

COURT FILE NUMBER 2401-01422

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED

APPLICANTS AND IN THE MATTER OF GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., GRIFFON PARTNERS HOLDING CORP and SPICELO LIMITED

DOCUMENT **EIGHTH REPORT OF ALVAREZ & MARSAL CANADA INC. IN ITS CAPACITY AS MONITOR**

**FEBRUARY 14, 2025**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

**MONITOR**  
ALVAREZ & MARSAL CANADA INC.  
Bow Valley Square IV  
Suite 1110, 250 – 6<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 3H7  
Orest Konowalchuk/Duncan MacRae  
Telephone: (403) 538-4736 / (403) 538-7514  
Email: okonowalchuk@alvarezandmarsal.com / dmacrae@alvarezandmarsal.com

**COUNSEL TO THE MONITOR**  
Torys LLP  
525 - 8<sup>th</sup> Avenue SW, 46<sup>th</sup> Floor, Eighth Avenue Place East  
Calgary, Alberta T2P 1G1  
Kyle Kashuba  
Telephone: (403) 776-3744  
Email: kkashuba@torys.com  
File: 39108-2010

**TABLE OF CONTENTS OF THE EIGHTH REPORT OF THE MONITOR**

**INTRODUCTION .....3**

**PURPOSE.....7**

**TERMS OF REFERENCE AND DISCLAIMER .....8**

**ACTIVITIES OF THE MONITOR.....8**

**PROPOSED DISTRIBUTION .....11**

**ACTUAL CASH FLOW RESULTS COMPARED TO FORECAST.....12**

**CASH FLOW FORECAST .....13**

**APPROVAL OF PROFESSIONAL FEES AND EXPENSES .....15**

**STAY EXTENSION .....16**

**RECOMMENDATIONS.....17**

## INTRODUCTION

1. On August 25, 2023, Griffon Partners Operation Corp. (“**GPOC**”), Griffon Partners Holding Corp. (“**GPHC**”), Griffon Partners Capital Management Ltd. (“**GPCM**”), 2437801 Alberta Ltd. (“**801 AB**”), 2437799 Alberta Ltd. (“**799 AB**”), 2437815 Alberta Ltd. (“**815 AB**”), Stellion Limited (“**Stellion**”), and Spicelo Limited (“**Spicelo**”) each filed Notices of Intention to Make a Proposal (“**NOI**”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”). Alvarez & Marsal Canada Inc. (“**A&M Inc.**”) consented to act as Trustee under the Proposal (“**Proposal Trustee**”).
2. For the purposes of this eighth report (the “**Eighth Report**” or “**this Report**”):
  - a) GPOC, GPHC, GPCM, 801 AB, 799 AB, 815 AB, Stellion and Spicelo are collectively referred to as the “**Companies**”;
  - b) GPHC and GPCM are together referred to as the “**Remaining Griffon Entities**”; and
  - c) 801 AB, 799 AB, 815 AB and Stellion are collectively referred to as the “**Griffon Ownership Companies**”.
3. Pursuant to section 50.4(8) of the BIA, the initial NOI period during which the Companies were required to file a proposal under the NOI proceedings (the “**NOI Proceedings**”) was from August 25, 2023 to September 24, 2023. The Companies subsequently applied to the Court of King’s Bench of Alberta (the “**Court**”) on various dates between September 2023 and January 2024 and were granted a number of stay extension orders, an order approving a sales and investment solicitation process (“**SISP**”) and all orders sought concerning the approval of the actions, activities, conduct, professional fees and costs of A&M Inc., acting in its capacity as the Proposal Trustee in the entire NOI Proceedings, and its counsel.
4. On February 7, 2024, this Honourable Court granted the Companies an initial order (the “**Initial Order**”) as well as an amended and restated initial order to continue the NOI Proceedings under the *Companies’ Creditors Arrangement Act*, RSC 1985,

