

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD.,
CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS
CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC.,
AND SALUS BIOPHARMA CORPORATION**

**MOTION RECORD
(Sale Approval and CCAA Termination)
(Returnable December 15, 2022)**

December 8, 2022

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Tab 1

**ONTARIO
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CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS
BIOPHARMA CORPORATION**

Applicants

**NOTICE OF MOTION
(Sale Approval and CCAA Termination)
(Returnable December 15, 2022)**

The Applicants will bring a motion before the Honourable Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on Thursday, December 15, 2022 at 11:30 a.m. (Toronto time) or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard via videoconference as a result of the COVID-19 pandemic. Zoom details will be provided by the Court.

THE MOTION IS FOR:

1. An approval and vesting order (the “**Canveda AVO**”), among other things:
 - (a) approving the sale transaction (the “**Canveda Transaction**”) contemplated by the share purchase agreement dated October 16, 2022 (the “**Canveda SPA**”) between MPXI as vendor, Canveda as the purchased entity and 9453-5382 Quebec Inc. as purchaser (the “**Canveda Purchaser**”);

- (b) vesting in the Canveda Purchaser all the right, title and interest of MPXI in and to the Purchased Shares, free and clear from any Encumbrances, except for the Permitted Encumbrances (each as defined in the Canveda SPA);
 - (c) adding a subsidiary of MPXI, 1000331738 Ontario Inc. (“**Residual Co.**”) as an Applicant to these proceedings (the “**CCAA Proceedings**”) in order to effectuate the Canveda Transaction;
 - (d) removing Canveda as an Applicant in these CCAA Proceedings upon closing of the Canveda Transaction; and
 - (e) vesting out of Canveda all Excluded Assets and Excluded Liabilities and discharging all Encumbrances against Canveda other than Permitted Encumbrances (each as defined in the Canveda SPA).
2. an approval and vesting order (the “**Debentureholder AVO**”, and together with the Canveda AVO, the “**Approval and Vesting Orders**”), among other things:
- (a) approving the sale transaction (the “**Debentureholder Transaction**”, and together with the Canveda Transaction, the “**Proposed Transactions**”) contemplated by the share and asset purchase agreement (the “**Debentureholder Purchase Agreement**”) to be entered into between MPXI and Spartan as the vendors (the “**Vendors**”) and ReFlourish Capital Limited (a British Virgin Islands corporation) as purchaser (the “**Purchaser**”) as of December 7, 2022;
 - (b) vesting in the Purchaser all of the issued and outstanding shares held by MPXI of each MPXI Malta Operations Limited (“**Malta Operations**”), MPXI Malta

Holding Limited (“**Malta Holding**”), Prime Pharmaceutical Corporation (“**Prime Pharmaceutical**”), and Salus International Management Limited (“**SIM**”) (each, a “**Purchased Entity**” and collectively, the “**Purchased Entities**”);

- (c) vesting the Spartan Assets (as defined in the Debentureholder Purchase Agreement) in 1000380801 Ontario Inc. (“**Spartan Acquireco**”); and
- (d) vesting the MPX IP (as defined in the Debentureholder Purchase Agreement) in 1000380716 Ontario Inc. (“**IP Holdco**”).

3. An order (the “**CCAA Termination Order**”), among other things:

- (a) extending the Stay of Proceedings (as defined below) in favour of Malta Operations Limited, MPXI Malta Holding Limited, and Salus International Limited (the “**Debentureholder MPXI Entities**”) and all directors and officers of the Debentureholder MPXI Entities until and including the earlier of the closing of the Debentureholder Transaction (being the time that the Monitor issues the Monitor’s Certificate, as appended to the Debentureholder AVO at Schedule “A”) or February 28, 2023;
- (b) extending the Stay of Proceedings in favour of all of the MPXI Entities other than the Debentureholder MPXI Entities (the “**Other MPXI Entities**”), and all of the directors and officers of the Other MPXI Entities, until and including the earlier of the closing of the Canveda Transaction (being the time that the Monitor issues the Monitor’s Certificate, as appended to the Canveda AVO at Schedule “A”) or February 28, 2023;

- (c) extending the Stay of Proceedings to Residual Co. from the time it is added as an Applicant to the filing of the Discharge Certificate (defined below);
- (d) approving the fourth report (the “**Fourth Report**”) of KSV Restructuring Inc. (“**KSV**”), to be filed, in its capacity as monitor of the Applicants (in such capacity, the “**Monitor**”) and the fees, disbursements, activities and fee accrual of the Monitor and its counsel described therein;
- (e) terminating the CCAA Proceedings upon the Monitor’s filing of the certificate appended to the CCAA Termination Order as Schedule “A” (the “**Discharge Certificate**”);
- (f) releasing and discharging KSV as Monitor upon the filing of the Discharge Certificate (the “**CCAA Termination Time**”);
- (g) terminating the Administration Charge and the Directors’ Charge upon the filing of the Discharge Certificate; and
- (h) approving the Releases (as defined below).

4. Such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THIS MOTION ARE:

Background

5. MPXI, a public company listed on the Canadian Securities Exchange, is the ultimate parent company to several companies in the cannabis industry in Canada and internationally, including

Thailand, Malta and Switzerland. Through its subsidiaries, its business and operations focus on production and resale, management consulting for cannabis companies, and cannabis education.

6. On July 25, 2022, the Applicants applied for relief pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) and this Court granted an order (the “**Initial Order**”), which, among other things:

- (a) appointed KSV as Monitor;
- (b) approved the Applicants' ability to borrow under a debtor-in-possession (“**DIP**”) credit facility up to a maximum principal amount of \$2.67 million (the “**DIP Loan**”);
- (c) stayed, for an initial period of not more than ten days (the “**Stay Period**”), all proceedings and remedies taken or that might be taken in respect of the Applicants, the Monitor or the directors and officers of the Applicants, or affecting the Applicants' business or the Property (as defined in the Initial Order), except with the written consent of the Applicants and the Monitor, or with leave of the Court (the “**Stay of Proceedings**”);
- (d) extended the benefit of the Stay of Proceedings to the Non-Applicant Stay Parties (as defined in the Initial Order) and their respective directors and officers;
- (e) granted the Administration Charge up to a maximum amount of \$300,000, the DIP Lenders' Charge up to a maximum amount of \$1,200,000, and the Directors' Charge up to a maximum amount of \$145,000 (each as defined in the Initial Order).

7. On August 4, 2022, the Court granted an amended and restated Initial Order, which, among other things:

- (a) increased the Directors' Charge and the DIP Lenders' Charge to \$410,000 and \$2,670,000, respectively; and
- (b) extended the Stay Period to and including October 21, 2022.

8. The Court also granted an order on August 4, 2022 approving a Sale and Investment Solicitation Process (the "SISP") in respect of the Applicants and the Non-Applicant Stay Parties (collectively, the "MPXI Entities").

9. On October 21, 2022, the Court granted an order which, among other things, extended the Stay Period to and including December 16, 2022, approved an amendment to the DIP Loan pursuant to which the DIP Loan and the DIP Charge were increased from \$2.67 million to \$3.12 million, and approved the fees of the Monitor and its counsel.

Review of the SISP¹

10. The SISP was previously described in the motion materials prepared in connection with the October 21, 2022 hearing. For ease of reference, a summary is below.

11. The SISP contained the following three milestones:

- (a) *Solicitation of interest*: No later than August 5, 2022;
- (b) *Binding Offer Deadline*: September 8, 2022; and

¹ Capitalized terms not otherwise defined in this section have the meanings given to them in the SISP.

(c) *Deadline to Notify Qualified Bidders of Successful Bid: September 12, 2022.*

12. In accordance with the SISP, the following efforts were made to solicit interest:

- (a) Known Potential Bidders were identified and contacted;
- (b) the Monitor arranged for notice of the SISP to be published in the Globe and Mail (National Edition) and issued a press release announcing the Opportunity; and
- (c) the Monitor, with the assistance of the Applicants and in consultation with the DIP Lenders, prepared the Teaser Letter and the NDA.

13. The Monitor solicited interest in the Opportunity from 179 Known Potential Bidders by sending each a copy of the Teaser Letter and NDA. Of these, 15 parties executed an NDA to engage in additional due diligence as Qualified Bidders, and 7 parties submitted offers.

14. After reviewing and considering the offers, the Applicants and the Monitor, with input from the DIP Lenders, ultimately determined that none should be selected as a Successful Bid. Importantly, when all non-duplicative offers were aggregated together, they were not sufficient to repay the primary secured creditors, the Debentureholders, in full.

15. The Applicants continued to engage in good faith discussions with: (i) an interested party regarding the sale of Canveda, and (ii) the DIP Lenders (on behalf of themselves and the Debentureholders) for the sale of multiple MPXI Entities pursuant to a credit bid. On October 16, 2022, MPXI, Canveda, and the Canveda Purchaser entered into the Canveda SPA, which contemplates the Canveda Purchaser acquiring Canveda pursuant to a “reverse vesting order”. The Vendors and the Purchaser also entered the Debentureholder Purchase Agreement on December

7, 2022, which contemplates the Debentureholders acquiring the Purchased Entities, the Spartan Assets, and certain other assets by way of a credit bid.

The Proposed Transactions²

16. The Applicants believe that the Proposed Transactions are in the best interests of the MPXI Entities and their stakeholders. The Proposed Transactions, which are described further below, are each supported by the Monitor and the DIP Lenders.

The Canveda Transaction

17. Pursuant to the Canveda Transaction, the Canveda Purchaser would purchase Canveda and certain assets by way of a reverse vesting order. The Canveda SPA is the product of the Monitor's and the MPXI Entities' extensive efforts to solicit interest in the business and property of the MPXI Entities in accordance with the SISP, with a view to maximizing value for the MPXI Entities' stakeholders. The Canveda Transaction is part of the culmination of these decisions and efforts as well as fulsome consultation with the DIP Lenders, both on their own behalf and on behalf of the Debentureholders.

18. The reverse vesting structure has certain benefits, including facilitating the continuation of the valuable Cannabis Licences. The Applicants believe that the Canveda Transaction provides the best possible outcome for their stakeholders in the circumstances given that, among other things:

- (a) the Canveda SPA is the product of a broad, transparent and fair Court-approved SISP and the efforts of the MPXI Entities and the Monitor to consummate value-maximizing transactions;

² Capitalized terms not otherwise defined in this section have the meaning given to them in the affidavit of Jeremy Budd sworn December 8, 2022.

- (b) the Canveda SPA provides better value for the business of Canveda than the offers obtained in the SISP, and therefore maximizes value for the MPXI Entities' stakeholders in this regard;
- (c) the Canveda SPA also provides better value for the business of Canveda than a sale in bankruptcy, which would jeopardize the ongoing operations of Canveda and the permits and licenses necessary to maintain such operations;
- (d) the Purchase Price, which is satisfied entirely through the payment of cash, is fair and reasonable;
- (e) in addition to allowing the necessary permits and licenses to remain in place, the reverse vesting structure allowed the Canveda Purchaser to retain useful contracts;
- (f) the key secured creditors, the DIP Lenders and the other Debentureholders, who are the only creditors with an economic interest in the Applicants, were consulted and are supportive of the Canveda SPA;
- (g) no creditors or other stakeholders are placed in a worse position as a result of the Canveda Transaction; and
- (h) in addition to the granting of the Canveda AVO, closing of the Canveda SPA is based on customary conditions and requisite approvals and is not predicated on onerous closing obligations.

The Debentureholder Transaction

19. Pursuant to the Debentureholder Transaction, ReFlourish Capital Limited will purchase the securities of Malta Operations, Malta Holding, Prime Pharmaceutical, and SIM that are owned by MPXI. It will also purchase the Spartan Assets, certain accounts and certain intellectual property.

20. The Debentureholder Purchase Agreement contemplates the transaction taking place by way of credit bid by the Debentureholders. The SISP contemplated a credit bid by the Debentureholders, and the relevant provisions governing credit bidding were complied with.

21. The Debentureholder Purchase Agreement is the product of the Monitor and the MPXI Entities' extensive efforts to solicit interest in the business and the property of the MPXI Entities in accordance with the SISP, with a view to maximizing value for the MPXI Entities' stakeholders. The Applicants believe the Debentureholder Purchase Agreement provides the best possible outcome for their stakeholders in the circumstances given that, among other things:

- (a) the Debentureholder Purchase Agreement is the product of a broad, transparent and fair Court-approved SISP, and the efforts of the MPXI Entities, the Monitor, and the Debentureholders to consummate value-maximizing transactions;
- (b) the Debentureholder Purchase Agreement maximizes value for the Debentureholders, the only creditors with an economic interest in the MPXI Entities' given the value of their business and assets;
- (c) all non-duplicative offers received pursuant to the SISP aggregated together were not sufficient to repay the Debentureholders, which allowed the Debentureholders to submit a credit bid in accordance with the SISP. The credit bid portion of the Debentureholder Purchase Agreement does not exceed the amount owing under the

Debentures, and the provisions governing the sharing of information in the SISP were complied with;

- (d) the Vendors' entrance into the Debentureholder Purchase Agreement is supported by the Monitor; and
- (e) in addition to the granting of the Debentureholder AVO, closing of the Debentureholder Transaction is based on customary conditions and requisite approvals, is not predicated on onerous closing obligations and can be closed in a timely fashion.

Stay Extension, Fee Approval, and CCAA Termination

22. The CCAA Termination Order contemplates an extension of the Stay Period to allow the closing of the Canveda Transaction and the Debentureholder Transaction. The timing of the Stay Period will vary depending on the entities involved in the Proposed Transactions.

23. The CCAA Termination Order contemplates that the Stay Period shall be extended:

- (a) in respect of the Debentureholder MPXI Entities, until the earlier of the closing of the Debentureholder Transaction, or February 28, 2023; and
- (b) in respect of the Other MPXI Entities, until the earlier of the closing of the Canveda Transaction, or February 28, 2023.

24. Pursuant to the CCAA Termination Order, the Stay of Proceedings will also be extended to Residual Co. from the time that it is added to these CCAA Proceedings as an Applicant to the time that the Monitor files the Discharge Certificate.

25. The Stay of Proceedings has allowed the MPXI Entities to maintain the status quo and has given the MPXI Entities and their directors and officers much-needed breathing space to focus on a sale of its business and assets for the benefit of the MPXI Entities' stakeholders. The extension of the Stay Period contemplated by the CCAA Termination Order will ensure that the MPXI Entities have continued stability to allow for the closing of the Canveda Transaction and the Debentureholder Transaction, thus maximizing value for stakeholders.

26. Following the closing of the Canveda Transaction and the Debentureholder Transaction, the Applicants will no longer have any active business operations, and the Stay Period will no longer apply to the MPXI Entities. As such, at that time, the CCAA Proceedings can be terminated for the entities remaining in these CCAA Proceedings.

27. The CCAA Termination Order provides that the CCAA Proceedings shall be terminated for the remaining entities upon the filing of the Discharge Certificate by the Monitor, which shall confirm that all matters have been completed. Upon the filing of the Discharge Certificate, among other things:

- (a) the Monitor will be discharged;
- (b) the Administration Charge and the Directors' Charge will be terminated; and
- (c) the CCAA Proceedings will be terminated.

28. The CCAA Termination Order also seeks approval of the fees of the Monitor and its counsel.

Releases

29. The CCAA Termination Order would approve releases for various parties, effective as of the date of the CCAA Termination Order (the “**Releases**”). These releases include, among others, the current and former directors and officers of the Applicants (the “**Directors and Officers**”), as well as counsel to the Applicants, the Monitor, and counsel to the Monitor (the “**Professionals**”, and collectively with the Directors and Officers, the “**Releasees**”).

30. The Releases sought are not overly broad. The Releases in favour of the Professionals do not release any claim or liability arising out of any gross negligence or wilful misconduct. The Releases in favour of the Directors and Officers similarly do not release any claims for fraud, wilful misconduct, criminal acts or omissions, or any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA. The Releases in favour of the Directors and Officers also explicitly carve-out two litigation actions that were commenced prior the commencement of the CCAA Proceedings. Finally, although the Directors and Officers no longer maintain director and officer insurance, the CCAA Termination Order does not purport to release any amount that could be claimed from any insurance policy that was previously maintained by any of the Applicants.

31. The Releases are critical to the orderly wind-down of these CCAA Proceedings, and are necessary to ensure that the Canveda Transaction and Debentureholder Transactions close. The Releasees made significant contributions to the successful restructuring of the MPXI Entities, and the Releases are beneficial for creditors generally.

OTHER GROUNDS

32. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court.

33. Rules 1.04, 2.03, 3.02, 16, 38 and 39 of the Ontario *Rules of Civil Procedure*, R.R.O 1990, Reg. 194, as amended.

34. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of this motion:

- (a) the Affidavit of Jeremy Budd sworn December 8, 2022;
- (b) the Fourth Report of the Monitor, to be filed; and
- (c) such further and other evidence as counsel may advise and this Court may permit.

December 8, 2022

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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36*, AS AMENDED AND
IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION,
BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS
CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION**

Court File No CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

NOTICE OF MOTION
(Returnable December 15, 2022)

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Lawyers for the Applicants

Tab 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS
BIOPHARMA CORPORATION**

Applicants

**AFFIDAVIT OF JEREMY BUDD
(Sworn December 8, 2022)**

I, Jeremy Budd, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. This affidavit is made in support of a motion brought by MPX International Corporation (“**MPXI**”), BioCannabis Products Ltd., Canveda Inc. (“**Canveda**”), The CinG-X Corporation, Spartan Wellness Corporation (“**Spartan**”), MPXI Alberta Corporation, MCLN Inc., and Salus BioPharma Corporation (each individually, an “**Applicant**”, and collectively, the “**Applicants**”).

2. I am the Executive Vice President, Corporate Secretary and General Counsel of MPXI, which wholly-owns each of the other Applicants and which, directly or indirectly, wholly-owns or has an interest in several other non-Applicant affiliates¹ (each of the Applicants and the Non-

¹ The non-Applicant affiliates are: MPX Australia Pty Ltd.; MPXI UK Limited; MPXI Lesotho (Pty) Ltd.; Highland Farms (Pty) Ltd.; MPXI Malta Operations Limited; MPXI Malta Property Limited; Alphafarma Operations Limited; MPXI Malta Holding Limited; MPXI SA Pty Ltd.; First Growth Holding Pty Ltd.; Salus Bioceutical (Thailand) Co., Ltd.; Salus International Management Ltd.; Holyworld SA; and MPXI Labs SA (collectively, the “**Non-Applicant Stay Parties**”). MPXI understands that MPX Australia Pty Ltd. has since been de-registered from Australia’s corporate registry. MPXI also has a minority interest in Prime Pharmaceutical Corporation, which in turn controls Primapharm Funding

Applicant Stay Parties individually a “**MPXI Entity**” and collectively, the “**MPXI Entities**” or the “**Company**”). I am also a director of MPXI and each of the other Applicants, and a director/and or officer of several of the other MPXI Entities. As such, I have personal knowledge of the Company and the matters to which I depose in this affidavit. Where I have relied on other sources for information, I have so stated and I believe them to be true.

3. All references to currency in this affidavit are in Canadian dollars unless noted otherwise.

I. RELIEF REQUESTED

4. I swear this affidavit in support of a motion by the Applicants for the following:

(a) an approval and vesting order (the “**Canveda AVO**”), among other things:

- (i) approving the sale transaction (the “**Canveda Transaction**”) contemplated by the share purchase agreement dated October 16, 2022 (the “**Canveda SPA**”) among MPXI as vendor, Canveda as the purchased entity and 9453-5382 Quebec Inc. as purchaser (the “**Canveda Purchaser**”);
- (ii) vesting in the Canveda Purchaser all the right, title and interest of MPXI in and to the Purchased Shares, free and clear from any Encumbrances, except for the Permitted Encumbrances (each as defined in the Canveda SPA);

- (iii) adding a subsidiary of MPXI, 1000331738 Ontario Inc. (“**Residual Co.**”) as an Applicant to these proceedings (the “**CCAA Proceedings**”) in order to effectuate the Canveda Transaction;
 - (iv) removing Canveda as an Applicant in these CCAA Proceedings upon closing of the Canveda Transaction; and
 - (v) vesting out of Canveda all Excluded Assets and Excluded Liabilities and discharging all Encumbrances against Canveda other than Permitted Encumbrances (each as defined in the Canveda SPA);
- (b) an approval and vesting order (the “**Debentureholder AVO**”, and together with the Canveda AVO, the “**Approval and Vesting Orders**”), among other things:
- (i) approving the sale transaction (the “**Debentureholder Transaction**”, and together with the Canveda Transaction, the “**Proposed Transactions**”) contemplated by the share and asset purchase agreement (the “**Debentureholder Purchase Agreement**”) entered into between MPXI and Spartan as the vendors (the “**Vendors**”) and ReFlourish Capital Limited (a British Virgin Islands corporation) as purchaser (the “**Purchaser**”) as of December 7, 2022;
 - (ii) vesting in the Purchaser all of the issued and outstanding shares held by MPXI of MPXI Malta Operations Limited (“**Malta Operations**”), MPXI Malta Holding Limited (“**Malta Holding**”), Prime Pharmaceutical Corporation (“**Prime Pharmaceutical**”), and Salus International

Management Limited (“**SIM**”) (each, a “**Purchased Entity**” and collectively, the “**Purchased Entities**”);

(iii) vesting the Spartan Assets (as defined in the Debentureholder Purchase Agreement) in 1000380801 Ontario Inc. (“**Spartan Acquireco**”); and

(iv) vesting the MPX IP (as defined in the Debentureholder Purchase Agreement) in 1000380716 Ontario Inc. (“**IP Holdco**”); and

(c) an order (the “**CCAA Termination Order**”), among other things:

(i) extending the Stay of Proceedings (as defined below) in favour of each of Malta Operations, Malta Holding, and SIM (the “**Debentureholder MPXI Entities**”), and all directors and officers of the Debentureholder MPXI Entities until and including the earlier of the closing of the Debentureholder Transaction (being the time that the Monitor issues the Monitor’s Certificate, as appended to the Debentureholder AVO at Schedule “A”) or February 28, 2023;

(ii) extending the Stay of Proceedings in favour of all of the MPXI Entities other than the Debentureholder MPXI Entities (the “**Other MPXI Entities**”), and all of the directors and officers of the Other MPXI Entities, until and including the earlier of the closing of the Canveda Transaction (being the time that the Monitor issues the Monitor’s Certificate, as appended to the Canveda AVO at Schedule “A”) or February 28, 2023;

- (iii) extending the Stay of Proceedings to Residual Co. from the time it is added as an Applicant to the filing of the Discharge Certificate (defined below);
- (iv) approving the fourth report (the “**Fourth Report**”) of KSV Restructuring Inc. (“**KSV**”), to be filed, in its capacity as monitor of the Applicants (in such capacity, the “**Monitor**”) and the fees, disbursements, activities, and fee accrual of the Monitor and its counsel described therein;
- (v) terminating the CCAA Proceedings upon the Monitor’s filing of the certificate appended to the CCAA Termination Order as Schedule “A” (the “**Discharge Certificate**”);
- (vi) discharging KSV as Monitor upon the filing of the Discharge Certificate (the “**CCAA Termination Time**”);
- (vii) terminating the Administration Charge and the Directors’ Charge upon the filing of the Discharge Certificate; and
- (viii) approving the Releases (as defined below).

5. Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Approval and Vesting Orders or the CCAA Termination Order, as applicable.

II. INTRODUCTION AND BACKGROUND

6. MPXI, a public company listed on the Canadian Securities Exchange, is the ultimate parent company to several companies in the cannabis industry in Canada and internationally, including

Thailand, Malta and Switzerland. Through its subsidiaries, its business and operations focus on production and resale, management consulting for cannabis companies, and cannabis education.

7. On July 25, 2022, as a result of a dire liquidity crisis, the Applicants brought an application to this Court for relief pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"). On that day, this Court granted an order (the "**Initial Order**"), which, among other things:

- (a) appointed KSV as the Monitor;
- (b) approved the Applicants' ability to borrow under a debtor-in-possession ("**DIP**") credit facility up to a maximum principal amount of \$2.67 million (the "**DIP Loan**");
- (c) stayed, for an initial period of not more than ten days (the "**Stay Period**"), all proceedings and remedies taken or that might be taken in respect of the Applicants, the Monitor or the directors and officers of the Applicants, or affecting the Applicants' business or the Property (as defined in the Initial Order), except with the written consent of the Applicants and the Monitor, or with leave of the Court (the "**Stay of Proceedings**");
- (d) extended the benefit of the Stay of Proceedings to the Non-Applicant Stay Parties and their respective directors and officers; and
- (e) granted the Administration Charge up to a maximum amount of \$300,000, the DIP Lenders' Charge up to a maximum amount of \$1,200,000, and the Directors' Charge up to a maximum amount of \$145,000 (each as defined in the Initial Order).

8. On August 4, 2022, the Court granted an amended and restated Initial Order (the “**Amended and Restated Initial Order**”), which, among other things:

- (a) increased the Directors’ Charge and the DIP Lenders’ Charge to \$410,000 and \$2,670,000, respectively; and
- (b) extended the Stay Period to and including October 21, 2022.

9. The Initial Order and Amended and Restated Initial Order also provided certain relief related to MPXI’s obligations to make securities filings and hold an annual meeting. Copies of the Initial Order and Amended and Restated Initial Order are attached hereto as **Exhibits “A” and “B”**, respectively.

10. On August 4, 2022, the Court also granted an order (the “**SISP Approval Order**”) approving a Sale and Investment Solicitation Process in respect of the MPXI Entities (the “**SISP**”). A copy of the SISP Approval Order is attached hereto as **Exhibit “C”**.

11. On October 21, 2022, the Court granted an order (the “**Stay Extension, DIP Amendment and Fee Approval Order**”) which, among other things, extended the Stay Period to and including December 16, 2022, and approved an amendment to the DIP Loan pursuant to which the DIP Loan and the DIP Charge were increased from \$2.67 million to \$3.12 million, and approved the fees of the Monitor and its counsel. A copy of the Stay Extension, DIP Amendment and Fee Approval Order is attached hereto as **Exhibit “D”**.

III. REVIEW OF THE SISP²

12. The SISP concluded on September 12, 2022. I swore an affidavit on October 13, 2022 (the “**October 13 Affidavit**”) that provided a detailed summary of the SISP and its results. A high-level overview of that information is included below, and the October 13 Affidavit (without exhibits) is attached hereto as **Exhibit “E”**.

13. The SISP contained the following milestones:

- (a) *Solicitation of interest*: No later than August 5, 2022;
- (b) *Binding Offer Deadline*: September 8, 2022; and
- (c) *Deadline to Notify Qualified Bidders of Successful Bid*: September 12, 2022.

14. In accordance with the SISP, efforts were made by the Monitor, with the assistance of the MPXI Entities, to solicit interest in the Opportunity. These efforts included the following:

- (a) the Monitor and the MPXI Entities identified a list of potential bidders to whom solicitation materials were delivered;
- (b) MPXI arranged for notice of the SISP to be published in The Globe and Mail (National Edition) and issued a press release announcing the Opportunity; and
- (c) the Monitor, with the assistance of the MPXI Entities and in consultation with the DIP Lenders, prepared the Teaser Letter and NDA.

² Capitalized terms not otherwise defined in this section have the meanings given to them in the SISP.

15. The Monitor sent a copy of the Teaser Letter and the NDA to 179 Known Potential Bidders in order to solicit interest in the Opportunity. Of these, 15 parties executed an NDA to engage in additional due diligence as Qualified Bidders, and 7 parties ultimately submitted offers.

16. After reviewing and considering the offers, the Applicants and the Monitor, with input from the DIP Lenders, ultimately determined that none should be selected as a Successful Bid. Importantly, when all non-duplicative offers were aggregated together, they were not sufficient to repay in full the primary secured creditors, the Debentureholders.

17. As discussed in the October 13 Affidavit and the later affidavit I swore on October 18, 2022 (attached hereto as **Exhibit "F"**), the Applicants continued to engage in good faith discussions with: (i) the Canveda Purchaser for the sale of Canveda, and (ii) the DIP Lenders (on behalf of themselves and the Debentureholders) for the sale of multiple MPXI Entities pursuant to a credit bid. On October 16, 2022, MPXI, Canveda, and the Canveda Purchaser entered into the Canveda SPA, which contemplates the Canveda Purchaser acquiring Canveda pursuant to a "reverse vesting order".

18. On December 7, 2022, the Vendors and the Purchaser agreed to the terms of the Debentureholder Purchase Agreement, and the Applicants are therefore seeking approval of the Proposed Transactions. The Monitor and the Applicants believe that the Proposed Transactions provide better value than any offers received pursuant to the SISP, maintain a number of jobs and going concern businesses at the entities being acquired and maximize value for the stakeholders of the MPXI Entities.

IV. THE CANVEDA TRANSACTION³

19. On October 16, 2022, MPXI, Canveda, and the Canveda Purchaser entered into the Canveda SPA, pursuant to which MPXI agreed to sell its equity interests in Canveda to the Canveda Purchaser. A copy of the Canveda SPA is attached hereto as **Exhibit “G”**.

20. The key terms of the Canveda SPA are summarized in the table below:

Term	Details
Purchase Price	Pursuant to the Canveda SPA, the Canveda Purchaser will pay \$135,000 for the Purchased Shares on the Closing date (the “ Cash Payment ”). The Canveda SPA acknowledges that \$25,000 was received by the Monitor from the Canveda Purchaser on or around October 5, 2022 as a deposit, and contemplates that the Canveda Purchaser shall pay an additional sum of \$25,000 as a deposit to the Monitor on or before the first Business Day after execution of the Canveda SPA (collectively, the “ Cash Deposits ”). The Applicants understand that the Cash Deposits have been received by the Monitor. The Cash Deposits represent approximately 37% of the total purchase price.
Purchased Shares	Purchased Shares means all of the issued and outstanding shares in the capital of Canveda owned by MPXI.
Retained Assets	On the Closing Date, Canveda shall retain all of the assets owned by it on October 16, 2022 and any assets acquired by it up to and including Closing, including the Transferred Assets, except for inventory sold in the ordinary course of business in the Interim Period and the Excluded Assets.
Transferred Assets	The assets to be transferred by MPXI to Canveda, at the request and with the approval of the Canveda Purchaser, pursuant to the Pre-Closing Reorganization, all as set out in Schedule “D” to the Canveda SPA. Schedule “D” specifies that the Transferred Assets are all intellectual property registrations and trademarks in respect of the Brands, and all domain names and email accounts used in the Business.
Excluded Assets	Those assets listed in Schedule “H” of the Canveda SPA, which are all Pre-Interim Period Cash, minus all Pre-Interim Period Expenses (as finally determined by the Monitor), as well as Canveda’s interest in a litigation claim.
Assumed Liabilities	The liabilities that will be assumed by the Canveda Purchaser are:

³ Capitalized terms not otherwise defined in this section have the meanings given to them in the Canveda SPA.

	<p>(a) Liabilities specifically and expressly designated by the Canveda Purchaser as Assumed Liabilities in Schedule “F” (which includes (i) any liabilities owing to the Canada Revenue Agency for GST/HST that arise as a result of the Canada Revenue Agency’s audit of Canveda for the period on or prior to the Filing Date (the “Pre-Filing GST/HST”) and (ii) amounts owing to the Canada Revenue Agency for excise tax in respect of the period prior to the Filing Date (“Pre-Filing Excise”);</p> <p>(b) Liabilities which relate to the Business under any contracts, permits and licenses or Permitted Encumbrances (in each case, to the extent forming part of the Retained Assets or the Transferred Assets) arising out of events or circumstances that occur after the commencement of the Interim Period;</p> <p>(c) Liabilities which are to be performed after the Canveda AVO; or</p> <p>(d) any Interim Period Costs.</p>
<p>Excluded Liabilities</p>	<p>Other than the Assumed Liabilities, all debts, obligations, Liabilities, Encumbrances, indebtedness, contracts, leases, agreements, undertakings, claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in stature or otherwise) of or against the Purchased Shares, the Retained Assets or the Transferred Assets or relating to any Excluded Assets as at the Closing Time, including, <i>inter alia</i>, the non-exhaustive list of Liabilities set forth in Schedule “G”, any and all Liability relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which Canveda may be bound as at the Closing Time, all Liabilities relating to or under the Excluded Assets and Liabilities for employees whose employment with Canveda is terminated on or before Closing. The Excluded Liabilities do not include the Interim Period Costs. The Excluded Liabilities will be excluded and will no longer be binding on Canveda following the Closing Time.</p>
<p>Interim Period</p>	<p>The period from October 8, 2022 to the Closing Time, during which:</p> <ul style="list-style-type: none"> • Canveda shall continue to maintain its business and operations as a going concern, and the Monitor, MPXI and the Canveda Purchaser shall consult and cooperate with one another in a timely manner regarding all operations of Canveda; • MPXI and Canveda shall give, or cause to be given, to the Canveda Purchaser, and its Representatives, full access to the Personal Property, including the Books and Records and bank accounts; and • Accounts receivable existing as of the commencement of the Interim Period and generated and/or collected during the Interim Period, shall be to the sole benefit of the Canveda Purchaser, and the Canveda Purchaser shall be responsible for all Liabilities of any

	nature whatsoever incurred by Canveda in the ordinary course of business during the Interim Period.
Employees	All individuals who, as of Closing Time, are employed by Canveda, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not expired, but, for certainty, excludes any employees who are to be terminated pursuant to Section 7.1(f) of the Canveda SPA.
Pre-Closing Reorganization	The incorporation of Residual Co. and the transactions provided for in the Canveda AVO as they relate to the Transactions (including the vesting of the Excluded Assets and Excluded Liabilities in Residual Co. and the vesting of the Transferred Assets in Canveda).
Conditions of Closing	<p>The Canveda Purchaser shall not be obligated to complete the Transactions contemplated by the Canveda SPA, unless, at or before the Closing Time, each of the conditions listed below, among others, have been satisfied:</p> <ul style="list-style-type: none"> (a) <u>Court Approval</u>. The Canveda AVO shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed. (b) <u>Canveda Employees</u>. Canveda shall have terminated the employment of the Terminated Employees, as requested by the Canveda Purchaser in its discretion and all liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of statutory notice, termination payments, severance, vacation pay, benefits, bonuses or other compensation or entitlements, all of which liabilities shall be Excluded Liabilities or shall be Discharged by the Canveda AVO. (c) <u>Liabilities Paid</u>. MPXI shall pay or have paid when due all liabilities of any nature whatsoever, including liabilities in the ordinary course of business due between the Filing Date and the commencement of the Interim Period (including, without limitation payroll, excise tax, GST/HST, rent). (d) <u>No Liabilities</u>. Canveda shall not have any liability of any nature whatsoever (including, without limitation payroll, excise tax, GST/HST) and no event has occurred or circumstance exists which may give rise after the Closing Date to any liability of any nature whatsoever, except for, and only to the extent of, in either case: (i) Pre-Filing Excise; (ii) Pre-Filing GST/HST; and (iii) as otherwise provided for in the Canveda SPA.

	<p>(e) <u>CCAA Proceedings</u>. Upon Closing, the CCAA Proceedings will have been terminated in respect of Canveda, its business and property, as set out in the Canveda AVO.</p> <p>(f) <u>Residual Co.</u> Pursuant to the Canveda AVO, (a) all Excluded Assets and Excluded Liabilities shall have been transferred to Residual Co. or Discharged and (b), its business and property shall have been released and forever Discharged of all claims and Encumbrances (other than Assumed Liabilities); such that, from and after Closing the business and property of Canveda shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.</p> <p>(g) <u>Transferred Assets</u>. Pursuant to the Canveda AVO, the Transferred Assets shall have been transferred to and vested in Canveda.</p> <p>(h) <u>Disclaim Contracts</u>. Canveda shall have sent notices of disclaimer or obtained change of control consents from third parties for such contracts and other agreements as the Canveda Purchaser may require, as listed in a list of contracts to disclaim or to obtain consents as sent by the Canveda Purchaser to MPXI and which shall be delivered by the Canveda Purchaser no later than 35 days before the Closing Date. In the alternative to disclaiming a contract, MPXI and the Canveda Purchaser may elect to transfer a contract to Residual Co.</p> <p>(i) <u>Cannabis Licenses</u>. The Cannabis Licenses shall be in good standing at the Closing Time and Vendor shall have delivered evidence satisfactory to the Canveda Purchaser, acting reasonably, to that effect, including the written approval relating to the change of control of Canveda issued by Health Canada.</p> <p>MPXI or Canveda shall not be obligated to complete the Transactions contemplated by the Canveda SPA unless, at or before the commencement of the first step in the Closing Time, each of the conditions listed below, among others, have been satisfied:</p> <p>(a) <u>Court Approval</u>. The Canveda AVO shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed.</p> <p>(b) <u>Fees</u>. All fees payable in favor of directors of Canveda (including all retainers and board meeting fees) shall have been paid no later than on Closing.</p>
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	<p>All parties have closing conditions in their favour that there be no breach of applicable laws, as well as no breach of representations and warranties or covenants made pursuant to the Canveda SPA.</p>
Termination	<p>The Canveda SPA may be terminated on or prior to the Closing Date:</p> <ul style="list-style-type: none">(a) by the mutual agreement of MPXI and the Canveda Purchaser;(b) by MPXI in its sole discretion, but with the consent of the Monitor, at any time following the Target Closing Date if Closing has not occurred on or prior to 11:59 p.m. (Eastern time) on the Target Closing Date;(c) by MPXI in its sole discretion, but with the consent of the Monitor, if any Interim Period Costs are not paid by the Canveda Purchaser within three (3) Business Days of a written request delivered by the Monitor or MPXI to the Canveda Purchaser that such costs be paid;(d) by the Canveda Purchaser, on the one hand, or MPXI (with the consent of the Monitor), on the other hand, upon written notice to the other Parties if: (i) the Canveda AVO has not been obtained by the Closing Time or (ii) the Court declines at any time to grant the Canveda AVO, in each case for reasons other than a breach of the Canveda SPA by the Party proposing to terminate the Canveda SPA;(e) by MPXI, if there has been a material violation or breach by the Canveda Purchaser of any agreement, covenant, representation or warranty of the Canveda Purchaser in the Canveda SPA which would prevent the satisfaction of, or compliance with, any condition set forth in Section 7.2, as applicable, by the Target Closing Date or, if any event has occurred as a result of which any of the conditions in Sections 7.1-7.2 (inclusive) are not capable of being satisfied by the Target Closing Date, and such violation or breach has not been waived by MPXI or cured within five (5) Business Days of MPXI providing written notice to the Canveda Purchaser of such breach, unless MPXI is in material breach of their obligations under the Canveda SPA; or(f) by the Canveda Purchaser, if there has been a material violation or breach by MPXI of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, any condition set forth in Section 7.1, by the Target Closing Date, and such violation or breach has not been waived by the Canveda Purchaser or cured within five (5) Business Days of the Canveda Purchaser providing notice to MPXI of such

	<p>breach, unless the Canveda Purchaser is in material breach of its obligations under the Canveda SPA.</p> <p>Prior to MPXI agreeing to or electing to any termination pursuant to the above, MPXI shall first obtain the written consent of the Monitor and the DIP Lenders.</p>
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21. At the Closing Time, Canveda shall retain the Retained Assets, except for inventory sold in the ordinary course of business during the Interim Period and the Excluded Assets, which shall be vested in Residual Co. pursuant to the Canveda AVO. On the Closing Date, to the extent such transfers have not already been completed, the Purchased Entity shall transfer to Residual Co. all Pre-Interim Period Cash, minus all Pre-Interim Period Expenses. At or before the Closing Time, the Excluded Liabilities to be transferred to and assumed by Residual Co. shall have been transferred to Residual Co. in accordance with the Pre-Closing Reorganization and pursuant to the Canveda AVO. Finally, Residual Co. will be added as an Applicant to these CCAA Proceedings, and Canveda will exit these CCAA Proceedings.

22. The Canveda Transaction is the product of the Monitor's and the MPXI Entities' extensive efforts to solicit interest in the business and property of the MPXI Entities in accordance with the SISF, with a view to maximizing value for the MPXI Entities' stakeholders. The SISF was designed to be flexible and inclusive of creditor consultation. The Canveda Transaction is part of the culmination of these decisions and efforts as well as fulsome consultation with the DIP Lenders, both on their own behalf and on behalf of the Debentureholders.

23. Proceeding by way of reverse vesting structure as contemplated by the Canveda SPA and the Canveda AVO has the benefit of facilitating the continuation of Canveda's valuable Cannabis Licenses, which Canveda would not otherwise have the ability to transfer in the ordinary course. I

understand that the reverse vesting structure contemplated by the Canveda Transaction has been effectively implemented in other similar transactions for licensed cannabis companies and has the effect of minimizing regulatory hurdles and significantly decreasing closing uncertainty. I also understand that the Canveda Purchaser was not prepared to proceed with a transaction in respect of Canveda by way of an ordinary asset purchase structure because of, among other things, the regulatory restrictions on transferring Cannabis Licenses.

24. The Applicants believe that the Canveda SPA provides the best possible outcome for their stakeholders in the circumstances given that, among other things:

- (a) the Canveda SPA is the product of a broad, transparent and fair Court-approved SISP and the efforts of the MPXI Entities and the Monitor to consummate value-maximizing transactions;
- (b) the Canveda SPA provides better value for the business of Canveda than the offers obtained in the SISP, and therefore maximizes value for the MPXI Entities' stakeholders in this regard;
- (c) the Canveda SPA also provides better value for the business of Canveda than a sale in bankruptcy, which would jeopardize the ongoing operations of Canveda and the permits and licenses necessary to maintain such operations;
- (d) the Purchase Price, which is satisfied entirely through the payment of cash, is fair and reasonable;
- (e) in addition to allowing the necessary permits and licenses to remain in place, the reverse vesting structure allows the Canveda Purchaser to retain useful contracts;

- (f) the key secured creditors, the DIP Lenders and the other Debentureholders, who are the only creditors with an economic interest in the Applicants, were consulted and are supportive of the Canveda SPA;
- (g) I do not believe any creditors or other stakeholders are placed in a worse position as a result of the Canveda Transaction; and
- (h) in addition to the granting of the Canveda AVO, closing of the Canveda SPA is based on customary conditions and requisite approvals and is not predicated on onerous closing obligations.

25. I understand the Canveda SPA will preserve many of the jobs at Canveda, which I understand the Canveda Purchaser intends to operate as a going concern entity.

