (the “**Outside Date**”);
- (l) contemplates that the Phase 2 Qualified Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid, is agreeing to refrain from and waive any assertion or request for reimbursement on any basis.

27. The SISP Team may, in consultation with the Secured Creditors and with the prior written consent of Investissement Québec, or in the event of a disagreement, with the Court’s approval, waive compliance with any one or more of the requirements specified in paragraph 26.

Selection of Successful Bid(s)

28. The SISP Team will inform the Secured Creditors in writing as soon as practicable of any material development in connection with Phase 2 of the SISP and remit copies to the Secured Creditors of any Binding Offers received.

29. The SISP Team, in consultation with the Secured Creditors, may, following the receipt of any Binding Offer, seek clarification with respect to any of the terms or conditions of such Binding Offer and/or request and negotiate one or more amendments to such Binding Offer prior to determining if the Binding Offer should be considered a Phase 2 Qualified Bid.

30. The SISP Team will, in consultation with the Secured Creditors: (a) review and evaluate each Phase 2 Qualified Bid with respect to, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in item (i) above; (iii) the likelihood of the Phase 2 Qualified Bidder’s ability to close a transaction and the timing thereof (including factors such as the transaction structure and execution

risk, including conditions to, timing of, and certainty of closing; termination provisions; financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court's approval of the Phase 2 Qualified Bid as a Successful Bid, (v) the benefit to the Debtors and its stakeholders, and (vi) any other factors the SISP Team may deem relevant; and (b) identify the best bids, in consultation with the Secured Creditors and with the prior written consent of Investissement Québec or, in the event of a disagreement, with the Court's approval, (the "**Successful Bid(s)**", and the Phase 2 Qualified Bidder(s) making such Successful Bid(s), the "**Successful Bidder(s)**"). Any Successful Bid shall be subject to approval by the Court.

31. In the event no Phase 2 Qualified Bidder submits a Phase 2 Qualified Bid, the SISP will be terminated.
32. In the event that there is more than one (1) Phase 2 Qualified Bid, the SISP Team, in consultation with the Secured Creditors and, as may be required, may: (a) continue negotiations with a selected number of Phase 2 Qualified Bidders (collectively, the "**Selected Bidders**") with a view to finalizing an agreement with one or more of the Selected Bidders and declaring such bids to constitute Successful Bids, or (b) conduct one or more auctions (the "**Auction(s)**") on terms and conditions to be determined by the SISP Team, with a view to determine the best Sale Proposals, Partial Sale Proposals or Investment Proposals, pursuant to Auction rules to be determined by the SISP Team, in consultation with the Secured Creditors.
33. In the event that an Auction or Auctions will be held, all Phase 2 Qualified Bidders who submitted a Phase 2 Qualified Bid that the SISP Team determines, in consultation with the Secured Creditors, entitles such Phase 2 Qualified Bidder to participate in the Auction, will be promptly advised by the SISP Agent of such determination, and informed of the procedures applicable to such Auction.
34. The final Successful Bid(s) shall be selected by the SISP Team, in consultation with the Secured Creditors and with the prior written consent of Investissement Québec or, in the event of a disagreement, with the Court's approval, no later than January 21, 2025, at 5:00 p.m. (prevailing Eastern Time), and the definitive documentation in respect of the Successful Bid shall be finalized and executed no later than the week of January 26, 2025, which definitive documentation shall be conditional only upon the receipt of the Approval Order(s) and the express conditions set out therein and shall provide that the Successful Bidder shall use all commercially reasonable efforts to close the proposed transaction by no later than the Target Closing Date, or such longer period as shall be agreed to by the SISP Team, in consultation with the Secured Creditors and with the prior written approval of the Successful Bidder. In any event, the Successful Bid must be closed by no later than the Outside Date.