- c C-36 (as amended the “**CCAA**” or the “**CCAA Proceedings**”), which granted, among other things, a stay of proceedings up to and including March 6, 2024 and appointed A&M Inc. as monitor pursuant to the provisions of the CCAA (in such capacity, the “**Monitor**”).
5. On March 6, 2024, this Honourable Court granted a further extension to the stay of proceedings for GPOC, the Remaining Griffon Entities and the Griffon Ownership Entities (together, the “**Griffon Entities**”) up to and including April 17, 2024. Spicelo was granted a separate extension to the stay of proceedings up to and including March 26, 2024. On March 26, 2024, Spicelo was granted an additional one day extension of the stay of proceedings up to and including March 27, 2024 to allow the Court to consider an application by Spicelo for the granting of enhanced powers to the Monitor and a cross-application by Signal Alpha C4 Limited and Trafigura Canada Ltd. (the “**Senior Secured Lenders**”) placing Spicelo into receivership and appointing a receiver.
  6. On March 27, 2024, this Honourable Court granted an order enhancing the powers of the Monitor of Spicelo in order to allow the Monitor to carry out many of the functions, duties and powers that would normally be carried out by the director of Spicelo, or a receiver appointed over Spicelo, to ensure an orderly and efficient transaction in respect of Spicelo’s assets (or so much thereof as may be necessary) to pay the Senior Secured Lenders their outstanding indebtedness in full (the “**Spicelo EMP Order**”) and an extension of the stay of proceedings for Spicelo to April 17, 2024.
  7. On April 10, 2024, this Honourable Court approved, among other things, a share purchase and sale agreement between GPHC, GPCM and Metamorphic Energy Corp. (the “**GPOC SPA**”) and granted an approval and reverse vesting order (“**RVO**”) to complete and implement the GPOC SPA (the “**Share Purchase Transaction**”). This Honourable Court also granted an order approving the actions, activities and conduct of the Monitor (from February 1, 2024 to April 3, 2024) and provided additional protections for the Monitor pursuant to the Spicelo EMP Order.

8. The Share Purchase Transaction closed on April 16, 2024 and, further to the RVO, GPOC ceased to be an applicant or party in the CCAA Proceedings.
9. On April 17, 2024, this Honourable Court granted an order:
  - a) enhancing the powers of the Monitor of the Remaining Griffon Entities and the Griffon Ownership Entities;
  - b) authorizing and permitting the Monitor to distribute to the Senior Secured Lenders the Spicelo Interim Distribution (as set out and defined in the Fourth Report of the Monitor dated April 10, 2024 (the “**Fourth Report**”) and quantified in Confidential Appendix 1 (the “**Confidential Appendix**”));
  - c) authorizing and permitting the Monitor to distribute to the Senior Secured Lenders the Griffon Entities Interim Distribution (as set out and defined in the Fourth Report and quantified in the Confidential Appendix to same);
  - d) extending the stay of proceedings to May 17, 2024; and
  - e) approving the fees and disbursements of the Monitor and its counsel as reported since the Monitor’s Pre-Filing Report dated February 1, 2024 through to the date of the Third Report, being April 3, 2024.
10. On May 15, 2024, this Honourable Court granted an order:
  - a) discharging the Monitor and terminating the CCAA Proceedings for the Griffon Ownership Entities;
  - b) extending the stay of proceedings for Spicelo and the Remaining Griffon Entities up to and including August 16, 2024; and
  - c) approving the actions, activities and conduct of the Monitor as reported in the Fourth Report and the Fifth Report of the Monitor dated May 7, 2024 (the “**Fifth Report**”), along with the fees and disbursements of the Monitor and its counsel, as set out in the Fifth Report.

11. On June 13, 2024, an Application for Leave to Appeal was heard by Grosse J.A. of the Alberta Court of Appeal (the “**Court of Appeal**”), concerning the Marshalling Decision.
12. On August 15, 2024, this Honourable Court granted an order:
  - a) extending the stay of proceedings for Spicelo and the Remaining Griffon Entities up to and including November 15, 2024; and
  - b) approving the actions, activities and conduct of the Monitor as reported in the Sixth Report of the Monitor dated August 2, 2024 (the “**Sixth Report**”), along with the fees and disbursements of the Monitor and its counsel, as set out in the Sixth Report.
13. On August 26, 2024, Grosse J.A. of the Court of Appeal granted an application allowing leave to appeal the Marshalling Decision, as further discussed below.
14. On November 13, 2024, this Honourable Court granted an order:
  - a) extending the stay of proceedings for Spicelo and the Remaining Griffon Entities up to and including February 28, 2025; and
  - b) approving the actions, activities and conduct of the Monitor as reported in the Seventh Report of the Monitor dated November 4, 2024 (the “**Seventh Report**”), along with the fees and disbursements of the Monitor and its counsel, as set out in the Seventh Report.
15. The Monitor has scheduled an Application before this Honourable Court for February 25, 2025, seeking the following relief, among other things:
  - a) a further extension of the stay of proceedings for Spicelo and the Remaining Griffon Entities up to and including August 29, 2025;
  - b) authorizing a distribution to the Spicelo stakeholder; and