26. I understand that the Monitor supports the approval of the Canveda SPA and proposed reverse vesting structure, and is of the opinion that the Canveda SPA is the best offer obtained for the business of Canveda in the SISP.

V. THE DEBENTUREHOLDER TRANSACTION⁴

27. The Vendors and ReFlourish Capital Limited, as Purchaser, agreed to the Debentureholder Purchase Agreement on December 7, 2022, a copy of which is attached hereto as **Exhibit “H”**.

28. The key terms of the Debentureholder Purchase Agreement are summarized in the table below:

⁴ Capitalized terms not otherwise defined in this section have the meanings given to them in the Debentureholder Purchase Agreement.

Term	Details
Purchase Price	The Purchase Price for the Purchased Assets shall be \$12,150,000 USD.
Payment of Purchase Price	The Purchase Price will be satisfied by the Purchaser by: providing a credit to MPXI and corresponding reduction in the Debenture Debt (as defined below) in the amount of the Assigned Debenture Debt, which Assigned Debenture Debt is to first be assigned to the Purchaser by the Debentureholders pursuant to the Debenture Assignment Agreement substantially in the form attached at Schedule “G” to the Debentureholder Purchase Agreement.
Closing Liabilities	<p>Upon receipt of supporting documentation to the satisfaction of the Purchaser and the DIP Lenders, the Purchaser shall pay on Closing the following Liabilities of MPXI and no other Liabilities:</p> <ul style="list-style-type: none"> <li data-bbox="581 709 1443 814">(i) unpaid vacation pay owing to Jonathan Chu and Michael Arnkvarn, in the amounts of CA\$10,294.52 and CA\$9,369.86 respectively, in relation to their employment with MPXI; and <li data-bbox="581 842 1443 947">(ii) Budd Law invoices for work undertaken by Jeremy Budd in November, 2022 and December, 2022 that remain unpaid as of the Closing Date.
Purchased Assets	<p>The Purchased Assets consist of:</p> <ul style="list-style-type: none"> <li data-bbox="581 1041 1443 1146">(i) all of the Purchased Shares and Purchased Warrants, together with all other interests in the capital of the Purchased Entities owned by MPXI (the “Purchased Securities”); <li data-bbox="581 1173 1443 1241">(ii) all of the Accounts purchased by the Purchaser (the “Purchased Accounts”); <li data-bbox="581 1268 1443 1577">(iii) any and all proprietary rights anywhere in the world provided under patent law, copyright law, trademark law, design patent or industrial design law, trade secret law, or any other statutory provision or common law principle that provides a right in either intellectual property or the expression or use of intellectual property, including, without limitation, copyrights and works of authorship, whether or not copyrightable, and all registrations, applications for registration, and renewals in connection with the brands “Salus” and “Beleaf” (the “MPX IP”); and <li data-bbox="581 1604 1443 1871">(iv) all of Spartan’s right, title and interest in, to and under all of the assets, properties and rights of every kind and nature, whether real, personal or mixed, tangible or intangible (including goodwill), wherever located and whether now existing or hereafter acquired, which relate to, or are used or held for use in connection with, Spartan’s Business, but excludes any Liabilities in connection therewith, except for the Assumed Spartan Liabilities (the “Spartan Assets”).

<p>Purchase Price Allocation</p>	<p>The Purchase Price (\$USD) shall be allocated as follows:</p> <ul style="list-style-type: none"> • Spartan Assets: \$416,000 • Malta Operations: \$416,000 • Malta Holding: \$416,000 • Prime Pharmaceutical: \$11,000 • SIM: \$10,000,000 • Purchased Accounts: \$880,000 • MPX IP: \$11,000
<p>DIP Assumption Agreement</p>	<p>The agreement to be entered into between the Purchaser and the DIP Lenders, pursuant to which the Purchaser will assume all of the Borrowers’ (as defined in the DIP Term Sheet) obligations under DIP Term Sheet including, without limitation, in respect of the DIP Loan which shall be immediately converted to a senior secured convertible debt obligation of the Purchaser.</p>
<p>Debenture Assignment Agreement</p>	<p>The agreement, to be dated as of the Closing Date, between the Purchaser and the Debenture Trustee pursuant to which the Debenture Trustee, on behalf of the Debentureholders, will assign to the Purchaser the rights, title and interest of the Debenture Trustee and Debentureholders in and to a portion of the indebtedness of MPXI to the Debentureholders pursuant to the Debenture Indenture, totaling \$20.14 million as of November 30, 2022, together with accrued interest, costs and fees in connection with the foregoing (the “Debenture Debt”) in exchange for the issuance of shares in the Purchaser favour of the Debentureholders.</p>
<p>Interim Period</p>	<p>The period from the date that the Debentureholder Purchase Agreement is entered into by the Parties to the Closing Time.</p>
<p>Employees and Terminated Employees</p>	<p>Employees are all individuals who, as of Closing Time, are employed by a Purchased Entity or Spartan, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not expired, but, for certainty, excludes any employees who are to be terminated pursuant to Section 6.1(f).</p> <p>Terminated Employees are those individuals employed by Spartan or any of the Purchased Entities that are CCAA Applicants whose employment will be terminated prior to Closing, and which list shall be delivered by the Vendors no later than (3) three Business Days before Closing.</p>
<p>Target Closing Date</p>	<p>Target Closing Date means December 16, 2022, or such other date as the Vendors (with the consent of the Monitor and the DIP Lenders) and the</p>

	<p>Purchaser may agree to in writing, or in any event as otherwise ordered by the Court.</p>
Conditions of Closing	<p>The Purchaser shall not be obligated to complete the Transactions contemplated by the Debentureholder Purchase Agreement, unless, at or before the Closing Time, each of the conditions listed below, among others, have been satisfied. Any of the below Conditions can be waived by the Purchaser.</p> <ul style="list-style-type: none">(a) <u>Court Approval</u>. The Debentureholder AVO shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed.(b) <u>The Vendors' Deliverables</u>. Each of the Vendors shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 5.3.(c) <u>The Purchased Entity Employees</u>: Spartan and each Purchased Entity shall have terminated the employment of the Terminated Employees, as requested by the Purchaser in its sole discretion.(d) <u>CCAA Proceedings</u>. Upon Closing, the CCAA Proceedings will have been terminated in respect of Spartan and any Purchased Entity that is a CCAA Applicant, their businesses and properties, and the stay of proceedings in the CCAA Proceedings will have been terminated in respect of any such Purchased Entity, all as set out in the Debentureholder AVO.(e) <u>Disclaim Contracts</u>. The Vendors shall cause any Purchased Entity that is a CCAA Applicant to issue notices of disclaimer for such contracts and other agreements as the Purchaser may require, as listed in a list of contracts to disclaim as sent by the Purchaser to the Vendors and which shall be delivered by the Purchaser no later than five (5) days before the Closing Date.(f) <u>Registered shareholder of MPXI</u>: The Purchaser shall be a registered shareholder of MPXI. <p>The Vendors shall not be obligated to complete the Transactions contemplated by the Debentureholder Purchase Agreement unless, at or before the Closing Time, various conditions, including obtaining approval of the Debentureholder AVO, among others have been satisfied. Any of the below Conditions can be waived by the Vendors.</p> <p>All parties have closing conditions in their favour that there be no breach of applicable laws, as well as no breach of representations and warranties or covenants made pursuant to the Debentureholder Purchase Agreement.</p>

Termination	<p>The Debentureholder Purchase Agreement may be terminated on or prior to the Closing Date:</p> <ul style="list-style-type: none"><li data-bbox="634 296 1435 359">(a) by the mutual written agreement of the Vendors and the Purchaser;<li data-bbox="634 394 1435 657">(b) by the Purchaser, on the one hand, or the Vendors (with the consent of the Monitor), on the other hand, upon written notice to the other Parties if: (i) the Debentureholder AVO has not been obtained by the Closing Time or (ii) the Court declines at any time to grant the Debentureholder AVO; in each case for reasons other than a breach of Debentureholder Purchase Agreement by the party proposing to terminate the Debentureholder Purchase Agreement;<li data-bbox="634 693 1435 1157">(c) by the Vendors, if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty of the Purchaser in the Debentureholder Purchase Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 6.2, as applicable, by the Target Closing Date or, if any event has occurred as a result of which any of the conditions in Sections 6.1-6.2 (inclusive) are not capable of being satisfied by the Target Closing Date, and such violation or breach has not been waived by the Vendors or cured within five (5) Business Days of the Vendors providing written notice to the Purchaser of such breach, unless the Vendors are in material breach of their obligations under the Debentureholder Purchase Agreement; or<li data-bbox="634 1192 1435 1524">(d) by the Purchaser, if there has been a material violation or breach by MPXI of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, any condition set forth in Section 6.1, by the Target Closing Date and such violation or breach has not been waived by the Purchaser or cured within five (5) Business Days of the Purchaser providing notice to the Vendors of such breach, unless the Purchaser is in material breach of its obligations under the Debentureholder Purchase Agreement.
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29. Closing shall take place in the following sequence:

- (a) First, the Debenture Trustee, on behalf of the Debentureholders, shall assign the right, title and interest of the Debenture Trustee and the Debentureholders in and to

the Assigned Debenture Debt to the Purchaser in accordance with the terms of the Debenture Assignment Agreement, and there will be a corresponding reduction in the Debenture Debt in the amount of the Assigned Debenture Debt;

- (b) Second, the Purchaser shall assume the Borrowers' and the Guarantors' (each as defined in the DIP Term Sheet) obligations under the DIP Term Sheet and the DIP Loan in accordance with the terms of the DIP Assumption Agreement and such obligations shall no longer be an obligation of the Borrowers or the Guarantors; and
- (c) Third, in consideration for the Purchase Price, pursuant to the Debentureholder AVO, (i) the Purchased Securities and Purchased Accounts shall vest in the Purchaser, (ii) the MPX IP shall vest in IP Holdco, and (iii) the Spartan Assets shall vest in Spartan Acquireco.

30. Pursuant to the Debentureholder AVO, each Purchased Entity that was an Applicant or a Non-Applicant Stay Party shall be deemed to be released from the purview of the Initial Order and all previous orders of this Court pursuant to the CCAA Proceedings.

31. The SISP was designed to be flexible and inclusive of consultation with the DIP Lenders and the Debentureholders. It contemplated that, if none of the offers received pursuant to the SISP provided for the immediate repayment in cash of all of the amounts owing to the Debentureholders, the Applicants, with the consent of the Monitor and the DIP Lenders, could terminate the SISP and accept a credit bid from the Debentureholders or the DIP Lenders. To ensure fairness, the SISP provided that neither the Applicants nor the Monitor could provide any Debentureholder (including in its capacity as a DIP Lender) with information relating to offers received pursuant to

the SISP, other than certain “Subject Information”,⁵ unless and until the Debentureholders confirmed to the Applicants and the Monitor in writing that if they submit a credit bid in the SISP, such bid shall not be for an amount greater than the amount owing under the Debentures.

32. The Debentureholder Purchase Agreement is the product of the Monitor and the MPXI Entities’ extensive efforts to solicit interest in the business and the property of the MPXI Entities in accordance with the SISP, with a view to maximizing value for the MPXI Entities’ stakeholders. The Applicants believe the Debentureholder Purchase Agreement provides the best possible outcome for their stakeholders in the circumstances given that, among other things:

- (a) the Debentureholder Purchase Agreement is the product of a broad, transparent and fair Court-approved SISP, and the efforts of the MPXI Entities, the Monitor, and the Debentureholders to consummate value-maximizing transactions;
- (b) the Debentureholder Purchase Agreement maximizes value for the Debentureholders, the only creditors with an economic interest in the MPXI Entities’ given the value of their business and assets;
- (c) all non-duplicative offers received pursuant to the SISP aggregated together were insufficient to repay the Debentureholders, which allowed the Debentureholders to submit a credit bid in accordance with the SISP. The credit bid portion of the Debentureholder Purchase Agreement does not exceed the amount owing under the

⁵ “**Subject Information**” means, subject to the Monitor’s determination of whether it is appropriate to disclose: (i) the amount and form of consideration payable in respect of the outstanding obligations under the DIP Term Sheet and the Debentures; (ii) the transaction structure and the material conditions to closing contemplated in any Binding Offer; and (iii) any other information the Monitor considers appropriate.

Debentures, and the provisions governing the sharing of information in the SISP were complied with;

- (d) the Vendors' entrance into the Debentureholder Purchase Agreement is supported by the Monitor; and
- (e) in addition to the granting of the Debentureholder AVO, closing of the Debentureholder Transaction is based on customary conditions and requisite approvals, is not predicated on onerous closing obligations and can be closed in a timely fashion.

33. I have been advised that the Debentureholder Purchase Agreement will preserve jobs for the employees of Spartan and Malta Operations, and will see both of these MPXI Entities continue to operate as going concern entities in some capacity. I also understand that certain of the other Purchased Entities and other of their businesses will continue to operate as going concerns.

34. I understand that the Monitor supports the approval of the Debentureholder Purchase Agreement and is of the opinion that this agreement is better than any offers obtained for the business of the MPXI Entities in the SISP.

VI. STAY EXTENSION, FEE APPROVAL, AND CCAA TERMINATION

35. The CCAA Termination Order contemplates an extension of the Stay Period to allow the closing of each of the Canveda Transaction and the Debentureholder Transaction. Pursuant to the Debentureholder AVO, upon closing of the Debentureholder Transaction, the Stay of Proceedings shall be terminated in respect of the Debentureholder MPXI Entities. Therefore, timing of the Stay Period will vary depending on the entities involved in the Proposed Transactions.

36. The CCAA Termination Order contemplates that the Stay Period shall be extended in respect of the Debentureholder MPXI Entities until the earlier of the closing of the Debentureholder Transaction, or February 28, 2023. As discussed above, the Debentureholder Transaction is expected to close in the very near future. The outside date of February 28, 2023 is included in order to save costs, as it would allow time to effect closing without returning to Court in the event unforeseen issues arise.

37. Pursuant to the Canveda AVO, upon the closing of the Canveda Transaction, Canveda shall be removed as an Applicant, and Residual Co. will be added as an Applicant to these CCAA Proceedings. The CCAA Termination Order contemplates that the Stay Period will continue for all Other MPXI Entities until the earlier of the closing of the Canveda Transaction, or February 28, 2023. As discussed above, the Canveda Transaction requires certain regulatory approvals in order to close, and the outside date of February 28, 2023 is included in order to save costs, as it would allow time to effect closing without returning to Court in the event unforeseen issues arise.

38. The Stay of Proceedings will also be extended to Residual Co. from the time that it is added to these CCAA Proceedings as an Applicant to the time that the Monitor files the Discharge Certificate, which is expected to occur immediately following closing of the Canveda Transaction.

39. By differing the extension of the Stay Period based on the entities in the Proposed Transactions, the CCAA Termination Order allows for the relevant entities to efficiently exit the CCAA Proceedings at the point in time that the Stay of Proceedings is no longer necessary.

40. The Stay of Proceedings has allowed the MPXI Entities to maintain the status quo and has given the MPXI Entities and their directors and officers much-needed breathing space to focus on a sale of its business and assets for the benefit of the MPXI Entities' stakeholders. The extension

of the Stay Period contemplated by the CCAA Termination Order will ensure that the MPXI Entities have continued stability to allow for the closing of the Canveda Transaction and the Debentureholder Transaction, thus maximizing value for stakeholders. I understand that the MPXI Entities are expected to have sufficient liquidity through to the end of the Stay Period to close the Proposed Transactions and terminate the CCAA Proceedings.

41. Following the closing of the Canveda Transaction and the Debentureholder Transaction, the Applicants will no longer have any active business operations, and the Stay Period will no longer apply to the MPXI Entities. As such, at that time, the CCAA Proceedings can be terminated for the entities remaining in these CCAA Proceedings.

42. The CCAA Termination Order provides that the CCAA Proceedings shall be terminated for the remaining entities upon the filing of the Discharge Certificate by the Monitor, which shall confirm that all matters have been completed. Upon the filing of the Discharge Certificate, among other things:

- (a) the Monitor will be discharged;
- (b) the Administration Charge and the Directors' Charge will be terminated; and
- (c) the CCAA Proceedings will be terminated.

43. By allowing the CCAA Proceedings to be terminated upon the filing of the Discharge Certificate, the Applicants will save time and resources that would be required in returning to Court to seek approval of the termination.

44. The CCAA Termination Order also seeks approval of the fees of the Monitor and its counsel, which I understand will be set out in more detail in the Fourth Report and the fee affidavits appended thereto.

VII. RELEASES

45. The CCAA Termination Order would approve releases for various parties, effective as of the date of the CCAA Termination Order (the “**Releases**”). These Releases include, among others, the current and former directors and officers of the Applicants (the “**Directors and Officers**”), as well as counsel to the Applicants, the Monitor, and counsel to the Monitor (the “**Professionals**”, and collectively with the Directors and Officers, the “**Releasees**”). The Releases are critical to the orderly wind-down of these CCAA Proceedings, and are necessary to ensure that the Canveda Transaction and Debentureholder Transactions close.

46. The Releasees made significant contributions to the successful restructuring of the MPXI Entities, and the Releases are beneficial for creditors generally, as they allow the Releasees to focus on closing the Proposed Transactions and completing the restructuring while avoiding the costs of unnecessary litigation. Importantly, one of the Releasees has the requisite security clearance required by Health Canada to preserve Canveda’s cannabis license, and others will be involved in assisting with closing.

47. Further, the Releases sought are not overly broad. The Releases in favour of the Professionals do not release any claim or liability arising out of any gross negligence or wilful misconduct. The Releases in favour of the Directors and Officers similarly do not release any claims for fraud, wilful misconduct, criminal acts or omissions, or any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA. The Releases in favour of the Directors and

Officers also explicitly carve-out two litigation actions that were commenced prior the commencement of the CCAA Proceedings, which are the only litigation actions against the Directors and Officers of which I am aware. Finally, although the Directors and Officers no longer maintain director and officer insurance, the CCAA Termination Order does not purport to release any amount that could be claimed from any insurance policy that was previously maintained by any of the Applicants.

48. I understand that the Monitor supports the Releases sought in connection with the CCAA Termination Order. In light of the scope of the proposed Releases, I do not believe that the Releases will prejudice any stakeholder.

VIII. CONCLUSION

49. Since the granting of the Initial Order, the Applicants have acted and continue to act in good faith and with due diligence to, among other things, stabilize their business, assist with the SISF, and negotiate the Proposed Transactions, each with the view of maximizing value for their stakeholders.

50. I believe that the relief sought and described herein is in the best interests of the MPXI Entities and their stakeholders. Further, the Monitor and the DIP Lenders are supportive of the relief sought. I do not believe that any creditor will be materially prejudiced by the granting of the Approval and Vesting Orders or the CCAA Termination Order.

51. I swear this affidavit in support of the Applicants' motion for the Approval and Vesting Orders and the CCAA Termination Order, and for no other or improper purpose.

SWORN BEFORE ME over)
videoconference on this 8th day of December)
2022. The affiant was located in the City of)
Toronto, in the Province of Ontario and the)
Commissioner was located in the City of)
Toronto, in the Province of Ontario. This)
affidavit was commissioned remotely as a)
result of COVID-19 and the declaration was)
administered in accordance with Ontario)
Regulation 431/20.)



Thomas Gray

A Commissioner for Oaths in and for the
Province of Ontario



Jeremy Budd

THIS IS EXHIBIT "A" REFERRED TO IN THE

AFFIDAVIT OF JEREMY BUDD

SWORN

THE 8th DAY OF DECEMBER 2022

A handwritten signature in black ink, appearing to be the initials 'JB' with a long horizontal stroke extending to the right.

A Commissioner for taking affidavits, etc.



Court File No. CV-22-684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE CHIEF) MONDAY, THE 25th
)
JUSTICE MORAWETZ) DAY OF JULY, 2022
)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC.,
THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA
CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by Zoom videoconference.

ON READING the affidavit of Jeremy Blumer sworn July 25, 2022 and the Exhibits thereto (the "**Blumer Affidavit**") and the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**") dated July 25, 2022, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants and the additional parties listed in Schedule "A" hereto (collectively, the "**Non-Applicant Stay Parties**") and together with the Applicants, the "**MPXI Entities**"), counsel for KSV, counsel for David Taylor, Alastair Crawford, Broughton Finance and Brahma Finance Limited (collectively, the "**Initial DIP Lenders**"), and such other parties listed on the Counsel Slip, and on reading the consent of KSV to act as Monitor (the "**Monitor**"),

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that each of the Applicants is a company to which the CCAA applies. Although not Applicants, the Non-Applicant Stay Parties shall enjoy the benefits of the protections and authorizations provided under the terms of this Order.

POSSESSION OF PROPERTY AND OPERATIONS

3. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their respective current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. **THIS COURT ORDERS** that the MPXI Entities shall be entitled to continue to utilize the central cash management system currently in place as described in the Blumer Affidavit or, with the consent of the Monitor and the Initial DIP Lenders, together with any other lender who participates in the DIP Facility (as defined below) (together, the "**DIP Lenders**"), replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the MPXI Entities of funds transferred, paid, collected or otherwise dealt with in the Cash

Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the MPXI Entities, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any plan of compromise or arrangement (a “**Plan**”) with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

5. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and employee expenses payable prior to, on, or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) with the consent of the Monitor and the DIP Lenders, amounts owing for goods and services actually supplied to the Applicants prior to the date of this Order and all outstanding amounts related to honouring customer obligations whether existing before or after the date of this Order, incurred in the ordinary course of business and consistent with existing policies and procedures;
- (c) any taxes, duties or other payments required under the Cannabis Legislation (as defined below); and
- (d) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

6. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, and subject to the Definitive Documents (as defined below), the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course prior to, on, or, after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants on or following the date of this Order.