Approval of Successful Bid(s)

35. The Debtors shall apply to the Court (the “**Approval Application**”) for one or more orders: (i) approving the Successful Bid(s) and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby; (ii) granting a vesting order and/or reverse vesting order to the extent that such relief is contemplated by the Successful Bid(s), as applicable, so as to vest title to any purchased assets in the name of the Successful Bidder(s) and/or vesting unwanted liabilities out of one or more of the Debtors; and/or (iii) sanctioning a plan of compromise and/or arrangement in respect of the Debtors, to the extent applicable (collectively, the “**Approval Order(s)**”). The Approval Application will be held on a date to be scheduled by the Debtors and confirmed by the Court upon application by the Debtors, who shall use their commercially reasonable efforts to schedule the Approval Application during the week of January 26, 2025, subject to Court availability. With the consent of the SISP Team, Investissement Québec and the Successful Bidder(s) and in consultation with the Secured Creditors, the Approval Application may be adjourned or rescheduled by the Debtors without further notice, by an announcement of the adjourned date at the Approval Application or in a notice to the service list of the CCAA Proceedings prior to the Approval Application. The SISP Team shall consult with the Successful Bidder regarding the application material to be filed by the Debtors for the Approval Application.
36. Any Phase 2 Qualified Bid (other than a Successful Bid as the case may be) shall be deemed rejected on and as of the date of the closing of an overlapping Successful Bid, with no further or continuing obligation of the Debtors, the Monitor or the SISP Agent to such unsuccessful Phase 2 Qualified Bidder.
37. The Debtors and the Successful Bidder shall take all reasonable steps to complete the transaction contemplated by the Successful Bid as soon as possible after the Successful Bid is approved by the CCAA Court.

Deposits

38. The Deposit(s):
 - (a) shall, upon receipt from the Phase 2 Qualified Bidder(s), be retained by the Monitor and deposited in a non-interest-bearing trust account;
 - (b) received from the Successful Bidder(s), shall:
 - (i) be applied to the purchase price to be paid by the applicable Successful Bidder whose Successful Bid is the subject of an Approval Order, upon closing of the approved transaction; and
 - (ii) shall otherwise be held and refundable in accordance with the terms of the definitive documentation in respect of any Successful

Bid, provided that all such documentation shall provide that the Deposit shall be retained by the Debtors and forfeited by the Successful Bidder, if the Successful Bid fails to close by the Outside Date, and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of the Successful Bid; and

- (c) received from a Phase 2 Qualified Bidder that is not a Successful Bidder shall be fully refunded, to the Phase 2 Qualified Bidder that paid the Deposit as soon as practical following the closing of the transaction contemplated by the overlapping Successful Bid of such Successful Bidder.

"As is, where is"

- 39. Any sale(s) or investment(s) made pursuant to this SISP will be on an "**as is, where is**" basis except for representations and warranties that are customarily provided in definitive documents for a company subject to CCAA proceedings. Any such representations and warranties provided for in the definitive documents shall not survive closing.

Further Orders

- 40. At any time during the SISP, the Debtors, or the Monitor may apply to the Court for advice and directions with respect to any aspect of this SISP and the SISP Procedures including the continuation of the SISP or with respect to the discharge of their powers and duties hereunder.

Additional Terms

- 41. In addition to any other requirement of these SISP Procedures:
 - (a) The SISP Team shall, at all times prior to the selection of a Successful Bid, use commercially reasonable efforts to facilitate a competitive bidding process in the SISP including by actively soliciting participation by all persons who would be customarily identified as potential bidders in a process of this kind.
 - (b) Any consent, approval or confirmation to be provided by the Debtors, Investissement Québec or the Monitor is ineffective unless provided in writing and any approval required pursuant to the terms hereof is in addition to, and not in substitution for, any other approvals required by the CCAA or as otherwise required at law in order to implement a Successful Bid. For the avoidance of doubt, a consent, approval or confirmation provided by email shall be deemed to have been provided in writing for the purposes of this paragraph.

- (c) The Court at all times retains the discretion to approve or not any Successful Bid, direct the clarification, termination, extension or modification of the SISP and SISP Procedures on application of any interested party.
- (d) Prior to the seeking of Court approval for any transaction or bid contemplated by this SISP, the Monitor will provide a report to the Court on the SISP process, parts of which may be filed under seal, including in respect of any and all bids received.