- c) approving the actions, activities and conduct of the Monitor, along with the fees and disbursements of the Monitor and its counsel, as set out in this Report.

16. All documents and information regarding the NOI Proceedings and the CCAA Proceedings, have been posted on the Monitor's website at [www.alvarezandmarsal.com/griffonpartners](http://www.alvarezandmarsal.com/griffonpartners) (the "**Website**").

## **PURPOSE**

17. The purpose of this Eighth Report is to provide this Honourable Court and the Companies' stakeholders an update with respect to the following:

- a) an update concerning the activities of the Monitor since the Seventh Report,
- b) the Monitor's request for a distribution order for any proceeds in the Spicelo estate (net of costs to complete the remaining administration);
- c) the actual cash flow receipts and disbursements as compared to the cash flow forecast outlined in the Seventh Report;
- d) an updated monthly cash flow forecast for the monthly period to August 29, 2025;
- e) the request for an extension of the stay of proceedings for Spicelo and the Remaining Griffon Entities;
- f) the request for approval of the actions, activities and conduct of the Monitor, along with the fees and disbursements of the Monitor and its counsel, as set out in this Report; and
- g) the Monitor's recommendations.

18. Further background of the Companies, their operations and the SISP is contained in the materials filed in the NOI Proceedings and CCAA Proceedings, which can be found on the Website.

## TERMS OF REFERENCE AND DISCLAIMER

19. In preparing this Report, A&M Inc., in its capacity as the Monitor, has been provided with and has relied upon unaudited financial information and the books and records prepared by the Companies and has held discussions with the Companies' management and their respective counsel and directors (collectively, the "**Information**"). Except as otherwise described in this Report in respect of the Companies' cash flow forecast:

- a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CASs**") pursuant to the Chartered Professional Accountants Canada Handbook (the "**CPA Handbook**") and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under CASs in respect of the Information; and
- b) some of the Information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the CPA Handbook, has not been performed.

20. Future oriented financial information referred to in this Report was prepared based on the Companies' estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.

21. All references to dollars are in Canadian currency unless otherwise noted.

## ACTIVITIES OF THE MONITOR

22. The Monitor's activities since the Seventh Report (dated November 4, 2024) have included the following:

- a) various communications and ongoing meetings with Sproule respecting the remaining administrative matters regarding the Remaining Griffon Entities;
- b) various communications and ongoing meetings with Sproule Asset Management (“**Sproule**”) and Five Point Energy Inc. (“**Five Point**”) regarding the return of a post-filing retainer payment made to Sproule;
- c) continued communication with Spicelo’s stakeholder, Jonathan Klesch (“**Klesch**” or the “**Spicelo Equity Interest Holder**”), and Peters & Co (“**Peters**”), concerning the sale of certain Greenfire Resources Ltd. (“**GFR**”) shares;
- d) satisfying the amount payable to Tamarack Valley Energy Ltd. (“**Tamarack**”) pursuant to the Settlement Agreement (as defined herein) by way of sale of certain GFR shares;
- e) monitoring of the Spicelo and the Remaining Griffon Entities cash flow actuals to forecast; and
- f) ongoing monitoring of the financial affairs and other activities by the Monitor.