Payments for amounts incurred prior to this Order shall require the consent of the Monitor and the DIP Lenders, or leave of this Court.

7. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance; (ii) Canada Pension Plan; and (iii) income taxes.
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order;
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

8. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be

negotiated between the applicable Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, monthly, on the first day of each month, in advance (but not in arrears) in the amounts set out in the applicable lease. On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. **THIS COURT ORDERS** that, except as specifically permitted herein and in the Definitive Documents, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. **THIS COURT ORDERS** that each of the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents, have the right to:

- (a) with the prior consent of the DIP Lenders, permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$250,000 in any one transaction or \$1,000,000 in the aggregate;
- (b) sell inventory in the ordinary course of business consistent with past practice, or otherwise with the consent of the Monitor and the DIP Lenders;
- (c) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business.

NO PROCEEDINGS AGAINST THE MPXI ENTITIES OR THEIR RESPECTIVE PROPERTY

11. **THIS COURT ORDERS** that until and including August 4, 2022, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of any MPXI Entity or the Monitor or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the MPXI Entities and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of any MPXI Entity or affecting the Business or the Property, are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

12. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of any MPXI Entity or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the MPXI Entities and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower any MPXI Entity to carry on any business which the MPXI Entity is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

13. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, licence or permit in favour of or held by any MPXI Entity, except with the written consent of the MPXI Entities and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

14. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements or arrangements with an MPXI Entity or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, security services, payroll services, insurance, transportation services, utility or other services to the Business or an MPXI Entity, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the MPXI Entities, and that the MPXI Entities shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the MPXI Entities in accordance with normal payment practices of the MPXI Entities or such other practices as may be agreed upon by the supplier or service provider and the applicable MPXI Entity and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to an MPXI Entity. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers (or similar position) of any MPXI Entity with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of an MPXI Entity whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of

such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

17. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as a director or officer of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

18. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$145,000, unless permitted by further Order of this Court, as security for the indemnity provided in paragraph 17 of this Order. The Directors' Charge shall have the priority set out in paragraphs 36 and 38 herein.

19. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary: (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any director's and officer's insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 17 of this Order.

APPOINTMENT OF MONITOR

20. **THIS COURT ORDERS** that KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the MPXI Entities and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the MPXI Entities pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

21. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements, including the management and deployment/use of any funds advanced by the DIP Lenders to the Applicants under the DIP Term Sheet;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lenders and its counsel on a weekly basis of financial and other information as agreed to between the Applicants and, the DIP Lenders which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lenders;
- (d) advise the Applicants in their preparation of the Applicant's cash flow statements and reporting required by the DIP Lenders, which information shall be reviewed with the Monitor and delivered to the DIP Lenders and its counsel on a periodic basis, but not less than weekly, or as otherwise agreed to by the DIP Lenders;
- (e) monitor all payments, obligations and any transfers as between the MPXI Entities;
- (f) receive funds advanced by the DIP Lenders and to disburse such funds to the Applicants pursuant to the terms of the DIP Term Sheet, including any actions or activities incidental thereto;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the MPXI Entities, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

- (i) perform such other duties as are required by this Order or by this Court from time to time.

22. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property or be deemed to take possession of the Property, pursuant to any provision of any federal, provincial or other law respecting, among other things, the manufacturing, possession, processing and distribution of cannabis or cannabis products including, without limitation, under the *Cannabis Act* S.C. 2018, c.16, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, the *Excise Act, 2001*, S.C. 2002, c. 22., the *Ontario Cannabis Licence Act*, S.O. 2018, c. 12, Sched. 2, the *Ontario Cannabis Control Act*, S.O. 2017, c. 26, Sched. 1, the *Ontario Cannabis Retail Corporation Act*, 2017, S.O. 2017, c. 26, the *Alberta Gaming, Liquor and Cannabis Act*, R.S.A. 2000, c. G-1, the *Alberta Gaming, Liquor and Cannabis Regulation*, Alta. Reg. 143/996, or other such applicable federal, provincial or other legislation or regulations (collectively, the "**Cannabis Legislation**"), and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof within the meaning of any Cannabis Legislation or otherwise, and nothing in this Order shall be construed as resulting in the Monitor being an employer or successor employer within the meaning of any statute, regulation or rule of law or equity for any purpose whatsoever.

23. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, the *Ontario Occupational Health and Safety Act*, the *Alberta Environmental Protection and Enhancement Act*, R.S.A. 2000, c. E-12, the *Alberta Water Act*, R.S.A. 2000, c. W-3 and the *Alberta Occupational Health and Safety Act*, S.A. 2020, c. O-2.2 and all regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to

report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

24. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the DIP Lenders under this Order or at law, the DIP Lenders shall not incur any liability or obligation as a result of the carrying out of the provisions of this Order, save and except for any gross negligence or willful misconduct on its part.

25. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicants, including without limitation, the DIP Lenders, with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

26. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its respective employees and representatives acting in such capacities shall incur any liability or obligation as a result of the appointment of the Monitor or the carrying out by it of the provisions of this Order, including under any Cannabis Legislation, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

27. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to, the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a weekly basis.

28. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

29. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000, unless consented to by the DIP Lenders and permitted by further Order of this Court, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 36 and 38 hereof.

DIP FINANCING

30. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from the DIP Lenders in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures.

31. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the Summary of Terms and Conditions for Credit Facility between the DIP Lenders and the Applicants dated as of July 25, 2022 (as may be amended from time to time, the "**DIP Term Sheet**"), filed.

32. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lenders pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lenders under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

33. **THIS COURT ORDERS** that the DIP Lenders shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lenders' Charge**") on the Property, which DIP Lenders' Charge shall not exceed the amount of \$1,200,000 or secure an obligation that exists before this Order is made. The DIP Lenders' Charge shall have the priority set out in paragraphs 36 and 38 hereof.

34. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lenders may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lenders' Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lenders' Charge, the DIP Lenders, upon 4 business days notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the DIP Lenders' Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lenders to the Applicants against the obligations of the Applicants to the DIP Lenders under the DIP Term Sheet, the Definitive Documents or the DIP Lenders' Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and
- (c) the foregoing rights and remedies of the DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

35. **THIS COURT ORDERS AND DECLARES** that, unless otherwise agreed to by the DIP Lenders, the DIP Lenders shall be treated as unaffected in any Plan filed by any of Applicants under the CCAA, or any proposal filed by any of the Applicants under the *Bankruptcy and Insolvency Act*, with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

36. **THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge and the DIP Lenders' Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First - Administration Charge (to the maximum amount of \$300,000);

Second - DIP Lenders' Charge (to the maximum amount of \$1,200,000); and

Third - Directors' Charge (to the maximum amount of \$145,000).

37. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

38. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person; provided that the Charges shall rank behind Encumbrances in favour of any Persons that have not been served with notice of this application. The Applicants and the beneficiaries of the Charges shall be entitled to seek priority of the Charges ahead of such Encumbrances on a subsequent motion on notice to those parties.

39. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges unless the Applicants also obtain the prior written consent of the Monitor, the DIP Lenders and the beneficiaries of the Charges, or further Order of this Court.

40. **THIS COURT ORDERS** that the Charges, the DIP Term Sheet and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP

Lenders thereunder shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicants pursuant to this Order, the DIP Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

41. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the applicable Applicant's interest in such real property leases.

CORPORATE MATTERS

42. **THIS COURT ORDERS** that MPX International Corporation be and is hereby relieved of any obligation to call and hold an annual meeting of its shareholders until further Order of this Court.

SERVICE AND NOTICE

43. **THIS COURT ORDERS** that the Monitor shall: (i) without delay, publish in the Globe and Mail, National Edition, a notice containing the information prescribed under the CCAA; and (ii) within five (5) days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against any of the Applicants of more than \$1,000 (excluding individual employees, former employees with retirement savings plan entitlements, and retirees and other beneficiaries who have entitlements under any retirement savings plans), and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder; provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available unless otherwise ordered by this Court.

44. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/MPXI>.

45. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicants' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2175 (SOR/DORS).

46. **THIS COURT ORDERS** that, except with respect to any motion to be heard on the Comeback Date (as defined below), and subject to further Order of this Court in respect of urgent motions, any interested party wishing to object to the relief sought in a motion brought by the Applicants or the Monitor in these CCAA proceedings shall, subject to further Order of this Court, provide the service list in these proceedings (the “**Service List**”) with responding motion materials or a written notice (including by e-mail) stating its objection to the motion and the grounds for such objection by no later than 5:00 p.m. (Toronto time) on the date that is two (2) days prior to the date such motion is returnable (the “**Objection Deadline**”). The Monitor shall have the ability to extend the Objection Deadline after consulting with the Applicants.

47. **THIS COURT ORDERS** that following the expiry of the Objection Deadline, counsel to the Monitor or counsel to the Applicants shall inform the Court, including by way of a 9:30 a.m. appointment, of the absence or the status of any objections to the motion and the judge having carriage of the motion may determine (a) whether a hearing in respect of the motion is necessary, (b) if a hearing is necessary, the date and time of the hearing, (c) whether such hearing will be in person, by telephone or videoconference, or by written submissions only, and (d) the parties from whom submissions are required. In the absence of any such determination, a hearing will be held in the ordinary course on the date specified in the notice of motion.

GENERAL

48. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court on August 4, 2022, at 10:30 a.m. (Toronto Time) or such other date as may be set by this Court upon the granting of this Order (the “**Comeback Date**”), provided, however, that the Chargees shall be entitled to rely on this Order as issued and entered and on the Charges and priorities set forth in paragraphs 36 and 38 hereof with respect to any fees, expenses and disbursements incurred, as applicable, until the date this Order may be amended, varied or stayed.

49. **THIS COURT ORDERS** that, notwithstanding paragraph 48 of this Order, each of the Applicants, the DIP Lenders or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of its powers and duties under this Order or in the interpretation of this Order hereunder.

50. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of any of the Applicants, the Business or the Property.

51. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand or any other country, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

52. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

53. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order.



Chief Justice G.B. Morawetz

SCHEDULE "A"
NON-APPLICANT STAY PARTIES

MPX Australia Pty Ltd.
MPXI UK Limited
MPXI Lesotho (Pty) Ltd.
Highland Farms (Pty) Ltd.
MPXI Malta Operations Limited
MPXI Malta Property Limited
Alphafarma Operations Limited
MPXI Malta Holding Limited
MPXI SA Pty Ltd.
First Growth Holding Pty Ltd.
Salus Bioceutical (Thailand) Co., Ltd.
Salus International Management Ltd.
Holyworld SA
MPXI Labs SA

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION

Court File No.: _____

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

INITIAL ORDER

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Lawyers for the Applicants

THIS IS EXHIBIT "B" REFERRED TO IN THE

AFFIDAVIT OF JEREMY BUDD

SWORN

THE 8th DAY OF DECEMBER 2022

A handwritten signature in black ink, appearing to be the initials 'JE' with a long horizontal stroke extending to the right.

A Commissioner for taking affidavits, etc.



Court File No. CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE CHIEF) THURSDAY, THE 4th
)
JUSTICE MORAWETZ) DAY OF AUGUST, 2022
)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC.,
THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA
CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

AMENDED & RESTATED INITIAL ORDER

(amending Initial Order dated July 25, 2022)

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by Zoom videoconference.

ON READING the affidavit of Jeremy Blumer sworn July 25, 2022 and the Exhibits thereto (the "**Blumer Affidavit**"), the affidavit of Jeremy Blumer sworn July 28, 2022 and the Exhibits thereto, the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**") dated July 25, 2022 and the First Report of KSV dated July 29, 2022, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants and the additional parties listed in Schedule "A" hereto (collectively, the "**Non-Applicant Stay Parties**" and together with the Applicants, the "**MPXI Entities**"), counsel for KSV in its capacity as court-appointed monitor (the "**Monitor**"), counsel for David Taylor, Alastair Crawford, Broughton Finance and Brahma Finance Limited (collectively, the "**Initial DIP Lenders**"), and such other parties listed on the Counsel Slip, no one

appearing for any other party although duly served as appears from the Affidavit of Service of Thomas Gray sworn July 28, 2022,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that each of the Applicants is a company to which the CCAA applies. Although not Applicants, the Non-Applicant Stay Parties shall enjoy the benefits of the protections and authorizations provided under the terms of this Order.

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that each of the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their respective current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the MPXI Entities shall be entitled to continue to utilize the central cash management system currently in place as described in the Blumer Affidavit or, with the consent of the Monitor and the Initial DIP Lenders, together with any other lender who participates in the DIP Facility (as defined below) (together, the “**DIP Lenders**”), replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the MPXI Entities of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the MPXI Entities, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and employee expenses payable prior to, on, or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) with the consent of the Monitor and the DIP Lenders, amounts owing for goods and services actually supplied to the Applicants prior to the date of this Order and all outstanding amounts related to honouring customer obligations whether existing before or after the date of this Order, incurred in the ordinary course of business and consistent with existing policies and procedures;
- (c) any taxes, duties or other payments required under the Cannabis Legislation (as defined below); and

- (d) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, and subject to the Definitive Documents (as defined below), the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course prior to, on, or, after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants on or following the date of this Order.

Payments for amounts incurred prior to this Order shall require the consent of the Monitor and the DIP Lenders, or leave of this Court.

8. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance; (ii) Canada Pension Plan; and (iii) income taxes.
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order;
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal

realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the applicable Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, monthly, on the first day of each month, in advance (but not in arrears) in the amounts set out in the applicable lease. On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein and in the Definitive Documents, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. **THIS COURT ORDERS** that each of the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents, have the right to:

- (a) with the prior consent of the DIP Lenders, permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$250,000 in any one transaction or \$1,000,000 in the aggregate;
- (b) sell inventory in the ordinary course of business consistent with past practice, or otherwise with the consent of the Monitor and the DIP Lenders;

- (c) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business.

12. **THIS COURT ORDERS** that the applicable Applicant shall provide each relevant landlord with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes such Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the applicable Applicant, or by further Order of this Court upon application by the applicable Applicant on at least two (2) days notice to such landlord and any such secured creditors. If any Applicant disclaims a lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to such Applicant's claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the applicable Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the applicable Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE MPXI ENTITIES OR THEIR RESPECTIVE PROPERTY

14. **THIS COURT ORDERS** that until and including October 21, 2022, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of any MPXI Entity or the Monitor or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the MPXI Entities and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of any MPXI Entity or affecting the Business or the Property, are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of any MPXI Entity or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the MPXI Entities and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower any MPXI Entity to carry on any business which the MPXI Entity is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, licence or permit in favour of or held by any MPXI Entity, except with the written consent of the MPXI Entities and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements or arrangements with an MPXI Entity or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, security services, payroll services, insurance, transportation services, utility or other services to the Business or an MPXI Entity, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the MPXI Entities, and that the MPXI Entities shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the MPXI Entities in accordance with normal payment practices of the MPXI Entities or such other practices as may be agreed upon by the supplier or service provider and the applicable MPXI Entity and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to an MPXI Entity. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers (or similar position) of any MPXI Entity with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of an MPXI Entity whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of

such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as a director or officer of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

21. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$410,000, unless permitted by further Order of this Court, as security for the indemnity provided in paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 39 and 41 herein.

22. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary: (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any director's and officer's insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

APPOINTMENT OF MONITOR

23. **THIS COURT ORDERS** that KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the MPXI Entities and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the MPXI Entities pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

24. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements, including the management and deployment/use of any funds advanced by the DIP Lenders to the Applicants under the DIP Term Sheet;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lenders and its counsel on a weekly basis of financial and other information as agreed to between the Applicants and, the DIP Lenders which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lenders;
- (d) advise the Applicants in their preparation of the Applicant's cash flow statements and reporting required by the DIP Lenders, which information shall be reviewed with the Monitor and delivered to the DIP Lenders and its counsel on a periodic basis, but not less than weekly, or as otherwise agreed to by the DIP Lenders;
- (e) advise the Applicants in their development of the Plan, if any, and any amendments to the Plan;
- (f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) monitor all payments, obligations and any transfers as between the MPXI Entities;
- (h) receive funds advanced by the DIP Lenders and to disburse such funds to the Applicants pursuant to the terms of the DIP Term Sheet, including any actions or activities incidental thereto;
- (i) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the MPXI

Entities, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

- (j) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (k) perform such other duties as are required by this Order or by this Court from time to time.

25. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property or be deemed to take possession of the Property, pursuant to any provision of any federal, provincial or other law respecting, among other things, the manufacturing, possession, processing and distribution of cannabis or cannabis products including, without limitation, under the *Cannabis Act* S.C. 2018, c.16, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, the *Excise Act, 2001*, S.C. 2002, c. 22,, the *Ontario Cannabis Licence Act*, S.O. 2018, c. 12, Sched. 2, the *Ontario Cannabis Control Act*, S.O. 2017, c. 26, Sched. 1, the *Ontario Cannabis Retail Corporation Act*, 2017, S.O. 2017, c. 26, the *Alberta Gaming, Liquor and Cannabis Act*, R.S.A. 2000, c. G-1, the *Alberta Gaming, Liquor and Cannabis Regulation*, Alta. Reg. 143/996, or other such applicable federal, provincial or other legislation or regulations (collectively, the "**Cannabis Legislation**"), and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof within the meaning of any Cannabis Legislation or otherwise, and nothing in this Order shall be construed as resulting in the Monitor being an employer or successor employer within the meaning of any statute, regulation or rule of law or equity for any purpose whatsoever.

26. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste

or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, the *Ontario Occupational Health and Safety Act*, the *Alberta Environmental Protection and Enhancement Act*, R.S.A. 2000, c. E-12, the *Alberta Water Act*, R.S.A. 2000, c. W-3 and the *Alberta Occupational Health and Safety Act*, S.A. 2020, c. O-2.2 and all regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

27. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the DIP Lenders under this Order or at law, the DIP Lenders shall not incur any liability or obligation as a result of the carrying out of the provisions of this Order, save and except for any gross negligence or willful misconduct on its part.

28. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicants, including without limitation, the DIP Lenders, with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

29. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its respective employees and representatives acting in such capacities shall incur any liability or obligation as a result of the appointment of the Monitor or the carrying out by it of the provisions of this Order, including under any Cannabis Legislation, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to, the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a weekly basis.

31. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

32. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000, unless consented to by the DIP Lenders and permitted by further Order of this Court, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 39 and 41 hereof.

DIP FINANCING

33. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from the DIP Lenders in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$2,670,000 unless permitted by further Order of this Court.

34. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the Summary of Terms and Conditions for Credit Facility between the DIP Lenders and the Applicants dated as of July 25, 2022 (as may be amended from time to time, the "**DIP Term Sheet**"), filed.

35. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security

documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lenders pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lenders under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

36. **THIS COURT ORDERS** that the DIP Lenders shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lenders' Charge**") on the Property, which DIP Lenders' Charge shall not exceed the amount of \$2,670,000 (plus interest, fees and costs) or secure an obligation that exists before this Order is made. The DIP Lenders' Charge shall have the priority set out in paragraphs 39 and 41 hereof.

37. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lenders may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lenders' Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lenders' Charge, the DIP Lenders, upon 4 business days notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the DIP Lenders' Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lenders to the Applicants against the obligations of the Applicants to the DIP Lenders under the DIP Term Sheet, the Definitive Documents or the DIP Lenders' Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

- (c) the foregoing rights and remedies of the DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

38. **THIS COURT ORDERS AND DECLARES** that, unless otherwise agreed to by the DIP Lenders, the DIP Lenders shall be treated as unaffected in any Plan filed by any of Applicants under the CCAA, or any proposal filed by any of the Applicants under the *Bankruptcy and Insolvency Act* (the "**BIA**"), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

39. **THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge and the DIP Lenders' Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First - Administration Charge (to the maximum amount of \$300,000);

Second - DIP Lenders' Charge (to the maximum amount of \$2,670,000, plus interest, fees, and costs); and

Third - Directors' Charge (to the maximum amount of \$410,000).

40. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

41. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

42. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges unless the Applicants also obtain

the prior written consent of the Monitor, the DIP Lenders and the beneficiaries of the Charges, or further Order of this Court.

43. **THIS COURT ORDERS** that the Charges, the DIP Term Sheet and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lenders thereunder shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicants pursuant to this Order, the DIP Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

44. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the applicable Applicant's interest in such real property leases.

CORPORATE MATTERS

45. **THIS COURT ORDERS** that MPX International Corporation be and is hereby relieved of any obligation to call and hold an annual meeting of its shareholders until further Order of this Court.

RELIEF FROM REPORTING AND FILING OBLIGATIONS

46. **THIS COURT ORDERS** that the decision by MPXI to incur no further expenses in relation to any filings (including financial statements), disclosures, core or non-core documents, restatements, amendments to existing filings, press releases or any other actions (collectively, the "**Securities Filings**") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including, without limitation, the *Securities Act* (Ontario), RSO 1990, c S.5 and comparable statutes enacted by other provinces of Canada, the CSE Policies 1-10 and other rules, regulations and policies of the Canadian Securities Exchange (collectively, the "**Securities Provisions**"), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of MPXI failing to make any Securities Filings required by the Securities Provisions.

