

COURT OF APPEAL

CANADA
PROVINCE OF QUEBEC
MONTREAL SEAT

No.: 500-09-032129-264
(500-11-065391-258)

MINUTES OF HEARING

DATE: August 11, 2026

THE HONOURABLE CHRISTINE BAUDOUIN, J.A.

APPLICANTS	COUNSEL
EXTENDED PLAY MEDIA GROUP INC. BRUCE EDWIN MCMILLAN RALPH EMMANUEL FARAGGI	Mtre Gabrielle Ross Mtre Cara Cameron WOODS
RESPONDENT	COUNSEL
GOGALLOP STUDIOS PTY LTD.	Mtre Annie-Claude Authier Mtre Kalina Léger DLA PIPER (CANADA)
IMPLEADED PARTIES	
EQUESTRIAD STUDIOS INC. EQUUSPORTS INC. REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS	Absent and unrepresented

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DESCRIPTION: **Application for leave to appeal from a judgment rendered in the course of a proceeding on June 2, 2026, by the Honourable Janet Michelin of the Superior Court, District of Montreal (art. 31 and 357 C.C.P.).**

Clerk at the hearing: Chloé Côté-Sauvageau	Courtroom: RC-18
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 HEARING

10:23	Commencement of the hearing. Identification of the file and counsel. Preliminary remarks by the judge.
10:24	Submissions by Mtre Ross.
10:26	Question by the judge and answer by Mtre Ross (interim order for costs under s. 242(4) CBCA); Mtre Ross refers to tabs #4 and #17 of the applicants' Book of Authorities.
10:27	Mtre Ross resumes her submissions.
10:29	Question by the judge and answer by Mtre Ross (irremediable injury); Mtre Ross refers to tabs #5, #9 and #10 of the applicants' Book of Authorities.
10:31	Mtre Ross resumes her submissions.
10:39	Submissions by Mtre Authier.
10:42	Mtre Authier refers to tab #3 of the respondent's Book of Authorities.
10:52	Reply by Mtre Ross.
10:55	BY THE JUDGE: The hearing is postponed until 4:00 p.m. this afternoon for purpose of judgment delivery. Counsel can attend by videoconference.
10:56	Recess of the hearing.
4:01 p.m.	Resumption of the hearing. Counsel are present by videoconference. BY THE JUDGE: Judgment rendered orally at the hearing – see page 4.
4:06 p.m.	Conclusion of the hearing.

JUDGMENT

[1] The applicants seek leave to appeal from a judgment rendered by the Superior Court (the Honourable Janet Michelin) on June 2, 2026, granting in part the respondent's application and ordering the impleaded parties to pay solidarily to the respondent the sum of \$50,000 as an interim order for costs pursuant to subsection 242(4) of the *Canada Business Corporations Act* (CBCA).¹

[2] After reviewing the context of the current oppression litigation between the parties, the judge indicated that for interim costs to be ordered pursuant subsection 242(4) CBCA, the respondent had to establish that 1) it was in financial difficulty; 2) the financial difficulty arose out of the alleged oppression; and 3) it had a strong *prima facie* case.² The judge's well-structured analysis led her to conclude that this was the case. The judge determined that respondent had established a strong *prima facie* case of oppression due to three main factors: Firstly, the applicant's failure to provide financial information about the impleaded parties. Secondly, their denial of a board seat for the respondent in one of the impleaded parties despite it owning shares and intellectual property. Lastly, the lack of independent oversight in the process implemented by the applicants to issue invoices and approve expenses (which are significant) between the companies, which were all decided by the same person, the CFO.

[3] Moreover, based on the financial information filed, the judge concluded that the respondent had established that it cannot generate any revenue, that it had insufficient means to bring this case to trial on the merits and that its financial difficulty appeared to be related to the alleged oppressive conduct.

[4] Leave to appeal is governed by articles 242(4) CBCA and 31 C.C.P and the applicants must establish that the judgment determines part of the dispute or that it causes them irremediable injury. Further, the applicants must demonstrate that the appeal is in the interests of justice and observes the principle of proportionality.³

[5] The judgment does not determine part of the dispute. Neither does it cause irremediable injury to applicants, even if the latter argue that the payment of the interim costs will likely not be reimbursed after a final judgment and that the impleaded parties have limited financial capacities. The judge specifically addressed this point and noted that even if the impleaded party (JV Corp) had some limited capacity – not financial

¹ R.S.C. 1985, c. C-44.

² *Trackcom Systems International Inc. c. Trackcom Systems Inc.* 2014 QCCA 1136, para. 88.

³ *Bailey c. Brome Bird Care inc.*, 2016, QCCA 1711.

incapacity – to pay interim costs, using her discretion and considering the parties' financial situation, she ordered the payment of \$50,000 in interim costs.⁴

[6] I agree with the respondent's submissions that deference is owed to the exercise of the judge's discretion, and I fail to identify any error of law in the determination of the existence of a situation of oppression at this stage, as well as of the financial capacities of all the parties involved. The applicants did not convince me that leave to appeal should be granted and the interests of justice weigh against granting such leave.

FOR THESE REASONS, THE UNDERSIGNED:

[7] **DISMISSES** the application for leave to appeal, with legal costs.

CHRISTINE BAUDOUIN, J.A.

⁴ The respondent was originally asking for interim costs in the amount of \$285,000.