### Spicelo Update

- 23. Spicelo is an investment company incorporated pursuant to the laws of the Republic of Cyprus and extra-provincially registered in Alberta, whose primary asset is the shares (the “**Pledged Shares**”) held in GFR (publicly traded on the NYSE under the ticker symbol ‘**GFR**’).
- 24. As part of the security package to the Senior Secured Lenders, Spicelo provided a Limited Recourse Guarantee and Securities Pledge Agreement dated July 21, 2022 (the “**Spicelo Guarantee**”), with respect to (a) the Pledged Shares; and (b) a USD \$6,624,583 dividend (together, the “**Spicelo Collateral**”).
- 25. On May 14, 2024, Madam Justice L.K. Harris rendered a decision that held that Tamarack has no claim against the assets of Spicelo and that GPOC’s Senior

Secured Lenders are not required to exhaust their remedies pursuant to the Spicelo Guarantee prior to realizing on the proceeds from GPOC's SISP (the "**Marshalling Decision**"). While leave to appeal the Marshalling Decision was sought by Tamarack and granted by the Court of Appeal on October 21, 2024, following good faith negotiations, Spicelo (through the Monitor acting within its Enhanced Powers), Klesch and Tamarack agreed to settle and compromise all disputes between them relating to the Marshalling Decision (the "**Settlement Agreement**").

26. Between November 13, 2024 and November 21, 2024, Peters sold CAD \$1,250,000 (net of commissions) of GFR shares owned by Spicelo, to satisfy the amount payable to Tamarack pursuant to the Settlement Agreement. On November 22, 2024, the Monitor wired Tamarack CAD \$1,250,000 and the parties executed a Discontinuance of Appeal.

#### Griffon Update

27. GPOC and Sproule entered into a management agreement signed August 22, 2022, which was further amended effective July 1, 2023 (the "**GPOC/Sproule Agreement**").
28. On October 16, 2023, Sproule issued GPOC a retainer invoice for \$84,000.00. Upon receipt, GPOC funded the cash retainer to be held by Sproule.
29. Among other things, the GPOC SPA contemplates that:
  - a) the GPOC/Sproule Agreement being a Transferred Asset (i.e. not retained in the Share Purchase Transaction);
  - b) Retained Assets includes all prepaid charges and expenses, as well as all other or additional assets, properties, privileges, rights and interests relating to the business of GPOC, the Retained Liabilities or the assets of GPOC (other than any Transferred Assets) of every kind and description and wherever located, whether known or unknown, fixed or unfixed,

accrued, absolute, contingent or otherwise, and whether or not specifically referred to in the Order; and

- c) the Purchase Price payable at Closing will be adjusted based on a minimum cash balance as quantified in the GPOC SPA (the “**Minimum Cash**”). If the aggregate cash balance in GPOC at April 2, 2024 (“**April 2 Cash Balance**”) is less than the Minimum Cash, the Purchase Price payable by Metamorphic at Closing shall be reduced by an amount equal to the amount the difference between the Minimum Cash and the April 2 Cash Balance.

- 30. Upon granting of the RVO, the GPOC/Sproule Agreement was vested to GPHC.
- 31. The Monitor has recently received the respective position of Sproule and Five Point as it relates to the legal beneficiary of the Sproule Retainer and continues to review the facts and agreements. The Monitor will attempt to consensually resolve the matter as between the parties; should those efforts fail, the Monitor will seek a declaration of this Court.

### **PROPOSED DISTRIBUTION**

- 32. While an allocation exercise has not been conducted pertaining these CCAA Proceedings, by satisfying the Spicelo Guarantee (to the amount of USD \$30,983,758.27) over GPOC, Spicelo is the *de facto* fulcrum secured creditor of the Remaining Griffon Entities.
- 33. As such, any remaining recovery in the Remaining Griffon Entities should be transferred back to Spicelo and any remaining costs will be borne by all the entities.
- 34. The Monitor is not aware of any remaining creditor of Spicelo, apart for the beneficiaries of the Administration Charge.
- 35. Accordingly, the Monitor is seeking approval to distribute any residual estate funds in Spicelo to the Spicelo Equity Interest Holder.