47. **THIS COURT ORDERS** that none of the directors, officers, employees, and other representatives of MPXI nor the Monitor shall have any personal liability for any failure by MPXI to make any Securities Filings required by the Securities Provisions.

SERVICE AND NOTICE

48. **THIS COURT ORDERS** that the Monitor shall: (i) without delay, publish in the Globe and Mail, National Edition, a notice containing the information prescribed under the CCAA; and (ii) within five (5) days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against any of the Applicants of more than \$1,000 (excluding individual employees, former employees with retirement savings plan entitlements, and retirees and other beneficiaries who have entitlements under any retirement savings plans), and (C) prepare a list

showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder; provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available unless otherwise ordered by this Court.

49. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/MPXI>.

50. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicants' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2175 (SOR/DORS).

51. **THIS COURT ORDERS** that, subject to further Order of this Court in respect of urgent motions, any interested party wishing to object to the relief sought in a motion brought by the Applicants or the Monitor in these CCAA proceedings shall, subject to further Order of this Court, provide the service list in these proceedings (the "**Service List**") with responding motion materials or a written notice (including by e-mail) stating its objection to the motion and the grounds for such objection by no later than 5:00 p.m. (Toronto time) on the date that is two (2) days prior to the date such motion is returnable (the "**Objection Deadline**"). The Monitor shall have the ability to extend the Objection Deadline after consulting with the Applicants.

52. **THIS COURT ORDERS** that following the expiry of the Objection Deadline, counsel to the Monitor or counsel to the Applicants shall inform the Court, including by way of a 9:30 a.m. appointment, of the absence or the status of any objections to the motion and the judge having carriage of the motion may determine (a) whether a hearing in respect of the motion is necessary, (b) if a hearing is necessary, the date and time of the hearing, (c) whether such hearing will be in person, by telephone or videoconference, or by written submissions only, and (d) the parties from whom submissions are required. In the absence of any such determination, a hearing will be held in the ordinary course on the date specified in the notice of motion.

GENERAL

53. **THIS COURT ORDERS** that each of the Applicants, the DIP Lenders or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of its powers and duties under this Order or in the interpretation of this Order hereunder.

54. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of any of the Applicants, the Business or the Property.

55. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand or any other country, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

56. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative

in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

57. **THIS COURT ORDERS** that any interested party (including each of the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

58. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order.



Chief Justice G.B. Morawetz

SCHEDULE "A"
NON-APPLICANT STAY PARTIES

MPX Australia Pty Ltd.
MPXI UK Limited
MPXI Lesotho (Pty) Ltd.
Highland Farms (Pty) Ltd.
MPXI Malta Operations Limited
MPXI Malta Property Limited
Alphafarma Operations Limited
MPXI Malta Holding Limited
MPXI SA Pty Ltd.
First Growth Holding Pty Ltd.
Salus Biocetical (Thailand) Co., Ltd.
Salus International Management Ltd.
Holyworld SA
MPXI Labs SA

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION

Court File No.: CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings Commenced in Toronto

**AMENDED & RESTATED
INITIAL ORDER**
(amending Initial Order dated July 25, 2022)

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Sean Zweig (LSO# 57307I)
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Thomas Gray (LSO# 82473H)

Tel: 416-863-1200
Fax: 416-863-1716

Lawyers for the Applicants

THIS IS EXHIBIT "C" REFERRED TO IN THE

AFFIDAVIT OF JEREMY BUDD

SWORN

THE 8th DAY OF DECEMBER 2022

A handwritten signature in black ink, appearing to be the initials 'JE' followed by a long horizontal stroke.

A Commissioner for taking affidavits, etc.



Court File No. CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE CHIEF) THURSDAY, THE 4th
)
JUSTICE MORAWETZ) DAY OF AUGUST, 2022
)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC.,
THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA
CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

SISP APPROVAL ORDER

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*, approving the SISP (as defined below) and certain related relief, was heard this day by Zoom videoconference.

ON READING the Notice of Motion of the Applicants, the affidavit of Jeremy Blumer sworn July 28, 2022, the First report of KSV Restructuring Inc. dated July 29 (the "**First Report**"), in its capacity as monitor of the Applicants (the "**Monitor**"), filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the DIP Lenders, and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service of Thomas Gray sworn July 28, 2022;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them under the Sale and Investment Solicitation Process attached hereto as Schedule "A" (the "**SISP**") or the Amended and Restated Initial Order dated August 4, 2022, as applicable.

APPROVAL OF THE SISP

3. **THIS COURT ORDERS** that the SISP (subject to any amendments thereto that may be made in accordance therewith and with this Order) be and is hereby approved and the Monitor, and the Applicants are authorized and directed to carry out the SISP in accordance with its terms and this Order, and are hereby authorized and directed to take such steps as they consider necessary or desirable in carrying out each of their obligations thereunder, subject to prior approval of this Court being obtained before completion of any transaction(s) under the SISP.
4. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective Assistants, affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SISP, except to the extent of such losses, claims, damages or liabilities arising or resulting from the gross negligence or wilful misconduct of the Applicants or the Monitor, as applicable, as determined by this Court.
5. **THIS COURT ORDERS** that notwithstanding anything contained herein or in the SISP, the Monitor shall not take possession of the Property or be deemed to take possession of the Property, including pursuant to any provision of the Cannabis Legislation.
6. **THIS COURT ORDERS** that the Monitor or the Applicants may apply to this Court for directions with respect to the SISP at any time.

PIPEDA

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and any similar legislation in any other applicable jurisdictions, the Applicants, the Monitor and each of their respective Assistants are hereby authorized and permitted to disclose and transfer to each Qualified Bidder personal information of identifiable individuals but only to the extent desirable or required to negotiate or attempt to complete a transaction pursuant to the SISP (a "**Transaction**"). Each Qualified Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and if it does not complete a Transaction, shall return all such information to the Applicants or the Monitor, as applicable, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Applicants or the Monitor. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the personal information provided to it that is related to the Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such information by the Applicants, and shall return all other personal information to the Applicants or the Monitor or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Applicants or the Monitor.

8. **THIS COURT ORDERS** that the Non-Applicant Stay Parties and their current and former directors, officers, employees, agents and advisors shall provide the Applicants and the Monitor with all information and such other assistance as reasonably required by the Applicants and the Monitor in connection with the SISP and the discharge of their duties and powers under this Order.

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand or any other country, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and

to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order.



Chief Justice G.B. Morawetz

SCHEDULE "A"

SALE AND INVESTMENT SOLICITATION PROCESS

On July 25, 2022, MPX International Corporation, BioCannabis Products Ltd., Canveda Inc., The Cin-X Corporation, Spartan Wellness Corporation, MPXI Alberta Corporation, MCLN Inc. and Salus BioPharma Corporation (collectively, the "**Applicants**") were granted an initial order (as amended and restated on August 4, 2022 and as may be further amended and/or restated from time to time, the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**", and the Applicants' proceedings thereunder, the "**CCAA Proceedings**"), by the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). All capitalized terms utilized herein and not otherwise defined shall have the meaning ascribed to them in the Initial Order or the Affidavit of Jeremy Blumer sworn July 25, 2022.

Pursuant to an order dated August 4, 2022 (the "**SISP Approval Order**") the Court approved, among other things, the sale and investment solicitation process (the "**SISP**") described herein. In accordance with the SISP Approval Order, KSV Restructuring Inc., in its capacity as the Court-appointed Monitor of the Applicants (in such capacity, the "**Monitor**"), with the assistance of the Applicants and the Non-Applicant Stay Parties (collectively, the "**MPXI Entities**") will conduct the SISP.

Opportunity

1. The SISP is intended to solicit interest in and opportunities for a sale of, or investment in, all or part of the MPXI Entities' assets and business operations (the "**Opportunity**"). The Opportunity may include one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of one or more of the MPXI Entities as a going concern, or a sale of all, substantially all or one or more components of the MPXI Entities' assets (the "**Property**") and business operations (the "**Business**") as a going concern or otherwise.
2. Any sale of the Property or investment in the Business will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor, the Applicants or any of their respective agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Applicants in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, except as otherwise provided in such Court orders.
3. The following are the key dates of the Court-approved SISP:

Milestone	Date
Commence solicitation of interest from parties, including delivering NDA and Teaser Letter, and upon execution of NDA, Confidential Information Memorandum and access to Data Room	No later than August 5, 2022.
Binding Offer Deadline	September 8, 2022 at 5:00 p.m. EDT
Deadline to notify Qualified Bidders of Successful Bid	September 12, 2022 at 5:00 p.m. EDT

Solicitation of Interest: Notice of the SISP

4. As soon as reasonably practicable, but in any event by no later than August 5, 2022:
- (a) the Monitor and the Applicants will prepare a list of potential bidders, including:
 - (i) parties that have approached the MPXI Entities or the Monitor indicating an interest in the Opportunity; and
 - (ii) local and international strategic and financial parties who the Monitor and the Applicants believe may be interested in purchasing all or part of the Business or Property or investing in the MPXI Entities pursuant to the SISP (collectively, the "**Known Potential Bidders**");
 - (b) the Monitor will cause a notice of the SISP (and such other relevant information which the Monitor, in consultation with the Applicants, considers appropriate) (the "**Notice**") to be published in *The Globe and Mail* (National Edition), and such international publications and/or journals as the Monitor, in consultation with the Applicants, considers appropriate;
 - (c) the Applicants will issue a press release setting out the information contained in the Notice and such other relevant information which the Applicants, in consultation with the Monitor, determines is appropriate;
 - (d) the Monitor, with the assistance of the Applicants, will prepare a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP;

- (e) the Monitor shall arrange to have each of the Notice and the Teaser Letter translated to Thai and Maltese, respectively, and advertised in the applicable jurisdictions to solicit interest in the MPXI Entities; and
 - (f) the Applicants, with the assistance of the Monitor, will prepare a non-disclosure agreement in form and substance satisfactory to the Applicants and the Monitor (an "NDA").
5. The Monitor or the Applicants will send the Teaser Letter and NDA to all Known Potential Bidders by no later than August 5, 2022 and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the MPXI Entities or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Qualified Bidders

6. Any party who wishes to participate in the SISP (a "**Potential Bidder**") must provide to the Monitor and the Applicants, at the addresses specified in Schedule "A" hereto (including by email transmission), with a NDA executed by it, acceptable to the Monitor, and written confirmation of the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder.
7. A Potential Bidder (who has delivered the executed NDA and letter as set out above) will be deemed a "**Qualified Bidder**" if the Monitor, in consultation with the Applicants, determines such person is likely, based on the availability of financing, experience and other considerations, to be able to consummate a sale or investment pursuant to the SISP. All Qualified Bidders will receive a Confidential Information Memorandum prepared by the Monitor and will be granted access to a virtual data room ("**Data Room**"). The DIP Lenders, the Debenture Trustee (on behalf of Debentureholders) and any company affiliated with either of the foregoing shall be deemed to be a Qualified Bidder.
8. At any time during the SISP, the Applicants may, in their reasonable business judgment and after consultation with the DIP Lenders and with the consent of the Monitor, eliminate a Qualified Bidder from the SISP, in which case such bidder will be eliminated from the SISP and will no longer be a "Qualified Bidder" for the purposes of the SISP.
9. Potential Bidders must rely solely on their own independent review, diligence, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any transaction they enter into with one or more of the MPXI Entities.

Due Diligence

10. The Monitor, in consultation with the Applicants, shall, subject to competitive and other business considerations, afford each Qualified Bidder such access to due diligence materials and information relating to the Property and Business as the Monitor, in consultation with the Applicants, may deem appropriate. Due diligence access may include management presentations, access to the Data Room, on-site inspections, and other matters which a Qualified Bidder may reasonably request and as to which the

Monitor, in its reasonable business judgment and after consulting with the Applicants, may agree. The Monitor will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Qualified Bidders and the manner in which such requests must be communicated. Neither the Applicants nor the Monitor will be obligated to furnish any information relating to the Property or Business to any person other than to Qualified Bidders. Further, and for the avoidance of doubt, selected due diligence materials may be withheld from certain Qualified Bidders if the MPXI Entities, in consultation with the Monitor, determine such information to represent proprietary or sensitive competitive information.

Formal Binding Offers and Selection of Successful Bidder(s)

11. Qualified Bidders that wish to make a formal offer to purchase or make an investment in the MPXI Entities or their Property or Business shall submit a binding offer (a "**Binding Offer**")¹ that complies with all of the following requirements to the Monitor and the Applicants at the addresses specified in Schedule "A" hereto (including by email), so as to be received by them no later 5 p.m. EDT on September 8, 2022 (the "**Binding Offer Deadline**"). For greater certainty, Binding Offers must:
- (a) be submitted on or before the Binding Offer Deadline by a Qualified Bidder;
 - (b) be made by way of binding, definitive transaction document(s) that is/are executed by the Qualified Bidder;
 - (c) contain a clear indication of whether the Qualified Bidder is offering to:
 - (i) acquire all, substantially all or a portion of the Property and/or Business (a "**Binding Sale Offer**"), or
 - (ii) make an investment in, restructure, reorganize or refinance the Business and/or one or more of the MPXI Entities (a "**Binding Investment Offer**");
 - (d) in the case of a Binding Sale Offer, identify or contain information in respect of the following:
 - (i) the purchase price, including details of any liabilities to be assumed by the Qualified Bidder and key assumptions supporting the valuation (the "**Purchase Price**");
 - (ii) a description of the Property subject to the transaction and any of the Property to be excluded;
 - (iii) the Qualified Bidder's intended use of the Property subject to the transaction;

¹ A "Binding Offer" includes a Binding Sale Offer and a Binding Investment Offer.

- (iv) the Qualified Bidder's proposed treatment of employees of the applicable MPXI Entities (for example, anticipated employment offers and treatment of post-employment benefits);
 - (v) the key terms and provisions to be included in any order of the Court approving the Binding Sale Offer, including whether such order will be a "reverse vesting order";
 - (vi) be accompanied by information confirming the financial capability of the Qualified Bidder and the structure and financing of the transaction (including, but not limited to, the sources of financing to fund the acquisition, evidence of the availability of such financing or such other form of financial disclosure and credit-quality support or enhancement that will allow the Applicants and the Monitor and each of their respective advisors to make a reasonable business or professional judgment as to the Qualified Bidder's financial or other capabilities to consummate the transaction and to perform all obligations to be assumed in such transaction; and the steps necessary and associated timing to obtain financing and any related contingencies, as applicable);
 - (vii) any anticipated corporate, licensing, securityholder, internal, Health Canada, legal or other regulatory approvals required to close the transaction, and an estimate of the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - (viii) an acknowledgement that the Binding Sale Offer is made on an "as-is, where- is" basis;
 - (ix) all conditions to closing of the Binding Sale Offer;
 - (x) any other terms or conditions of the Binding Sale Offer; and
 - (xi) such other information as reasonably requested by the Applicants or the Monitor.
- (e) in the case of an Binding Investment Offer, identify or contain information in respect of the following:
- (i) the aggregate amount of the equity and/or debt investment to be made in the Business/the MPXI Entities in Canadian Dollars;
 - (ii) key assumptions supporting the valuation;
 - (iii) the key terms and provisions to be included in any order of the Court approving the contemplated Binding Investment Offer, including whether such order will be a "reverse vesting order";
 - (iv) the underlying assumptions regarding the pro forma capital structure (including the form and amount of anticipated equity and/or debt levels,

debt service fees, interest or dividend rates, amortization, voting rights or other protective provisions (as applicable), redemption, prepayment or repayment attributes and any other material attributes of the investment);

- (v) a specific indication of the sources of capital for the Qualified Bidder and the structure and financing of the transaction (including, but not limited to, the sources of capital to fund the investment, preliminary evidence of the availability of such capital or such other form of financial disclosure and credit-quality support or enhancement that will allow the Applicants and the Monitor and each of their respective advisors to make a reasonable business or professional judgment as to the Qualified Bidder's financial or other capabilities to consummate the transaction, steps necessary and associated timing to obtain such capital and any related contingencies, as applicable, and a sources and uses analysis);
- (vi) any anticipated corporate, licensing, securityholder, internal, Health Canada, legal or other regulatory approvals required to close the transaction, and an estimate of the anticipated time frame and any anticipated impediments for obtaining such approvals;
- (vii) an acknowledgement that the Binding Investment Offer is made on an "as-is, where-is" basis;
- (viii) all conditions to closing of the Binding Investment Offer;
- (ix) any other terms or conditions of the Binding Investment Offer; and
- (x) such other information as reasonably requested by the Applicants or the Monitor.

12. The Monitor, with the approval of the Applicants, may waive strict compliance with any one or more of the requirements specified above. For the avoidance of doubt, the completion of any Binding Offer shall be subject to the approval of the Court.

Reviewing of Binding Offers and Selection of Successful Bid(s)

13. Binding Offers will be valued based upon numerous factors, including, without limitation, items such as the Purchase Price and the net value provided by such offer, the claims likely to be created by such offer in relation to other offers, the identity, circumstances and ability of the bidder to successfully complete such transactions, the proposed transaction documents, the effects of the bid on the stakeholders of the MPXI Entities, factors affecting the speed, certainty and value of the transaction (including any licensing, Health Canada, regulatory or legal approvals or third party contractual arrangements required to close the transactions), the assets included or excluded from the offer, any related restructuring costs, and the likelihood and timing of consummating such transactions, each as determined by the Applicants, in consultation with the Monitor and the DIP Lenders.
14. The Applicants and the Monitor, in consultation with and with the approval of the DIP Lenders will: (i) review and evaluate each Binding Offer, provided that each Binding

Offer may be negotiated among the Applicants, in consultation with the Monitor, and the applicable Qualified Bidder, and may be amended, modified or varied to improve such Binding Offer as a result of such negotiations; and (ii) identify the highest or otherwise best Binding Offer(s) (the "**Successful Bid(s)**", and a Qualified Bidder making such Successful Bid, a "**Successful Bidder**") for any particular Property or the Business of the MPXI Entities in whole or part. The determination of any Successful Bid by the Applicants, in consultation with the Monitor and the DIP Lenders, shall be subject to approval by the Court.

15. The Monitor, in consultation with and with the approval of the Applicants and the DIP Lenders, shall notify each Qualified Bidder in writing as to whether its Binding Offer has been selected as a Successful Bid no later than September 12, 2022, or at such later time as the Monitor, in consultation with and with the approval of the Applicants and the DIP Lenders, deems appropriate.
16. The Applicants may, in consultation with and with the approval of the Monitor, aggregate separate Binding Offers to create one "Binding Offer".
17. The Applicants shall have no obligation to enter into a Successful Bid, and they reserve the right, after consultation with the Monitor and the DIP Lenders, to reject any or all Binding Offers.
18. Notwithstanding the process and deadlines outlined above with respect to the SISP:
 - (a) the Monitor may, with the consent of the Applicants and the DIP Lenders, at any time:
 - (i) in accordance with paragraph 26 herein, pause, terminate, amend or modify the SISP;
 - (ii) remove any portion of the Business and the Property from the SISP;
 - (iii) establish further or other procedures for the SISP; and
 - (b) the Applicants may, with the consent of the Monitor and in consultation with the DIP Lenders, at any time bring a motion to the Court to seek approval of:
 - (i) a sale of, or investment in, all or part of the Property or the Business whether or not such sale or investment is in accordance with the terms or timelines set out in this SISP; and/or
 - (ii) a stalking horse agreement in respect of some or all of the Property or Business and related bid procedures in respect of such Property or Business.

Sale Approval Motion Hearing

19. At the hearing of the motion to approve any transaction with a Successful Bidder (the "**Sale Approval Motion**"), the Applicants shall seek, among other things, approval from

the Court to consummate any Successful Bid. All Binding Offers, other than the Successful Bid(s), if any, shall be deemed rejected by the Applicants on and as of the date of approval of the Successful Bid(s) by the Court.

Confidentiality, Stakeholder/Bidder Communication and Access to Information

20. All discussions regarding the SISP should be directed through the Monitor. Under no circumstances should the management of the MPXI Entities or any stakeholder of the MPXI Entities be contacted directly without the prior consent of the Monitor. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP. For greater certainty, nothing herein shall preclude a stakeholder from contacting potential bidders with the agreement of the Monitor to advise that the Applicants have commenced a SISP and that they should contact the Monitor if they are interested in participating in the SISP.
21. If it is determined by the Monitor, in consultation with the Applicants, that it would be worthwhile to facilitate a discussion between one or more Qualified Bidders and a stakeholder or other third party as a consequence of a condition to closing or potential closing condition identified by such Qualified Bidder, the Monitor may provide such Qualified Bidder with the opportunity to meet with the relevant stakeholder or third party to discuss such condition or potential condition, with a view to enabling such bidder to seek to satisfy the condition or assess whether the condition is not required or can be waived. Any such meetings or other form of communication will take place on terms and conditions considered appropriate by the Monitor, in consultation with the Applicants. The Monitor must be provided with the opportunity to be present at all such communications or meetings.

