

Indiva Obtains Creditor Protection to Pursue Restructuring and Sales Process

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[INDIVA Ltd.](#) ("Indiva") (TSXV:NDVA) announced today that Indiva and its subsidiaries (collectively, the "Indiva Group") have been granted an order (the "Initial Order") from the Ontario Superior Court of Justice (Commercial List) (the "Court") under the Companies' Creditors Arrangement Act (the "CCAA"), in order to restructure their business and financial affairs.

Due to, among other things, the fragmentation of the cannabis industry, financial underperformance and pressures resulting from obligations owing to creditors, the Indiva Group has incurred cumulative losses. After careful consideration of all available alternatives including undertaking a strategic review which was unsuccessful in identifying a suitable acquirer or raising sufficient capital to fund certain liabilities, the board of directors of each member of the Indiva Group determined that it was in the best interest of the Indiva Group and its stakeholders to seek creditor protection under the CCAA.

The Initial Order provides for, among other things, a stay of proceedings in favour of the Indiva Group, the approval of debtor-in-possession financing ("DIP Financing") and the appointment of PricewaterhouseCoopers Inc. as monitor of the Indiva Group (in such capacity, the "Monitor"). In addition, the Initial Order provides Indiva with relief from certain reporting obligations under securities legislation and stock exchange rules.

Bennett Jones LLP is acting as counsel for the Indiva Group in its CCAA proceedings.

The stay of proceedings and DIP Financing will provide the Indiva Group with the time and stability required to consider potential restructuring transactions and maximize the value of its assets for the benefit of its creditors and other stakeholders. This may include the sale of all or substantially all of the business or assets of the Indiva Group through a court-supervised sales process.

In that regard, the Indiva Group intends to seek Court approval to launch a sale and investment solicitation process for its business and assets (the "SISP") in the near term. The SISP is expected to be administered by the Monitor. In connection with the SISP, Indiva expects to enter into a transaction with SNDL Inc., an existing creditor and significant stakeholder of the Indiva Group, to acquire substantially all of the business and assets of the Indiva Group (the "Stalking Horse Transaction"). The Stalking Horse Transaction is expected to act as the stalking horse bid in the SISP. Additional details in respect of the SISP and the potential Stalking Horse Transaction will be disclosed when available.

The business operations of the Indiva Group will not be interrupted as a result of the CCAA proceedings. It is expected that the Indiva Group will emerge from creditor protection as a stronger company with a healthier balance sheet.

In addition, Indiva also announced that Rachel Goldman resigned from the board of Indiva on June 12, 2024, prior to the board resolving to commence proceedings under the CCAA.

Trading of Indiva's common shares on the TSX Venture Exchange (the "TSXV") may be halted for a period of time and, as a result of having filed for protection under the CCAA, Indiva may be suspended or delisted by the TSXV.

Additional information regarding the CCAA proceedings - including all of the Court materials filed in the CCAA proceedings - may be found at the Monitor's website: www.pwc.com/ca/indiva

About [Indiva Limited](#)

Indiva is proud to be Canada's #1 producer of cannabis edibles. Indiva sets the gold standard for quality and innovation with award-winning products across a wide range of brands including Pearls by Grön, No Future Gummies and Vapes, Bhang Chocolate, Indiva Blips Tablets, Indiva Doppio Sandwich Cookies, and Indiva 1432 Chocolate. Indiva manufactures its top-quality products in its state-of-the-art facility in London, Ontario, and has a corporate workforce remotely distributed across Canada.

Forward-Looking Information and Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. Any such forward-looking statements may be identified by words such as "will", "expects", "anticipates", "intends", "contemplates", "believes", "projects", "plans" and similar expressions. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements in this release include statements regarding: Indiva's expectation that the business operations of the Indiva Group will not be interrupted as a result of the CCAA proceedings; Indiva's belief that the stay of proceedings and DIP Financing will provide the Indiva Group with the time and stability required to consider potential restructuring transactions and maximize the value of its assets for the benefit of its creditors and other stakeholders; Indiva's intention to effect the SISP; and the trading and listing of Indiva's common shares. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; delay or failure to receive creditor or regulatory approvals; the ability to complete any future potential transactions in connection with the SISP in CCAA proceedings and the terms and conditions thereof; the availability of DIP Financing; the application of federal, provincial and municipal laws; the impact of increasing competition; those additional risks set out in Indiva's public documents filed on SEDAR+ at www.sedarplus.com. Although Indiva believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, Indiva disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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