## ACTUAL CASH FLOW RESULTS COMPARED TO FORECAST

### Remaining Griffon Entities

36. The Remaining Griffon Entities’ actual cash receipts and disbursements during the period of November 1, 2024 to February 14, 2025 (the “**Reporting Period**”) as compared to the updated weekly cash flow forecast for the same period as outlined in the Seventh Report, is in the chart below:

Remaining Griffon Entities CCAA Cash Flow Variances period-ending February 14, 2025			
	Cash Flow Forecast	Actuals	Variance
<i>Unaudited, \$CAD</i>			
<u>Cash Receipts</u>			
Spicelo Funding	\$ -	\$ 3,147	\$ 3,147
Interest Received	-	193	\$ 193
<b>Total cash receipts</b>	-	<b>3,340</b>	<b>\$ 3,340</b>
<u>Cash Disbursements</u>			
Joint Venture Payments	-	-	\$ -
3rd Party Accounting Support & Tax Return Preparation Fees	(20,000)	(11,669)	\$ 8,331
Bank Fees	-	-	\$ -
Professional Fees	-	(19,034)	\$ (19,034)
<b>Total cash disbursements</b>	<b>(20,000)</b>	<b>(30,703)</b>	<b>\$ (10,703)</b>
<b>Net cash flow</b>	<b>\$ (20,000)</b>	<b>\$ (27,363)</b>	<b>\$ (7,363)</b>
<u>Net Change in Cash</u>			
Beginning of period	27,405	27,405	\$ -
Net Cash Flow	(20,000)	(27,363)	\$ (7,363)
Invoices applied against retainers	-	-	\$ -
<b>Ending of period</b>	<b>\$ 7,405</b>	<b>\$ 42</b>	<b>\$ (7,363)</b>
Opening retainers	-	-	\$ -
Invoices applied against retainers	-	-	\$ -
<b>Ending of period</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

37. Over the Reporting Period, the Remaining Griffon Entities experienced a negative cash flow variance relating to the payment of professional fees. The Monitor determined to fund outstanding professional fees by way of outstanding cash in the respective entities.

## Spicelo

38. Spicelo's actual cash receipts and disbursements during the Reporting Period as compared to the updated weekly cash flow forecast for the same period as outlined in the Seventh Report, is included in the chart below:

<b>Spicelo</b>			
<b>CCAA Cash Flow Variances</b>	<b>Cash Flow</b>	<b>Actuals</b>	<b>Variance</b>
<i>period-ending February 14, 2025</i>	<b>Forecast</b>		
<i>Unaudited, \$USD</i>			
<u>Cash Receipts</u>			
Share Proceeds (net of commissions)	\$ 905,797	\$ 905,797	\$ -
Interest Received	-	171	\$ 171
<b>Total cash receipts</b>	<b>905,797</b>	<b>905,968</b>	<b>\$ 171</b>
<u>Cash Disbursements</u>			
Tamarack Distribution	(905,797)	(905,797)	\$ -
Operating Disbursements	-	(3,020)	\$ (3,020)
Griffon Funding	-	(2,298)	\$ (2,298)
Professional Fees	-	(16,213)	\$ (16,213)
<b>Total cash disbursements</b>	<b>(905,797)</b>	<b>(927,328)</b>	<b>\$ (21,531)</b>
<b>Net cash flow</b>	<b>\$ -</b>	<b>\$ (21,360)</b>	<b>\$ (21,360)</b>
<u>Net Change in Cash</u>			
Beginning of period	27,064	27,064	\$ 27,064
Net Cash Flow	-	(21,360)	\$ (21,360)
<b>Ending of period</b>	<b>\$ 27,064</b>	<b>\$ 5,704</b>	<b>\$ 5,704</b>
Opening retainers	111,020	111,020	\$ -
Invoices applied against retainers	-	(29,543)	\$ (29,543)
<b>Ending of period</b>	<b>\$ 111,020</b>	<b>\$ 81,477</b>	<b>\$ (29,543)</b>

39. Over the Reporting Period, Spicelo experienced a negative cash flow variance relating to the payment of professional fees. The Monitor determined to fund outstanding professional fees by way of outstanding cash in the respective entities.

## **CASH FLOW FORECAST**

### Remaining Griffon Entities

40. The Monitor has prepared an updated monthly cash flow forecast for the Remaining Griffon Entities for the monthly period to August 29, 2025 using the probable and hypothetical assumption that remaining professional fees will be paid (in addition to the utilization of the remainder of the original retainers discussed above). The Monitor is currently evaluating the benefit and/or necessity of assigning the

Remaining Griffon Entities into bankruptcy, to among other things, crystallize various creditor claims. Should this be required, the Monitor estimates the professional fees may be in the range of \$35,000 to \$50,000.