Access to Information and Credit Bidding by Debentureholders and/or DIP Lenders

22. Following the Binding Offer Deadline, should none of the Binding Offers received be acceptable to the DIP Lenders, including because such Binding Offers do not provide for the immediate repayment in cash of all outstanding amounts owing under the Debentures in full, the Applicants, with the consent of the Monitor and the DIP Lenders, may terminate the SISP and accept a credit bid (or such other bid) from the Debenture Trustee (on behalf of Debentureholders), the Debentureholders or the DIP Lenders for the Business and the Property.
23. Notwithstanding anything contained herein, neither the MPXI Entities nor the Monitor shall provide the Debenture Trustee (on behalf of Debentureholders) or any Debentureholder (including in its capacity as a DIP Lender) with any information relating to the Binding Offers, other than the Subject Information (as defined below), unless and until the Debenture Trustee and/or such Debentureholder(s) confirm to the Applicants and the Monitor in writing that if they submit a credit bid in the SISP, such bid shall not be for an amount greater than the amount owing under the Debentures, plus all amounts ranking in priority to the Debentures. For the purposes of this paragraph, "**Subject Information**" shall mean, subject to the Monitor's determination of whether it is appropriate to disclose: (i) the amount and form of consideration payable in respect of the outstanding obligations under the DIP Term Sheet and the Debentures; (ii) the transaction

structure and the material conditions to closing contemplated in any Binding Offer; and (iii) any other information the Monitor considers appropriate.

Supervision of the SISP

24. This SISP does not, and will not be interpreted to create any contractual or other legal relationship between the MPXI Entities and any Qualified Bidder or any other party, other than as specifically set forth in an NDA or a definitive agreement that may be signed with one or more of the MPXI Entities (including any Stalking Horse Agreement).
25. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Binding Offer, due diligence activities, and any other negotiations or other actions whether or not they lead to the consummation of a transaction.
26. The Applicants or the Monitor shall have the right to modify the SISP with the prior written approval of the DIP Lenders if, in their reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the service list in these CCAA Proceedings shall be advised of any substantive modification to the procedures set forth herein.

SCHEDULE "A"

The Monitor:

KSV Restructuring Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9

Attention: Noah Goldstein and Eli Brenner

Email: ngoldstein@ksvadvisory.com / ebrenner@ksvadvisory.com

with copies to:

Aird & Berlis LLP
Brookfield Place, 181 Bay St. #1800
Toronto, ON M5J 2T9

Attention: Kyle Plunkett and Sam Babe

Email: kplunkett@airdberlis.com / sbabe@airdberlis.com

The Applicants

The MPXI Entities
c/o Bennett Jones LLP
100 King Street West, Suite 3400
Toronto, ON M5X 1A5

Attention: Sean Zweig and Mike Shakra

Email: zweigs@bennettjones.com / shakram@bennettjones.com

**IN THE MATTER OF THE COMPANIES' CREDITORS' ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN
THE MATTER OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE
CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND
SALUS BIOPHARMA CORPORATION**

Court File No.: CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings Commenced in Toronto

SISP APPROVAL ORDER

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Mike Shakra (LSO# 64604K)
Thomas Gray (LSO# 82473H)

Tel: 416-863-1200
Fax: 416-863-1716

Lawyers for the Applicants

**THIS IS EXHIBIT "D" REFERRED TO IN THE
AFFIDAVIT OF JEREMY BUDD
SWORN
THE 8th DAY OF DECEMBER 2022**

A handwritten signature in black ink, appearing to be the initials 'JE' with a long horizontal stroke extending to the right.

A Commissioner for taking affidavits, etc.



Court File No. CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)
JUSTICE CAVANAGH)
FRIDAY, THE 21ST
DAY OF OCTOBER, 2022

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

ORDER

(Stay Extension, DIP Amendment & Fee Approval)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*, approving an extension of the Stay Period and certain related relief, was heard this day by Zoom videoconference.

ON READING the Notice of Motion of the Applicants, the affidavit of Jeremy Budd sworn October 13, 2022 (the "**October 13 Affidavit**"), the affidavit of Jeremy Budd sworn October 18, 2022 (the "**October 18 Affidavit**" and together with the October 13 Affidavit, the "**Budd Affidavits**"), the Third Report of KSV Restructuring Inc. dated October 17, 2022 (the "**Third Report**"), in its capacity as monitor of the Applicants (the "**Monitor**"), filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the DIP Lenders, and such other counsel as were present, no one else appearing although duly served as appears from the affidavits of service of Thomas Gray sworn October 13 and 18, 2022;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them under the Amended and Restated Initial Order dated August 4, 2022 (the "**Amended and Restated Initial Order**") or the Budd Affidavits, as applicable.

EXTENSION OF THE STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until and including December 16, 2022.

DIP AMENDMENT

4. **THIS COURT ORDERS** that the execution by the Applicants of the DIP Amendment, a copy of which is attached as Exhibit "A" to the October 18 Affidavit, is hereby authorized and approved, and the Applicants are hereby authorized and empowered to borrow up to an additional \$450,000 (\$3,120,000 in the aggregate) (plus fees, interest and costs) pursuant to the DIP Term Sheet as amended by the DIP Amendment.
5. **THIS COURT ORDERS** that:
 - (a) paragraphs 33 to 38 of the Amended and Restated Initial Order shall apply to the DIP Term Sheet as amended by the DIP Amendment and all references to the DIP Term Sheet contained in the Amended and Restated Initial Order shall be deemed to be references to the DIP Term Sheet as amended by the DIP Amendment;
 - (b) the DIP Lenders' Charge shall secure all amounts owing by the Applicants to the DIP Lenders under the DIP Term Sheet and the Definitive Documents as amended by the DIP Amendment; and

- (c) for greater certainty, paragraphs 33, 36 and 39 of the Amended and Restated Initial Order are hereby amended to replace the references to "\$2,670,000" with "\$3,120,000".

APPROVAL OF THE MONITOR'S REPORTS, ACTIVITIES AND FEES

6. **THIS COURT ORDERS** that the Prior Reports and the Third Report, and the activities of the Monitor and its counsel referred to therein be and are hereby approved; provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

7. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and the Monitor's legal counsel, Aird & Berlis LLP ("**A&B**"), as set out in the Third Report and as more particularized within the fee affidavits of the Monitor and A&B included within the Third Report, be and are hereby approved.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand or any other country, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

9. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.



Digitally signed by
Mr. Justice
Cavanagh

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN
THE MATTER OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE
CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND
SALUS BIOPHARMA CORPORATION**

Court File No.: CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings Commenced in Toronto

**ORDER
(Stay Extension, DIP Amendment
& Fee Approval)**

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Mike Shakra (LSO# 64604K)
Thomas Gray (LSO# 82473H)

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Fax: 416-863-1716

Lawyers for the Applicants

**THIS IS EXHIBIT "E" REFERRED TO IN THE
AFFIDAVIT OF JEREMY BUDD
SWORN
THE 8th DAY OF DECEMBER 2022**

A handwritten signature in black ink, appearing to be the initials 'JE' with a long horizontal stroke extending to the right.

A Commissioner for taking affidavits, etc.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD.,
CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS
CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS
BIOPHARMA CORPORATION**

Applicants

**AFFIDAVIT OF JEREMY BUDD
(Sworn October 13, 2022)**

I, Jeremy Budd, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. This affidavit is made in support of a motion brought by MPX International Corporation (“**MPXI**”), BioCannabis Products Ltd., Canveda Inc., The CinG-X Corporation, Spartan Wellness Corporation, MPXI Alberta Corporation, MCLN Inc., and Salus BioPharma Corporation (each individually, an “**Applicant**”, and collectively, the “**Applicants**”).

2. I am the Executive Vice President, Corporate Secretary and General Counsel of MPXI, which wholly-owns each of the other Applicants and which, directly or indirectly, wholly-owns or has an interest in several other non-Applicant affiliates¹ (each of the Applicants and the Non-

¹ The non-Applicant affiliates are: MPX Australia Pty Ltd.; MPXI UK Limited; MPXI Lesotho (Pty) Ltd.; Highland Farms (Pty) Ltd.; MPXI Malta Operations Limited; MPXI Malta Property Limited; Alphafarma Operations Limited; MPXI Malta Holding Limited; MPXI SA Pty Ltd.; First Growth Holding Pty Ltd.; Salus Bioceutical (Thailand) Co., Ltd.; Salus International Management Ltd.; Holyworld SA; and MPXI Labs SA (collectively, the “**Non-Applicant Stay Parties**”). MPXI understands that MPX Australia Pty Ltd. has since been de-registered from Australia’s corporate registry.

Applicant Stay Parties individually a “**MPXI Entity**” and collectively, the “**MPXI Entities**” or the “**Company**”). I am also a director of MPXI and each of the other Applicants, and a director/and or officer of several of the other MPXI Entities. As such, I have personal knowledge of the Company and the matters to which I depose in this affidavit. Where I have relied on other sources for information, I have so stated and I believe them to be true.

3. All references to currency in this affidavit are in Canadian dollars unless noted otherwise.

I. RELIEF REQUESTED

4. I swear this affidavit in support of a motion by the Applicants for an order (the “**Stay Extension and Fee Approval Order**”), among other things:

- (a) abridging the time for service of the motion record returnable October 21, 2022 and dispensing with service on any person other than those served;
- (b) extending the Stay Period (as defined below) until and including December 16, 2022 (the “**Stay Extension**”);
- (c) approving the Third Report of KSV Restructuring Inc. (“**KSV**”) in its capacity as the Court-appointed monitor (in such capacity, the “**Monitor**”), to be filed (the “**Third Report**”), the Prior Reports (as defined below) and the activities of the Monitor described therein; and
- (d) approving the fees and disbursements of the Monitor and its counsel as set out in affidavits of Noah Goldstein and Tamie Dolny, respectively, each as attached to the Third Report (together, the “**Fee Affidavits**”).

5. Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Stay Extension and Fee Approval Order.

II. INTRODUCTION AND BACKGROUND

6. MPXI, a public company listed on the Canadian Securities Exchange, is the ultimate parent company to several companies in the cannabis industry in Canada and internationally, including Thailand, Malta and Switzerland. Through its subsidiaries, its business and operations focus on production and resale, management consulting for cannabis companies, and cannabis education.

7. On July 25, 2022, as a result of a dire liquidity crisis, the Applicants brought an application to this Court for relief pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"). On that day, this Court granted an order (the "**Initial Order**"), which, among other things:

- (a) appointed KSV as the Monitor;
- (b) approved the Applicants' ability to borrow under a debtor-in-possession ("**DIP**") credit facility up to a maximum principal amount of \$2.67 million (the "**DIP Loan**");
- (c) stayed, for an initial period of not more than ten days (the "**Stay Period**"), all proceedings and remedies taken or that might be taken in respect of the Applicants, the Monitor or the directors and officers of the Applicants, or affecting the Applicants' business or the Property (as defined in the Initial Order), except with the written consent of the Applicants and the Monitor, or with leave of the Court (the "**Stay of Proceedings**");

- (d) extended the benefit of the Stay of Proceedings to the Non-Applicant Stay Parties and their respective directors and officers; and
- (e) granted the Administration Charge up to a maximum amount of \$300,000, the DIP Lenders' Charge up to a maximum amount of \$1,200,000, and the Directors' Charge up to a maximum amount of \$145,000 (each as defined in the Initial Order).

8. On August 4, 2022, the Court granted an amended and restated Initial Order (the "**Amended and Restated Initial Order**"), which, among other things:

- (a) increased the Directors' Charge and the DIP Lenders' Charge to \$410,000 and \$2,670,000, respectively; and
- (b) extended the Stay Period to and including October 21, 2022.

9. The Initial Order and Amended and Restated Initial Order also provided certain relief related to MPXI's obligations to make securities filings and hold an annual meeting. Copies of the Initial Order and Amended and Restated Initial Order are attached hereto as **Exhibits "A"** and **"B"**, respectively.

10. On August 4, 2022, the Court also granted an order (the "**SISP Approval Order**") approving a Sale and Investment Solicitation Process in respect of the MPXI Entities (the "**SISP**"). A copy of the SISP Approval Order is attached hereto as **Exhibit "C"**.

III. UPDATE ON THE SISP²

11. The SISP contained the following milestones:

Milestone	Date
Commence solicitation of interest from parties, including delivering NDA and Teaser Letter, and upon execution of NDA, Confidential Information Memorandum and access to Data Room	No later than August 5, 2022.
Binding Offer Deadline	September 8, 2022 at 5:00 PM EST
Deadline to notify Qualified Bidders of Successful Bid	September 12, 2022 at 5:00 PM EST

12. Since the granting of the SISP Approval Order, the Monitor, with the assistance of the MPXI Entities, has solicited interest in a sale of, or investment in, all or part of the MPXI Entities' Business and Property.

13. In accordance with the SISP, the following efforts were made to solicit interest in the Opportunity:

- (a) Known Potential Bidders were identified by preparing a list of potential bidders, including, among others:
 - (i) parties that had approached the Monitor and/or the MPXI Entities indicating an interest in the Opportunity;

² Capitalized terms not otherwise defined in this section have the meanings given to them in the SISP.

- (ii) multiple parties who the Monitor and/or the MPXI Entities, in consultation with the DIP Lenders, believed may have had an interest in purchasing all or part of the Business and Property or investing in the MPXI Entities pursuant to the terms of the SISP; and
 - (iii) any other credible parties as determined by the Monitor and/or the MPXI Entities, in consultation with the DIP Lenders, suggested by a stakeholder as a potential bidder who may be interested in the Opportunity;
- (b) the Monitor arranged for notice of the SISP to be published in The Globe and Mail (National Edition) and issued a press release announcing the Opportunity; and
- (c) the Monitor, with the assistance of the MPXI Entities and in consultation with the DIP Lenders, prepared:
 - (i) the Teaser Letter which described the Opportunity, outlined the process under the SISP and invited recipients to express their interest pursuant to SISP; and
 - (ii) the NDA.

14. The Monitor solicited interest in the Opportunity from 179 Known Potential Bidders by sending each a copy of the Teaser Letter and NDA. Of the Potential Bidders who were provided with a copy of the Teaser Letter, 15 parties executed an NDA to engage in additional due diligence as Qualified Bidders.

15. As of the Binding Offer Deadline, 7 parties had submitted offers. The Monitor and the Applicants, with input from the DIP Lenders, reviewed these offers and assessed their value.

Ultimately, in accordance with the SISP, the Applicants and the Monitor, in consultation with the DIP Lenders determined that none of the offers received in the SISP should be selected as a Successful Bid, as none of them offered sufficient value for the assets that would be acquired. Importantly, when all non-duplicative offers were aggregated together, they were not sufficient to repay the primary secured creditors, the Debentureholders, in full.

16. However, in accordance with the broad flexibility afforded by the SISP, the Applicants and the Monitor are currently negotiating two potential transactions:

(a) *The Reverse Vesting Transaction:* The Applicants have continued good faith discussions with a Qualified Bidder that submitted an offer for the shares of one of the Applicants and certain related assets. The Applicants, the Monitor, and the Qualified Bidder are still negotiating the terms of the proposed transaction and anticipate that if the parties reach mutually acceptable terms, the transaction will consist of a share purchase agreement to be effected by way of a “reverse vesting” order (the “**Reverse Vesting Transaction**”).

(b) *The Credit Bid Transaction:* The Applicants and the Monitor are also engaged in discussions with the DIP Lenders (on behalf of themselves and the Debentureholders) regarding a transaction that contemplates the Debentureholders acquiring certain shares and related assets of the MPXI Entities by way of a credit bid (the “**Credit Bid Transaction**”, and together with the Reverse Vesting Transaction, the “**Potential Sale Transactions**”).

17. The Applicants and the Monitor currently believe that they will be in a position to finalize the necessary transaction documents in respect of the Potential Sale Transactions in the very near

future. The Applicants intend to return to Court as soon as practical to seek approval of either or both of the Reverse Vesting Transaction and the Credit Bid Transaction. If approved, the Applicants will require additional time to obtain the necessary regulatory approvals and satisfy the conditions precedent to consummate either or both Potential Sale Transactions.

IV. NINTH SQUARE

18. Ninth Square Capital Corporation (“**Ninth Square**”) is the plaintiff in an action against various parties, including MPXI, myself, Scott Boyes (“**Boyes**”), and Michael Arnkvarn (“**Arnkvarn**”). Each of myself, Boyes, and Arnkvarn are directors and/or officers of various MPXI Entities, including MPXI. Ninth Square’s Consolidated Statement of Claim is attached hereto as **Exhibit “D”**. That action includes allegations regarding the conduct of myself, Boyes and Arnkvarn in our capacity directors and/or officers of MPXI.

19. In early August, 2022, Ninth Square advised that it was taking the position that the Stay of Proceedings did not apply to its action, and advised that it was reserving its rights to seek relief in that regard. Specifically, Ninth Square advised that it wished to continue with discoveries previously scheduled in this action for November and December.

20. The Applicants advised Ninth Square that pursuant to the plain wording of paragraph 19 of the Amended and Restated Initial Order, all “Proceedings” are stayed as against the former, current or future directors or officers (or similar position) of any MPXI Entity and, accordingly, leave of the Court was required to continue any proceedings against them.

21. In late August, 2022, counsel for Ninth Square advised that Ninth Square intended to seek a declaration that the Stay of Proceedings does not apply to myself, Boyes, or Arnkvarn in respect of the Ninth Square action.

22. The motion brought by Ninth Square (the “**Ninth Square Motion**”) was heard by the Court on September 29, 2022. The Court declined to grant the relief sought by Ninth Square, finding that the wrongful conduct alleged against myself, Boyes and Arnkvarn in the pleadings of Ninth Square’s action is “inextricably intertwined” with our roles in the management of MPXI, and that the Stay of Proceedings therefore prevents Ninth Square from proceeding with its action against us. The endorsement of Justice Conway (the “**Endorsement**”) issued in respect of the Ninth Square Motion is attached hereto as **Exhibit “E”**.

23. Notwithstanding the Endorsement and the outcome of the Ninth Square Motion, I understand that on October 11, 2022, counsel to Ninth Square advised counsel to the Applicants that Ninth Square would likely object to an extension of the Stay of Proceedings with respect to its action against myself, Boyes and Arnkvarn.

24. As indicated in the Endorsement, Justice Conway suggested that Ninth Square could amend its pleadings to clarify that its action does not apply to our conduct in directing MPXI. To my knowledge, this has not been done.

V. STAY EXTENSION AND FEE APPROVAL

(i) *Stay Extension*

25. As discussed above, the Stay Period currently runs until and including October 21, 2022. Pursuant to the Stay Extension and Fee Approval Order, the Applicants are seeking an extension of the Stay Period until and including December 16, 2022.

26. The Stay of Proceedings has allowed the MPXI Entities to maintain the status quo and has given the MPXI Entities and their directors and officers much-needed breathing space to focus on a sale of its business and assets for the benefit of the MPXI Entities' stakeholders. The Stay Extension will ensure that the MPXI Entities have continued stability. It is necessary and in the best interests of the Applicants and their stakeholders that the Stay Period be extended until and including December 16, 2022, as it will:

- (a) allow the MPXI Entities and the Monitor to continue to negotiate and finalize the Potential Sale Transactions and seek any necessary Court approvals;
- (b) if the Potential Sale Transactions are agreed to between the necessary parties and approved by the Court, allow the Applicants to work toward obtaining the necessary regulatory approvals to close either or both of the Potential Sale Transactions;
- (c) provide the necessary stability to allow the MPXI Entities to continue to operate as going concerns or to conduct an orderly wind-out of their businesses, as applicable;
- (d) allow the directors and officers of the MPXI Entities to focus their efforts on the Potential Sale Transactions; and

- (e) continue to advance matters toward a termination of these CCAA Proceedings that will allow certain restructured businesses to emerge as going concern entities.

27. At this critical juncture in the CCAA Proceedings the continued focus of myself, Boyes and Arnkvarn on the Potential Sale Transactions will be imperative in ensuring a successful restructuring and maximizing value for the Applicants' stakeholders.

28. As will be demonstrated in the Cash Flow Forecast appended to the Third Report, the Applicants are forecast to require additional financing to pay certain expenses to be incurred prior to the end of the proposed extension of the Stay Period. I understand that the DIP Lenders are currently preparing an amendment to the DIP Loan (the "**DIP Amendment**") that will increase the amount of funds available to the Applicants and extend the current maturity of the DIP Loan. I understand that, if the DIP Amendment is entered into, the Applicants will file supplemental materials attaching the DIP Amendment, or the Monitor will append the DIP Amendment to the Third Report. Provided the DIP Amendment is entered into, the Applicants are forecast to have sufficient liquidity to fund their obligations and the costs of the CCAA Proceedings through the end of the extended Stay Period.

29. Since the granting of the Amended and Restated Initial Order, the Applicants have continued to act in good faith and with due diligence to, among other things, stabilize their business, communicate with Health Canada, employees, customers, suppliers and other key stakeholders, and to assist the Monitor with the SISP and the negotiation of the Potential Sale Transactions.

30. I understand that the Monitor is supportive of the proposed extension of the Stay Period, and believes that it will not materially prejudice any stakeholder. I also understand that the DIP Lenders support the proposed extension of the Stay Period.

(ii) Fee Approval

31. The proposed Stay Extension and Fee Approval Order seeks approval of the Third Report and the fees and activities of the Monitor and its counsel described therein. It also seeks approval of the reports that were previously filed in these CCAA Proceedings, being:

- (a) the report of the proposed Monitor (as KSV then was) dated July 25, 2022 (the **“Pre-Filing Report”**);
- (b) the first report of the Monitor dated July 29, 2022 (the **“First Report”**); and
- (c) the second report of the Monitor dated September 20, 2022 (the **“Second Report”**, and collectively with the Pre-Filing Report and the First Report, the **“Prior Reports”**).