Consultation Rights

- 42. Subject to paragraph 43 hereof, during the SISP, the Secured Creditors and the members of the Debtors' senior management will be entitled to be consulted and to receive, on a confidential basis, any confidential information or document in connection with the SISP, including copies of any bid submitted in the context of the SISP and any other confidential information or document reasonably requested (collectively, and together with any other consultation or approval rights (if any) provided in these SISP Procedures, the "**Consultation Rights**"), provided that they undertake to keep confidential any information received in connection with the SISP, and not to disclose any such information to any person, except the Debtors, the Monitor, the Secured Creditors and/or directors of the Debtors' or members of the Debtors' senior management with effective Consultation Rights.
- 43. However, in order to preserve the integrity of the SISP, the Secured Creditors and members of the Debtors' senior management will be required, by December 3, 2025 (the "**Notice Deadline**") to notify, in writing, the SISP Team as to whether: (a) it intends to submit or otherwise participate in any way in a bid with respect to the Business (or any part or portion thereof), whether directly or indirectly, alone or with any other party (each a "**Participation Notice**") or (b) it does not intend to submit or otherwise participate in any way in a bid with respect to the Business (or any part or portion thereof), whether directly or indirectly, alone or with any other party (each a "**Non-Participation Notice**").
- 44. If, by the Notice Deadline, the SISP Team receives an irrevocable Non-Participation Notice from the Secured Creditors or member of the Debtors' senior management confirming that it does not intend to submit or otherwise participate in any way in a bid with respect to the Business (or any part or portion thereof), whether directly or indirectly, alone or with any other party, then the Consultation Rights or other approval rights of Investissement Québec or such member of the Debtors' senior management shall be maintained.
- 45. However, if, by the Notice Deadline, the SISP Team does not receive a Non-Participation Notice from one or more of the Secured Creditors or from a member of the Debtor's senior management, or if the SISP Team does receive a Participation Notice from one or more of the Secured Creditors or from a member

of the Debtors' senior management confirming its intention to submit or otherwise participate in any way in a bid with respect to the Business (or any part or portion thereof), whether directly or indirectly, alone or with any other party, then the Consultation Rights or other approval rights of such Secured Creditors or such member of the Debtors' senior management shall be suspended without further notice or delay. The suspension of the Consultation Rights or other approval rights of such Secured Creditor or such member of the Debtors' senior management shall be maintained until such Secured Creditor or member of the Debtors' senior management provides a Non-Participation Notice confirming in writing to the SISP Team that it will not be submitting or participating in any way in a bid with respect to the Business (or any part or portion thereof), whether directly or indirectly, alone or with any other party.

46. In addition to the foregoing, if at any time during the SISP (including, for greater certainty, following the Notice Deadline), the SISP Team is made aware of: (i) any member of the Debtors' senior management intending to submit or otherwise participate in any way in a bid with respect to the Business (or any part or portion thereof), whether directly or indirectly, alone or with any other party; or (ii) the fact that any member of the Debtors' senior management is otherwise solicited by, receives an offer from or entertains any meaningful discussions with a Potential Bidder in connection with a potential opportunity (through employment or otherwise) in respect of the Business in the context of a potential transaction that may reasonably be considered likely to influence his or her decision-making, then the SISP Team will determine whether any guidelines or measures are necessary or advisable to be implemented to preserve the integrity of the SISP.

APPENDIX A DEFINED TERMS

"Approval Application" shall have the meaning set forth in paragraph 35.

"Approval Order(s)" shall have the meaning set forth in paragraph 35.

"Auction(s)" shall have the meaning set forth in paragraph 31.

"Binding Offer" shall have the meaning set forth in paragraph 25.

"Business" shall have the meaning set forth in the preamble.

"Business Day" means a day on which banks are open for business in Montréal but does not include a Saturday, Sunday or statutory holiday in the Province of Québec.