Remaining Griffon Entities Monthly Cash Flow Forecast	<i>month ended</i>	Month 1 2025-02	Month 2 2025-03	Month 3 2025-04	Month 4 2025-05	Month 4 2025-05	Month 4 2025-05	Month 4 2025-05	Total
<i>Unaudited, \$CAD</i>									
<b>Cash Receipts</b>									
Interest Received		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total cash receipts</b>		-	-	-	-	-	-	-	\$ -
<b>Cash Disbursements</b>									
Joint Venture Payments		-	-	-	-	-	-	-	\$ -
3rd Party Accounting & Tax Return Preparation Fees		-	-	-	-	-	-	-	\$ -
Professional Fees		-	-	-	-	-	-	-	\$ -
<b>Total cash disbursements</b>		-	-	-	-	-	-	-	\$ -
<b>Net cash flow</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Change in Cash</b>									
Beginning of period		42	42	42	42	42	42	42	\$ 42
Net Cash Flow		-	-	-	-	-	-	-	\$ -
<b>Ending of period</b>		\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42

### Spicelo

41. The Monitor has prepared an updated monthly cash flow forecast for Spicelo for the monthly period to August 29, 2025 using the probable and hypothetical assumption that no further professional fees will be required to be funded (outstanding and any remaining professional fees and disbursements will be funded by the Remaining Griffon Entities and/or the retainers held by the professionals).

Spicelo Monthly Cash Flow Forecast	<i>month ended</i>	Month 1 2024-11	Month 2 2024-12	Month 3 2025-01	Month 4 2025-02	Month 4 2025-02	Month 4 2025-02	Month 4 2025-02	Total
<i>Unaudited, \$USD</i>									
<b>Cash Receipts</b>									
Interest Received		-	-	-	-	-	-	-	\$ -
<b>Total cash receipts</b>		-	-	-	-	-	-	-	\$ -
<b>Cash Disbursements</b>									
Professional Fees		-	-	-	-	-	-	-	\$ -
<b>Total cash disbursements</b>		-	-	-	-	-	-	-	\$ -
<b>Net cash flow</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Change in Cash</b>									
Beginning of period		5,704	5,704	5,704	5,704	5,704	5,704	5,704	\$ 5,704
Net Cash Flow		-	-	-	-	-	-	-	\$ -
<b>Ending of period</b>		\$ 5,704	\$ 5,704	\$ 5,704	\$ 5,704	\$ 5,704	\$ 5,704	\$ 5,704	\$ 5,704

**APPROVAL OF PROFESSIONAL FEES AND EXPENSES**

42. The Monitor and its legal counsel have now rendered their invoices for their respective fees and disbursements for services in connection with the CCAA Proceedings and are seeking approval of same from this Honourable Court.
43. The Monitor seeks approval from this Honourable Court of the professional fees and disbursements of the Monitor for the period of November 1, 2024 to January 31, 2025 (the “**Monitor Taxation Period**”), and Torys for the period of November 1, 2024 to January 31, 2025 (the “**Torys Taxation Period**”) totalling in aggregate, \$42,246.04 (inclusive of GST).
44. The total fees and expenses of the Monitor during the Monitor Taxation Period are \$19,944.52 (exclusive of GST), a summary of which is included below:

<b>Monitor Fees &amp; Disbursements - Taxation Period</b>						
<b>Invoice</b>	<b>Period</b>	<b>Fees</b>	<b>Disbursements</b>	<b>Subtotal</b>	<b>GST</b>	<b>Total</b>
<i>Taxation Period</i>						
#10	1-Nov-24 to 30-Nov-24	\$ 13,213.00	\$ 170.66	\$ 13,383.66	\$ 669.18	\$ <b>14,052.84</b>
#11	1-Dec-24 to 31-Dec-24	\$ 3,386.00	\$ -	\$ 3,386.00	\$ 191.80	\$ <b>3,577.80</b>
#12	1-Jan-25 to 31-Jan-25	\$ 2,993.00	\$ 181.86	\$ 3,174.86	\$ 158.74	\$ <b>3,333.60</b>
<b>Total</b>		\$ <b>19,592.00</b>	\$ <b>352.52</b>	\$ <b>19,944.52</b>	\$ <b>1,019.72</b>	\$ <b>20,964.24</b>