32. I understand that the Monitor and its counsel will prepare the Fee Affidavits, which will be attached to the Third Report.

VI. CONCLUSION

33. Since the granting of the Initial Order, the Applicants have acted and continue to act in good faith and with due diligence to, among other things, stabilize their business and assist with the SISP, each with the view of maximizing value for their stakeholders.

34. I believe that the relief sought and described herein is in the best interests of the MPXI Entities and their stakeholders. Further, the Monitor and the DIP Lenders are supportive of the relief sought pursuant to the Stay Extension and Fee Approval Order.

35. I swear this affidavit in support of the Applicants' motion for the Stay Extension and Fee Approval Order, and for no other or improper purpose.

SWORN BEFORE ME over)
videoconference on this 13th day of October)
2022. The affiant was located in the City of)
Toronto, in the Province of Ontario and the)
Commissioner was located in the City of)
Toronto, in the Province of Ontario. This)
affidavit was commissioned remotely as a)
result of COVID-19 and the declaration was)
administered in accordance with Ontario)
Regulation 431/20.)



Thomas Gray

A Commissioner for Oaths in and for the
Province of Ontario



Jeremy Budd

**THIS IS EXHIBIT "F" REFERRED TO IN THE
AFFIDAVIT OF JEREMY BUDD
SWORN
THE 8th DAY OF DECEMBER 2022**

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A Commissioner for taking affidavits, etc.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
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CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS
CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS
BIOPHARMA CORPORATION**

Applicants

**AFFIDAVIT OF JEREMY BUDD
(Sworn October 18, 2022)**

I, Jeremy Budd, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. This affidavit is made in support of a motion brought by MPX International Corporation (“**MPXI**”), BioCannabis Products Ltd., Canveda Inc., The CinG-X Corporation, Spartan Wellness Corporation, MPXI Alberta Corporation, MCLN Inc., and Salus BioPharma Corporation (each individually, an “**Applicant**”, and collectively, the “**Applicants**”).

2. I am the Executive Vice President, Corporate Secretary and General Counsel of MPXI, which wholly-owns each of the other Applicants and which, directly or indirectly, wholly-owns or has an interest in several other non-Applicant affiliates¹ (each of the Applicants and the Non-

¹ The non-Applicant affiliates are: MPX Australia Pty Ltd.; MPXI UK Limited; MPXI Lesotho (Pty) Ltd.; Highland Farms (Pty) Ltd.; MPXI Malta Operations Limited; MPXI Malta Property Limited; Alphafarma Operations Limited; MPXI Malta Holding Limited; MPXI SA Pty Ltd.; First Growth Holding Pty Ltd.; Salus Bioceutical (Thailand) Co., Ltd.; Salus International Management Ltd.; Holyworld SA; and MPXI Labs SA (collectively, the “**Non-Applicant Stay Parties**”). MPXI understands that MPX Australia Pty Ltd. has since been de-registered from Australia’s corporate registry.

Applicant Stay Parties individually a “**MPXI Entity**” and collectively, the “**MPXI Entities**” or the “**Company**”). I am also a director of MPXI and each of the other Applicants, and a director/and or officer of several of the other MPXI Entities. As such, I have personal knowledge of the Company and the matters to which I depose in this affidavit. Where I have relied on other sources for information, I have so stated and I believe them to be true.

3. I swear this affidavit further to my affidavit sworn October 13, 2022 (the “**October 13 Affidavit**”) and in support of a motion by the Applicants for an order (the “**Stay Extension, DIP Amendment and Fee Approval Order**”), among other things: (i) extending the Stay Period to and including December 16, 2022; (ii) approving the DIP Amendment (as defined below); and (iii) approving the fees and disbursements of the Monitor and its counsel as detailed in the Third Report.

4. This affidavit should be read in conjunction with the October 13 Affidavit. All capitalized terms not otherwise defined herein have the meanings ascribed to such terms in the October 13 Affidavit or the Amended and Restated Initial Order dated August 5, 2022 (the “**Amended and Restated Initial Order**”), as applicable.

I. THE DIP AMENDMENT

5. Pursuant to the Initial Order, the Court authorized and empowered the Applicants to obtain and borrow a credit facility from the DIP Lenders to finance the MPXI Entities’ working capital requirements and other general corporate purposes and capital expenditures. The Court also:

- (a) approved the DIP Term Sheet; and
- (b) granted the DIP Lenders’ Charge up to a maximum amount of \$1,200,000.

6. Pursuant to the Amended and Restated Initial Order, the DIP Lenders' Charge was subsequently increased to \$2,670,000, plus interest, fees and costs.

7. As a result of additional funding required to finance the operations of Salus Bioceutical (Thailand) Co., Ltd ("**Salus Bioceutical**") and to close the Potential Sale Transactions, the Applicants, in consultation with the Monitor and the DIP Lenders, have determined that the MPXI Entities will require additional funding under the DIP Term Sheet.

8. The Applicants, with the assistance of the Monitor, have prepared revised and extended consolidated cash flow projections that reflect the MPXI Entities' go-forward cash flow needs (the "**Revised Cash Flow Projection**"). I understand from the Monitor that the Revised Cash Flow Projection will be attached to the Third Report.

9. As part of their ongoing support for the MPXI Entities and the CCAA Proceedings, a steering committee of the DIP Lenders (on behalf of the DIP Lenders) have agreed to advance an additional \$450,000 pursuant to the First Amendment to the DIP Term Sheet entered into on October 17, 2022 (the "**DIP Amendment**"). It is expected that, prior to the return of this motion, \$350,000 will be advanced to Salus Bioceutical to fund its operations. A copy of the DIP Amendment is attached hereto as **Exhibit "A"**.

10. Pursuant to the terms of the DIP Amendment:

- (a) the credit facility (the "**Credit Facility**") available under the DIP Term Sheet will be increased by \$450,000 to a maximum amount of \$3,120,000;
- (b) the maturity date of the Credit Facility will be extended to the earlier of: (i) December 16, 2022; and (ii) the closing of the Credit Bid Transaction; and

- (c) the Applicants shall pay the DIP Lenders an extension fee of \$100,000, which shall be secured by the DIP Lenders' Charge and shall form part of the amount due under the Credit Facility.

11. In connection with the proposed DIP Amendment, the Applicants are seeking to supplement the relief sought under the Stay Extension and Fee Approval Order served on October 13, 2022.

12. In addition to the previous relief sought, the Stay Extension, DIP Amendment and Fee Approval Order now also seeks approval to enter into the DIP Amendment and an increase the quantum of the DIP Lenders' Charge to a maximum of \$3,120,000, plus interest, fees and costs. A copy of the proposed Stay Extension, DIP Amendment and Fee Approval Order is attached hereto as **Exhibit "B"**. A blackline comparison between the Stay Extension and Fee Approval Order served on October 13, 2022 and the Stay Extension, DIP Amendment and Fee Approval Order to be sought on October 17, 2022 is attached hereto as **Exhibit "C"**.

13. The DIP Amendment and the corresponding increase to the DIP Lenders' Charge are based on the go-forward funding needs of the MPXI Entities and will allow them to continue to operate in the ordinary course while the Potential Sale Transactions are negotiated and closed. It is a condition of the DIP Amendment (and the availability of funds thereunder) that the DIP Lenders' Charge be increased.

14. It is my view that the DIP Amendment is in the best interests of the MPXI Entities' stakeholders as it will provide the MPXI Entities' with the funds necessary to continue operations while the Potential Sale Transactions are negotiated and closed. This will provide significant benefit to the MPXI Entities' stakeholders.

15. Further, I understand that the Monitor, the DIP Lenders, and the Debentureholders are supportive of the proposed DIP Amendment. Importantly, now that the SISP has been completed, the only stakeholders with a remaining economic interest in the MPXI Entities are the DIP Lenders and the Debentureholders. The Monitor does not believe that any creditor will be materially prejudiced by the approval of the DIP Amendment or any other relief sought pursuant to the Stay Extension, DIP Amendment and Fee Approval Order.

II. UPDATE ON THE REVERSE VESTING TRANSACTION

16. As I noted in the October 13 Affidavit, the Applicants have been pursuing a share purchase transaction with a Qualified Bidder. On October 16, 2022, MPXI entered into a share purchase agreement with a Qualified Bidder for the sale of the shares of Canveda and certain related assets, which is to be implemented by way of reverse vesting order (the “**Reverse Vesting Transaction**”). The Applicants expect to serve materials in support of Court approval of the Reverse Vesting Transaction in the very near future. The Reverse Vesting Transaction contains a number of key conditions precedent to closing, including Court approval and Health Canada approval in respect of the change of control of Canveda’s cannabis license.

III. CONCLUSION

17. I believe that the additional relief sought in connection with the DIP Amendment and described herein is in the best interests of the MPXI Entities and their stakeholders. Further, the Monitor and the DIP Lenders are supportive of the relief sought pursuant to the Stay Extension, DIP Amendment and Fee Approval Order.

18. I swear this affidavit in support of the Applicants' motion for the Stay Extension, DIP Amendment and Fee Approval Order, and for no other or improper purpose.

SWORN BEFORE ME over)
videoconference on this 18th day of October)
2022. The affiant was located in the City of)
Toronto, in the Province of Ontario and the)
Commissioner was located in the City of)
Toronto, in the Province of Ontario. This)
affidavit was commissioned remotely as a)
result of COVID-19 and the declaration was)
administered in accordance with Ontario)
Regulation 431/20.)



Thomas Gray

A Commissioner for Oaths in and for the
Province of Ontario



Jeremy Budd

**THIS IS EXHIBIT "G" REFERRED TO IN THE
AFFIDAVIT OF JEREMY BUDD
SWORN
THE 8th DAY OF DECEMBER 2022**

A handwritten signature in black ink, appearing to be the initials 'JC' with a long horizontal stroke extending to the right.

A Commissioner for taking affidavits, etc.

**Execution Copy
October 16, 2022**

MPX INTERNATIONAL CORPORATION

- AND -

9453-5382 QUÉBEC INC.

- AND -

CANVEDA INC.

- AND TO WHICH INTERVENES –

1000331738 ONTARIO INC.

SHARE PURCHASE AGREEMENT

DATED OCTOBER 16, 2022

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SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT dated October 16, 2022 is made by and between:

MPX International Corporation, a corporation incorporated under the laws of Ontario
(hereinafter, the “**Vendor**”)

- and -

9453-5382 Québec Inc., a corporation incorporated under the laws of the Province of Québec
(hereinafter, the “**Purchaser**”)

- and -

Canveda Inc., a corporation incorporated under the laws of Canada
(hereinafter, the “**Purchased Entity**”)

- and to which intervenes –

1000331738 Ontario Inc., a corporation incorporated under the laws of Ontario

RECITALS:

WHEREAS the Vendor is the owner of the Purchased Shares;

AND WHEREAS the Vendor wishes to sell to the Purchaser, and the Purchaser wishes to purchase from the Vendor, the Purchased Shares on the terms and conditions set forth in this Agreement;

AND WHEREAS on July 25, 2022, pursuant to the Initial Order: (i) the CCAA Applicants obtained relief under the CCAA; and (ii) KSV Restructuring Inc. was appointed as Monitor in the CCAA Proceedings;

AND WHEREAS on August 4, 2022, pursuant to the SISP Approval Order, the Monitor, with the assistance of the CCAA Applicants, was authorized and directed to carry out the SISP in accordance with its terms;

AND WHEREAS the Purchaser has been identified as a Successful Bidder in the SISP;

NOW THEREFORE in consideration of the covenants and mutual promises set forth in this Agreement (including the recitals hereof) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions.

As used in this Agreement (including the recitals above), the capitalized terms listed below shall have the corresponding meanings,

“**Action**” means any claim, action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before a Governmental Authority.

“**Affiliate**” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to “control” another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term “controlled” shall have a similar meaning.

“**Agreement**” means this Share Purchase Agreement between Vendor, Purchaser and Purchased Entity and all attached Schedules, in each case as may be amended, supplemented, restated or otherwise modified in accordance with the terms hereof and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement.

“**Applicable Law**” means, with respect to any Person, property, transaction, event or other matter, any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order (including any securities laws or requirements of stock exchanges and any consent decree or administrative Order) or other requirement having the force of law (“**Law**”), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

“**Approval and Vesting Order**” means an order issued by the Court substantially in the form attached hereto as Schedule “A” and otherwise acceptable to the Purchaser, the Vendor, the DIP Lenders and the Monitor authorizing the Transaction and vesting in the Purchaser (or as it may direct) all the right, title and interest of the Vendor in and to the Purchased Shares.

“**Assumed Liabilities**” has the meaning set out in Section 2.3, and for greater certainty, include all Interim Period Costs.

“**Authorization**” means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval, development permit or building permit) or from any Person in connection with any easements, contractual rights or other matters.

“**Books and Records**” means all information, books, records, files, papers, books of account and other financial data including Tax Returns related to the Purchased Entity, the Retained Assets and the Transferred Assets in the possession, custody or control of the Vendor.

“**Brands**” means all the rights, title and interest to the brands listed in Schedule “C” hereto.

“**Business**” means the business and operations carried on by the Purchased Entity as at the date of this Agreement and as at the date of Closing pertaining to the sale, processing and/or cultivation of cannabis.

“**Business Day**” means any day of the year except Saturday, Sunday or any day on which major Canadian chartered banks are closed for business in the Province of Ontario or in the Province of Québec.

“**Cannabis Licenses**” means all Authorizations related to cannabis and issued by Health Canada to the Purchased Entity, including Authorizations to plant, grow, cultivate, extract, produce, process, store, destroy, sell, provide, ship, deliver, transport and/or distribute cannabis under Applicable Law.

“**Cash Payment**” has the meaning set out in Section 2.2(a).

“**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36.

“**CCAA Applicants**” means collectively, MPX International Corporation, BioCannabis Products Ltd., Canveda Inc., The CinG-X Corporation, Spartan Wellness Corporation, MPXI Alberta Corporation, MCLN Inc. and Salus BioPharma Corporation.

“**CCAA Proceedings**” means the proceedings commenced by the CCAA Applicants under the CCAA.

“**Closing**” means the completion of the Transactions in accordance with the provisions of this Agreement.

“**Closing Date**” means the date on which Closing occurs.

“**Closing Time**” has the meaning set out in Section 6.1.

“**Conditions Certificates**” has the meaning set out in Section 7.3.

“**Court**” means the Ontario Superior Court of Justice (Commercial List).

“**Deposit**” has the meaning set out in Section 2.2(b).

"**DIP Lenders**" has the meaning ascribed to such term in the Initial Order;

"**DIP Term Sheet**" has the meaning ascribed to such term in the Initial Order;

“**Discharged**” means a discharge in relation to any Encumbrance against any Person or upon any asset, undertaking or property, including all proceeds thereof, the full, final, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.

“**Employees**” means all individuals who, as of Closing Time, are employed by the Purchased Entity, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not expired, but, for certainty, excludes any employees who are to be terminated pursuant to Section 7.1(f), and “**Employee**” means any one of them.

“**Encumbrances**” means any mortgage, charge, pledge, hypothec, security interest, trust, deemed trust (statutory or otherwise), assignment, claim, Liability (direct, indirect, absolute or contingent), obligation, prior claim, right of retention, lien, security interest, charge, judgment, writ of seizure or execution, notice of sale, contractual right (including purchase options, right of first refusal, right of first offer or any other pre-emptive contractual rights), easement, title retention agreement or arrangement, conditional sale, restrictive covenant and encumbrance of any nature, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise, which, in substance, secures payment or performance of an obligation.

“**Encumbrances To Be Discharged**” means all Encumbrances in respect of the Purchased Shares, the Retained Assets and Transferred Assets to be Discharged, including the Encumbrances listed in Schedule “B”.

"**Excluded Assets**" means those assets listed in Schedule "H".

"**Excluded Liabilities**" has the meaning set out in Section 2.3, and for greater certainty, does not include any Interim Period Costs.

"**Filing Date**" means July 25, 2022.

“**Governmental Authority**” means the government of Canada, or any other nation, or of any political subdivision thereof, whether state, provincial (including the government of Ontario), territorial, municipal or local, and any agency, authority, instrumentality, regulatory body, court, arbitrator or arbitrators, tribunal, central bank or other entity exercising executive, legislative, judicial or arbitral, taxing, regulatory or administrative powers or functions (including any applicable stock exchange).

“**GST/HST**” means all goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada).

"**Initial Order**" means the order of the Court dated July 25, 2022 as amended and restated pursuant to a subsequent Court order dated August 4, 2022, and as may be further amended and/or restated from time to time.

“**Interim Period**” means the period from October 8, 2022 to the Closing Time.

"**Interim Period Costs**" has the meaning set out in Section 5.3(b).

"**Investment Canada Act**" means the *Investment Canada Act*, R.S.C., 1985, c. 28.

“**Law**” has the meaning set out in the definition of “**Applicable Law**”.

“**Legal Proceeding**” means any litigation, Action, application, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any court or other tribunal or Governmental Authority and includes any appeal or review thereof and any application for leave for appeal or review.

“**Liability**” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“**Monitor**” means KSV Restructuring Inc. in its capacity as Court-appointed monitor in the CCAA Proceedings.

“**Monitor’s Certificate**” means the certificate, substantially in the form attached as Schedule “A” to the Approval and Vesting Order, to be delivered by the Monitor to the Vendor and the Purchaser on Closing and thereafter filed by the Monitor with the Court.

“**Order**” means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

“**Organizational Documents**” means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

"**Paid Deposit**" has the meaning given to it in Section 2.2(b).

“**Party**” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and “**Parties**” means more than one of them.

"Permitted Encumbrances" means all Encumbrances that are an Assumed Liability and are not Encumbrances to be Discharged.

"Person" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

"Personal Property" means all machinery, equipment, furniture, motor vehicles and other personal property that is Related to the Business, wherever located (including those in possession of suppliers, customers and other third parties).

"Pre-Closing Reorganization" means the transactions, acts or events described in Schedule "E" which are to occur before the Closing Time.

"Pre-Filing Excise" has the meaning given to it in Section 7.1(h).

"Pre-Filing GST/HST" has the meaning given to it in Section 7.1(h).

"Pre-Interim Period Cash" means all cash on hand at the Purchased Entity as of the commencement of the Interim Period, being approximately \$304,000, and as finally determined by the Monitor.

"Pre-Interim Period Expenses" means all fees, charges, costs, expenses payable by the Purchased Entity as of the commencement of the Interim Period, which amount shall not exceed \$100,000 (as finally determined by the Monitor).

"Purchased Entity" has the meaning given to it in the preamble.

"Purchased Shares" means all of the issued and outstanding shares in the capital of the Purchased Entity owned by the Vendor.

"Purchaser" has the meaning given to it in the preamble.

"Related to the Business" means primarily (i) used in; (ii) arising from; or (iii) otherwise related to the Business or any part thereof.

"Representative" when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

"Residual Co." means 1000331738 Ontario Inc., a wholly owned subsidiary of the Vendor to which the Excluded Assets and Excluded Liabilities will be transferred as part of the Pre-Closing Reorganization.

"Retained Assets" has the meaning set out in Section 3.1.

"SISP" means the Court-approved sale and investment solicitation process conducted further to and approved by the SISP Approval Order (including Schedule "A" thereto).

“**SISP Approval Order**” means the order of the Court dated August 4, 2022, among other things, approving the SISP.

“**Straddle Period Tax Returns**” has the meaning set out in Section 9.1.

“**Successful Bidder**” has the meaning given to it in the SISP.

“**Target Closing Date**” means November 15, 2022, or such other date as the Vendor (with the consent of the Monitor and the DIP Lenders) and the Purchaser may agree to in writing, or in any event as otherwise ordered by the Court.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended.

“**Tax Returns**” means any and all returns, reports, declarations, designations, forms, elections, notices, filings, information returns, and statements, or any other documents filed or required to be filed in respect of Taxes with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

“**Taxes**” or “**Tax**” means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, mining taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, social security premiums, workers’ compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

“**Terminated Employees**” means those individuals employed by the Purchased Entity whose employment will be terminated prior to Closing, as listed in the terminated employee list to be sent by the Purchaser to the Vendor and the Purchased Entity no later than 10 Business Days before Closing.

“**Transactions**” means all of the transactions contemplated by this Agreement, which provide for, among other things, the acquisition from the Vendor by the Purchaser of the Purchased Shares, on and subject to the terms set forth herein.

“**Transferred Assets**” means the assets to be transferred by the Vendor to the Purchased Entity, at the request and with the approval of the Purchaser, pursuant to the Pre-Closing Reorganization, all as set out in Schedule “D”.

“Vendor” has the meaning given to it in the preamble.

1.2 Actions on Non-Business Days.

If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

1.3 Currency and Payment Obligations.

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in the lawful currency of Canada.

1.4 Calculation of Time.

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Eastern Time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Eastern Time on the next succeeding Business Day.

1.5 Additional Rules of Interpretation.

- (1) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- (2) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.
- (3) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles or Sections of this Agreement, and Schedules to this Agreement.
- (4) *Words of Inclusion.* Wherever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.
- (5) *References to this Agreement.* The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.
- (6) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment,

re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.