"CCAA" shall have the meaning set forth in the preamble.

"CCAA Proceedings" shall have the meaning set forth in the preamble.

"CIM" shall have the meaning set forth in paragraph 14.

"Clean Rooms" shall have the meaning set forth in paragraph 11.

"Company" shall have the meaning set forth in the preamble.

"Consultation Rights" shall have the meaning set forth in paragraph 42.

"Court" shall have the meaning set forth in the preamble.

"Debtors" shall have the meaning set forth in the preamble.

"Deposit" shall have the meaning set forth in paragraph 26(j).

"Financing Party" shall have the meaning set forth in paragraph 12.

"Initial Order" shall have the meaning set forth in the preamble.

"Investment Proposal" shall have the meaning set forth in paragraph 17(h)(ii).

"LOI" shall have the meaning set forth in paragraph 16.

"Monitor" shall have the meaning set forth in the preamble.

"NDA" shall have the meaning set forth in paragraph 12.

"Non-Participation Notice" shall have the meaning set forth in paragraph 43.

"Notice Deadline" shall have the meaning set forth in paragraph 43.

"Opportunity" shall have the meaning set forth in paragraph 1.

"Outside Date" shall have the meaning set forth in paragraph 26(k).

"Partial Sale Proposal" shall have the meaning set forth in paragraph 17(h)(i).

"Participation Notice" shall have the meaning set forth in paragraph 43.

"Phase 1 Bid Deadline" shall have the meaning set forth in paragraph 16.

"Phase 1 Qualified Bid" shall have the meaning set forth in paragraph 16.

"Phase 1 Qualified Bidder" shall have the meaning set forth in paragraph 13.

"Phase 1 Satisfactory Bid" shall have the meaning set forth in paragraph 19.

"Phase 2 Bid Deadline" shall have the meaning set forth in paragraph 25.

"Phase 2 Qualified Bid" shall have the meaning set forth in paragraph 25.

"Phase 2 Qualified Bidder" shall have the meaning set forth in paragraph 19.

"Potential Bidder" shall have the meaning set forth in paragraph 12.

"Representatives" shall have the meaning set forth in paragraph 14.

"Sale Proposal" shall have the meaning set forth in paragraph 17(h)(i).

"Secured Creditors" shall have the meaning set forth in paragraph 4.

"Selected Bidders" shall have the meaning set forth in paragraph 31.

"Investissement Québec" means Investissement Québec.

"SISP" shall have the meaning set forth in the preamble.

"SISP Agent" shall have the meaning set forth in the preamble.

"SISP Approval Order" shall have the meaning set forth in the preamble.

"SISP Procedures" shall have the meaning set forth in the preamble.

"SISP Team" shall have the meaning set forth in the preamble.

"Solicitation Letter" shall have the meaning set forth in paragraph 10.

"Successful Bid" shall have the meaning set forth in paragraph 30.

"Successful Bidder" shall have the meaning set forth in paragraph 30.

"Target Closing Date" shall have the meaning set forth in paragraph 26(k).

"VDR" shall have the meaning set forth in paragraph 11.

APPENDIX B
Contact Information

TO THE DEBTORS:

Norton Rose Fulbright Canada LLP

1 Place Ville Marie, suite 2500

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Telephone: 514.847.4417 / 514.847.4650

Email: guillaume.michaud@nortonrosefulbright.com /
charlotte.dion@nortonrosefulbright.com

TO THE SISP AGENT:

Ernst & Young Orenda

Attention: Mr. Walid Safi

Telephone: 514.879.8029

Email: walid.safi@parthenon.ey.com

TO THE MONITOR:

KPMG INC.

600, Maisonneuve Ouest, Suite 1500

Montréal, Québec, H3A 0A3

Attention: Mr. Maxime Codère

Telephone: 514.940.7528

Email: mcodere@kpmg.ca

With a copy to: Mr. Stéphane De Broux (sdebroux@kpmg.ca)
Mr. Philippe Deslauriers (pdeslauriers@kpmg.ca)