45. The total fees and expenses of the Monitor’s counsel during the Torys Taxation Period total \$20,273.00 (exclusive of GST), a summary of which is included below:

<b>Torys Fees &amp; Disbursements - Taxation Period</b>						
<b>Invoice</b>	<b>Period</b>	<b>Fees</b>	<b>Disbursements</b>	<b>Subtotal</b>	<b>GST</b>	<b>Total</b>
<i>Taxation Period</i>						
1658795	1-Nov-24 to 15-Nov-24	\$ 10,102.00	\$ 70.00	\$ 10,172.00	\$ 505.10	\$ <b>10,677.10</b>
1661137	16-Nov-24 to 30-Nov-24	\$ 6,280.00	\$ 11.00	\$ 6,291.00	\$ 314.00	\$ <b>6,605.00</b>
1663242	1-Dec-24 to 31-Dec-24	\$ 812.00	\$ -	\$ 812.00	\$ 40.60	\$ <b>852.60</b>
1666446	1-Jan-25 to 31-Jan-25	\$ 2,982.00	\$ 16.00	\$ 2,998.00	\$ 149.10	\$ <b>3,147.10</b>
<b>Total</b>		\$ <b>20,176.00</b>	\$ <b>97.00</b>	\$ <b>20,273.00</b>	\$ <b>1,008.80</b>	\$ <b>21,281.80</b>

46. The Monitor and its counsel’s invoices outline the date of the work completed, the description of the work completed, the length of time taken to complete the work and the name of the individual who completed the work in question. Copies of the

invoices of the Monitor and Torys will be made available to the Court upon request, if necessary.

47. The Monitor respectfully submits that its professional fees and disbursements and those of its legal counsel are fair and reasonable in the circumstances, given the substantive tasks required to be performed by the Monitor and its legal counsel in connection with the CCAA Proceedings.

### **STAY EXTENSION**

48. Pursuant to the order granted on November 13, 2024, the stay of proceedings for Spicelo and the Remaining Griffon Entities will expire on February 28, 2025. The Monitor is seeking an extension of the stay of proceedings to August 29, 2025 (the “**Stay Extension**”).

49. The Monitor recommends the Stay Extension for the following reasons:
- a) the Stay Extension will maintain the *status quo* and allow for the Monitor to focus on completing the necessary work to bring the CCAA Proceedings to an orderly conclusion;
  - b) the Monitor anticipates that extending the stay of proceedings to August 29, 2025 should provide sufficient time for the Monitor to finalize the administration of the CCAA Proceedings, and does not expect there will be any further stay extension requests. This includes:
    - i. resolving the dispute concerning the Sproule Retainer; and
    - ii. bankrupting GPHC (the entity where the unwanted assets and liabilities were vested, pursuant to the RVO) and discharging the trustee;
  - c) the Monitor is not aware of any creditor who will be materially prejudiced by the Stay Extension;

- d) there continues to be sufficient cash availability forecast during the period of the Stay Extension and there is no interim financing required (and has not required to date); and
- e) in the Monitor's opinion, Spicelo and the Remaining Griffon Entities have acted in good faith and with due diligence in these CCAA Proceedings since the date of the Initial Order.

## **RECOMMENDATIONS**

50. The Monitor respectfully recommends that this Honourable Court approve the following relief:

- a) a further extension of the stay of proceedings for Spicelo and the Remaining Griffon Entities up to and including August 29, 2025;
- b) authorizing the Monitor to distribute the proceeds from any sale or transaction respecting the Spicelo Pledged Shares, as necessary, to the Spicelo Equity Interest Holder; and
- c) approving the actions, activities and conduct of the Monitor, along with the fees and disbursements of the Monitor and its counsel, as set out in this Report.

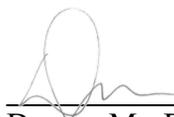
All of which is respectfully submitted this 14<sup>th</sup> day of February, 2025

**ALVAREZ & MARSAL CANADA INC.,  
in its capacity as Monitor of Spicelo and the Remaining Griffon Entities  
and not in its personal or corporate capacity**



---

Orest Konowalchuk, CPA, CA, CIRP, LIT  
Senior Vice President



---

Duncan MacRae, CPA, CA, CIRP, LIT  
Vice President