- (7) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

1.6 Schedules.

- (a) The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

SCHEDULES

Schedule "A"	Draft Approval and Vesting Order
Schedule "B"	Encumbrances To Be Discharged
Schedule "C"	Brands
Schedule "D"	Transferred Assets
Schedule "E"	Pre-Closing Reorganization
Schedule "F"	Assumed Liabilities
Schedule "G"	Excluded Liabilities
Schedule "H"	Excluded Assets

- (b) Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

ARTICLE 2 PURCHASE OF SHARES AND ASSUMPTION OF LIABILITIES

2.1 Purchase and Sale of the Purchased Shares.

Subject to the terms and conditions of this Agreement, effective as and from the Closing Time, the Vendor shall sell, assign and transfer the Purchased Shares to the Purchaser, and the Purchaser shall purchase the Purchased Shares from the Vendor, free and clear of all Encumbrances, with the result that the Purchaser shall become the sole shareholder of the Purchased Entity from and after the Closing Time.

2.2 Purchase Price.

The purchase price (the “**Purchase Price**”) for the Purchased Shares shall be CAD\$135,000, to be paid as follows:

- (a) Cash Consideration: the Purchaser shall pay the sum of CAD\$135,000 to the Vendor on the Closing Date (the “**Cash Payment**”) and such amount shall be satisfied by: (i) the payment, by wire transfer of immediately available funds, by the Purchaser on the Closing Date of an amount equal to the Cash Payment less the Deposit to the Monitor; and (ii) the crediting of the Deposit to the Vendor.
- (b) Paid Deposit: The Purchaser and the Purchased Entity acknowledge that the Monitor has received, on or around October 5, 2022, of the sum of CAD\$25,000 from the Purchaser, as a deposit (the “**Paid Deposit**”), to be held, applied and distributed in accordance with the terms of Section 2.2(a) or 2.2(c), as the case may be.
- (c) Deposit: Purchaser shall pay an additional sum of CAD\$25,000 as a deposit to the Monitor on or before the first Business Day after execution by the Parties of this Agreement. Such amount and the Paid Deposit shall collectively be referred to herein as the “Deposit”. If the Closing does not occur because of the Agreement having been terminated by the Vendor pursuant to Section 8.1(a)(vi), the Deposit, plus interest accrued thereon (if any), will be forthwith refunded in full to the Purchaser (without offset or deduction). If the Closing does not occur for any other reason, the full amount of the Deposit, plus interest accrued thereon (if any), shall become the property of, and shall be transferred to, the Vendor as liquidated damages (and not as a penalty) to compensate the Vendor for the expenses incurred and opportunities foregone as a result of the failure to close the Transactions. The Parties undertake to sign any instructions or notices required to instruct the Monitor, in its capacity as escrow agent, to disburse the Deposit and any interest accrued thereon (if any) in accordance with the provisions set out herein.

2.3 Assumed Liabilities of Purchased Entity

- (a) Pursuant to the Approval and Vesting Order, except for and to the extent of:
 - (i) Liabilities specifically and expressly designated by the Purchaser as Assumed Liabilities in Schedule “F”. With the oversight of the Monitor, the Vendor hereby expressly grants the Purchaser all authority, permissions and mandate to enter into discussions with the creditors of such Liabilities, during the Interim Period, in order to, inter alia, conduct necessary due diligence in respect of such Liabilities and reach any agreement or arrangement in respect of such Liabilities;
 - (ii) Liabilities which relate to the Business under any contracts, permits and licenses or Permitted Encumbrances (in each case, to the extent forming part of the Retained Assets or the Transferred Assets) arising out of events or circumstances that occur after the commencement of the Interim Period;

- (iii) Liabilities which are to be performed after the Vesting Order; or
- (iv) any Interim Period Costs (collectively, “**Assumed Liabilities**”),

all debts, obligations, Liabilities, Encumbrances, indebtedness, contracts, leases, agreements, undertakings, claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in stature or otherwise) of or against the Purchased Shares, the Retained Assets or the Transferred Assets or relating to any Excluded Assets as at the Closing Time, including, *inter alia*, the non-exhaustive list of Liabilities set forth in Schedule “G”, any and all Liability relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which the Purchased Entity may be bound as at the Closing Time, all Liabilities relating to or under the Excluded Assets and Liabilities for employees whose employment with the Purchased Entity is terminated on or before Closing (collectively, the “**Excluded Liabilities**”), will be excluded and will no longer be binding on the Purchased Entity following the Closing Time, pursuant to the Approval and Vesting Order.

- (b) Pursuant to the Approval and Vesting Order, such Excluded Liabilities shall be transferred to and assumed in full by Residual Co. in accordance with and as further described in Section 3.2 and the Purchased Entity and its assets, undertakings, business and properties shall be Discharged of such Excluded Liabilities. For avoidance of doubt, neither the Purchased Entity nor the Purchaser shall assume any Liabilities of the Vendor in respect of any Transferred Assets that arose on or before the commencement of the Interim Period.

2.4 Encumbrances To Be Discharged

Pursuant to the Approval and Vesting Order, all Encumbrances of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in stature or otherwise) in respect of the Purchased Shares as at the Closing Time will be excluded and shall no longer attach to the Purchased Shares following the Closing Time. Pursuant to the Approval and Vesting Order, such Encumbrances shall be Discharged from the Purchased Shares, which for greater certainty, shall include the Encumbrances To Be Discharged set out in Schedule "B".

ARTICLE 3

TRANSFER OF EXCLUDED ASSETS AND EXCLUDED LIABILITIES

3.1 Transfer of Excluded Assets to Residual Co.

On the Closing Date, the Purchased Entity shall retain all of the assets owned by it on the date of this Agreement and any assets acquired by it up to the Closing Date, including the Transferred Assets (the “**Retained Assets**”), except for inventory sold in the ordinary course of business in the Interim Period and the Excluded Assets, which the Purchased

Entity shall transfer to Residual Co. on or before the Closing Time or shall be vested in Residual Co. pursuant to the Approval and Vesting Order. All Pre-Interim Period Cash shall remain with the Purchased Entity until the Closing Time. On the Closing Date, the Purchased Entity shall transfer to Residual Co. all Pre-Interim Period Cash, minus: all Pre-Interim Period Expenses.

3.2 Transfer of Excluded Liabilities to Residual Co.

At or before the Closing Time, the Excluded Liabilities to be transferred to and assumed by Residual Co pursuant to Exhibit "A" shall have been transferred to Residual Co., in accordance with the Pre-Closing Reorganization and pursuant to the Approval and Vesting Order. Notwithstanding any other provision of this Agreement, neither the Purchaser nor the Vendor shall assume or have any liability for any of the Excluded Liabilities and all Excluded Liabilities shall be Discharged from the Purchased Entity and its assets, undertaking, business and properties from and after the Closing Time.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties as to the Vendor.

Subject to the issuance of the Approval and Vesting Order, the Vendor represents and warrants to the Purchaser as follows and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the purchase by Purchaser of the Purchased Shares:

- (a) Incorporation and Status. The Vendor is a corporation incorporated and existing under the laws of Ontario, is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Vendor of this Agreement has been authorized by all necessary corporate actions on the part of the Vendor.
- (c) No Conflict. The execution, delivery and performance by the Vendor of this Agreement does not or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Vendor.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding obligation of the Vendor, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (e) Title to Purchased Shares. The Vendor will transfer good and valid title to the Purchased Shares to the Purchaser, free and clear of all Encumbrances, pursuant to

and in accordance with the Approval and Vesting Order. The Vendor is the registered and beneficial owner of the Purchased Shares.

- (f) No Other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition from the Vendor of any of the Purchased Shares, the Retained Assets or the Transferred Assets.
- (g) No Commissions. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the Transactions based on any arrangement or agreement.
- (h) Proceedings. There are no Legal Proceedings pending against the Vendor or, to the knowledge of the Vendor, threatened, with respect to, or in any manner affecting, title to the Purchased Shares, the Transferred Assets or the Retained Assets which would reasonably be expected to enjoin, delay, restrict or prohibit the transfer of all or any part of the Purchased Shares or the Transferred Assets as contemplated by this Agreement or which would reasonably be expected to delay, restrict or prevent the Vendor from fulfilling any of its obligations set forth in this Agreement.
- (i) Residence of the Vendor. The Vendor is not a non-resident of Canada within the meaning of the Tax Act.

4.2 Representations and Warranties as to the Purchased Entity.

Subject to the issuance of the Approval and Vesting Order, the Vendor represents and warrants to the Purchaser as follows and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the purchase by the Purchaser of the Purchased Shares:

- (a) Incorporation and Status. The Purchased Entity is a corporation incorporated and existing under the laws of Canada, is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchased Entity of this Agreement has been authorized by all necessary corporate action on the part of the Purchased Entity.
- (c) No Conflict. The execution, delivery and performance by the Purchased Entity of this Agreement does not or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchased Entity.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchased Entity and constitutes a legal, valid and binding

obligation of the Purchased Entity, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.

- (e) Title to the Assets. The Purchased Entity is the sole beneficial (and where its interests are registered, the sole registered) owner of all its property and assets (whether immovable, personal or mixed and whether tangible or intangible) used by it in connection with the Business or reflected in the Books or Records as being owned by the Purchased Entity (excluding inventories sold or otherwise disposed in the ordinary course of the Business), including, without limitation, the Brands, the Retained Assets and the Transferred Assets, with good title thereto, free and clear of all Encumbrances.
- (f) Authorized and Issued Capital. The authorized capital of the Purchased Entity consists of 155,235 common shares. The Purchased Shares constitute all of the issued and outstanding securities in the capital of the Purchased Entity. There are no issued and outstanding common shares or other securities of the Purchased Entity other than the Purchased Shares nor are there any securities convertible into or options, equity-based awards or other rights, agreements or commitments that are held by any Person and which are convertible into or exchangeable for common shares or any other securities of the Purchased Entity.
- (g) No Other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition of the Purchased Shares, the Retained Assets or the Transferred Assets.
- (h) Proceedings. There are no Legal Proceedings pending against the Purchased Entity or, to the knowledge of the Vendor, threatened, with respect to, or in any manner affecting title to the Purchased Shares, the Retained Assets or the Transferred Assets which would reasonably be expected to enjoin, delay, restrict or prohibit the transfer of all or any part of the Purchased Shares, the Retained Assets or the Transferred Assets or the Closing of the Transactions as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent the Vendor or the Purchased Entity from fulfilling any of their obligations set forth in this Agreement.
- (i) Cannabis Licenses. The Cannabis Licenses are in full force and effect.

4.3 Representations and Warranties as to the Purchaser

The Purchaser represents and warrants to and in favour of the Vendor as follows and acknowledges and agrees that the Vendor is relying upon such representations and warranties in connection with the sale by the Vendor of the Purchased Shares.

- (a) Incorporation and Status. The Purchaser is incorporated and existing under the Laws of its jurisdiction of incorporation and has the corporate power and authority to enter into, deliver and perform its obligations under, this Agreement.

- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement and the completion of the Transactions contemplated by this Agreement does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchaser.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and this Agreement a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (e) No Commissions. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement.
- (f) Litigation. There are no Legal Proceedings pending, or to the knowledge of the Purchaser, threatened against the Purchaser before any Governmental Authority, which would: (i) prevent the Purchaser from paying the Purchase Price to the Vendor; (ii) prohibit or seek to enjoin, restrict or prohibit the Transactions contemplated by this Agreement or (iii) which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.
- (g) Security Clearances. Each officer, director or any other individual that may exercise, or is in a position to exercise, direct control over either the holder of the Cannabis Licenses or of the Purchaser, namely David Pedneault, have obtained security and any other clearances as required to maintain the Cannabis Licenses under Applicable Law.
- (h) Investment Canada Act. The Purchaser is a "Canadian" or a "WTO Investor" within the meaning of the Investment Canada Act, and the regulations thereunder.
- (i) Consents. Except for: (i) the issuance of the Approval and Vesting Order; and (ii) any regulatory approvals required to be obtained pursuant to this Agreement, no Authorization, consent or approval of, or filing with or notice to, any Governmental Authority, court or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser, and each of the agreements to be executed and delivered by the Purchaser hereunder or the purchase of the Purchased Shares hereunder.
- (j) Residence of Purchaser. The Purchaser is not a non-resident of Canada within the meaning of the Tax Act.

4.4 As is, Where is.

The Purchased Shares (for clarity, together with all assets held by the Purchased Entity at Closing, including the Transferred Assets) shall be sold and delivered to the Purchaser on an “*as is, where is*” basis, subject to the representations and warranties contained herein. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, Encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever, including with respect to the Purchased Shares, the Retained Assets or the Transferred Assets.

ARTICLE 5 COVENANTS

5.1 Target Closing Date.

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on the Target Closing Date.

5.2 Motion for Approval and Vesting Order.

As soon as practicable after the execution of this Agreement, the CCAA Applicants shall serve and file with the Court a motion for the issuance of the Approval and Vesting Order. The Vendor shall diligently use its commercially reasonable efforts to seek the issuance and entry of the Approval and Vesting Order and the Purchaser shall cooperate with the Vendor in its efforts to obtain the issuance and entry of the Approval and Vesting Order. The CCAA Applicants will provide to the Purchaser a reasonable opportunity to review a draft of the motion materials to be served and filed with the Court, it being acknowledged that such motion materials should be served as promptly as reasonably possible following execution of this Agreement, and will serve such materials on the current service list and on such other interested parties, and in such manner, as the Purchaser may reasonably require. The Vendor will promptly inform counsel for the Purchaser of any and all threatened or actual objections to the motion for the issuance of the Approval and Vesting Order of which it becomes aware, and will promptly provide to the Purchaser a copy of all written objections received.

5.3 Interim Period.

- (a) Upon receipt of the Deposit, during the Interim Period, the Monitor, the Vendor and the Purchaser shall consult and cooperate with one another in a timely manner regarding all operations of the Purchased Entity. Except as required by Applicable Laws, no material decisions in respect of the Purchased Entity shall be made by the Vendor without the consent of the Purchaser, which consent shall not be unreasonably withheld and provided on a timely basis.
- (b) The Vendor and the Purchased Entity shall give, or cause to be given, to the Purchaser, and its Representatives, full access to the Personal Property of the Purchased Entity, including the Books and Records. Without limiting the generality

of the foregoing: (a) the Purchaser shall have access and oversight of the Purchased Entity's bank accounts, (b) all revenues and accounts receivable existing as of the commencement of the Interim Period (including those set out on the balance sheet of the Purchased Entity) and generated and or collected during the Interim Period, shall be to the sole benefit of the Purchaser, and (c) the Purchaser shall be responsible for all Liabilities of any nature whatsoever incurred by the Purchased Entity in the ordinary course of business during the Interim Period (the "**Interim Period Costs**"). Notwithstanding any other provision of in this Agreement: (i) Interim Period Costs shall include all payroll related costs and taxes in respect of the Purchased Entity payable on or after the commencement of the Interim Period, and (ii) the Purchaser's liability for all Interim Period Costs shall survive termination of this Agreement.

- (c) During the Interim Period, except: (i) as contemplated or permitted by this Agreement (including the Approval and Vesting Order); (ii) as necessary in connection with the CCAA Proceedings or as required by Applicable Laws; (iii) as otherwise provided in the Initial Order and any other court orders, prior to the Closing Time; or (iv) as consented to by the Purchaser, such consent not to be unreasonably withheld, conditioned or delayed: (A) the Purchased Entity shall continue to maintain its business and operations in substantially the same manner as conducted on the date of this Agreement; and (B) other than the Purchased Entity's cannabis inventory pursuant to confirmed purchase orders from third parties, the Purchased Entity shall not, and the Vendor shall not permit the Purchased Entity to, transport, remove or dispose of, any of its assets out of their current locations.
- (d) During the Interim Period, except as contemplated or permitted by this Agreement (including the Approval and Vesting Order), neither the Vendor nor the Purchased Entity shall (A) enter into any non-arms' length transactions involving the Purchased Entity or its assets or the Business, or (B) incur any obligation or Liability except in the ordinary course of business, in each case without the prior written approval of the Purchaser, with it being understood that all revenues and accounts receivable existing as of the beginning of the Interim Period (including those set out on the balance sheet of the Purchased Entity) and generated and or collected during the Interim Period shall be to the sole benefit of the Purchaser.
- (e) During the Interim Period, the Purchaser shall furnish to the Vendor such information concerning the Purchaser as shall be reasonably requested, including all such information as shall be necessary to enable the Vendor to verify that the representations and warranties and covenants of the Purchaser contained in this Agreement have been complied with.

5.4 Regulatory Approvals and Consents.

- (a) Each of the Parties shall use its commercially reasonable efforts to: (i) take, or cause to be taken, all appropriate action, and do, or cause to be done, all things necessary, proper or advisable under any Applicable Law or otherwise to consummate and make effective the Transactions; (ii) obtain any consents, approvals or Orders

required to be obtained or made in connection with the authorization, execution and delivery of this Agreement and the consummation of the Transactions; and (iii) make all filings and give any notice, and thereafter make any other submissions either required or reasonably deemed appropriate by each of the Parties, with respect to this Agreement and the Transactions required under any Applicable Law.

- (b) The Parties shall use reasonable efforts to cooperate and consult with each other in connection with the making of any such filings and notices, including providing copies of all such documents to the non-filing Party and its advisors within a reasonable period of time prior to filing or the giving of notice. Each Party shall pay for its own filing fees and other charges arising out of the actions taken under this Section 5.4.

5.5 Insurance Matters.

Until the Closing, the Vendor and the Purchased Entity shall keep in full force and effect all of their applicable existing insurance policies and give any notice or present any claim under any such insurance policies consistent with past practices of the Vendor and the Purchased Entity in the ordinary course of business.

5.6 Books and Records.

The Purchaser shall preserve and keep the Books and Records acquired by it pursuant to this Agreement for a period of six (6) years after Closing, or for any longer periods as may be required by any Laws applicable to such Books and Records. The Purchaser shall make such Books and Records, as well as electronic copies of such books and records (to the extent such electronic copies exist), available to the Monitor and the Vendor, their successors, and any trustee in bankruptcy or receiver of the Vendor, and shall, at such party's expense, permit any of the foregoing persons to take copies of such Books and Records as they may reasonably require. As soon as practicable following Closing and in any event no later than 45 days following Closing, the Vendor shall deliver, at the cost of the Purchaser: (i) any and all Books and Records reasonably requested by the Purchaser; and (ii) an electronic copy of all of the materials relating to the Transactions, and such materials available on such electronic copy shall be unlocked, unprotected and fully available to the Purchaser. Until such electronic copy is provided to the Purchaser, the Vendor shall permit access to such materials in such data room.

ARTICLE 6 CLOSING ARRANGEMENTS

6.1 Closing.

The Closing shall take place virtually by exchange of documents in PDF format at 12:00 p.m. Eastern Time (the "**Closing Time**") on the Closing Date, or at such other time on the Closing Date or such other place as may be agreed in writing by the Vendor and the Purchaser, with the consent of the Monitor.

6.2 The Vendor's Closing Deliveries.

At the Closing, the Vendor shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (b) share certificates representing the Purchased Shares duly endorsed in blank for transfer, or accompanied by irrevocable stock transfer powers duly executed in blank, in either case, by the holder of record;
- (c) a certificate of status, compliance, good standing or like certificate with respect to the Purchased Entity and the Vendor issued by the appropriate government official of its jurisdiction of incorporation, to the extent such certificate exists in such jurisdiction;
- (d) resignations and releases, duly executed by the directors of the Purchased Entity, effective as at the Closing Date, to be mutually determined by the Purchased Entity, the directors and officers of the purchased entity, and the Purchaser, each acting reasonably.
- (e) release from Residual Co. in favor of Purchased Entity, in form and substance satisfactory to the Purchaser and ResidualCo., each acting reasonably;
- (f) evidence of discharge of any Encumbrances charging the Assets of the Purchased Entity;
- (g) evidence that all notices have been sent and that all consents have been obtained in accordance with Section 7.1(l);
- (h) a certificate dated as of the Closing Date and executed by an executive officer of the Vendor confirming and certifying that each the conditions in Sections 7.1(d) and 7.1(e) have been satisfied; and
- (i) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

6.3 The Purchaser's Closing Deliveries.

At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor (or to the Monitor, if so indicated below), the following:

- (a) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by the appropriate government official of its jurisdiction of formation;

- (b) a certificate dated as of the Closing Date and executed by an executive officer of the Purchaser confirming and certifying that each the conditions in Sections 7.2(d) and 7.2(e) have been satisfied;
- (c) the Cash Payment, in accordance with Section 2.2(a).
- (d) such other agreements, documents and instruments as may be reasonably required by the Vendor to complete the Transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

ARTICLE 7 CONDITIONS OF CLOSING

7.1 The Purchaser's Conditions.

The Purchaser shall not be obligated to complete the Transactions contemplated by this Agreement, unless, at or before the Closing Time, each of the conditions listed below in this Section 7.1 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser, and may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing; provided that if the Purchaser does not waive a condition(s) and completes the Closing, such condition(s) shall be deemed to have been waived by the Purchaser. The Vendor shall take, and cause the Purchased Entity to take, all such commercially reasonable actions, steps and proceedings as are reasonably within its control to ensure that the conditions listed below in this Section 7.1 are fulfilled at or before the Closing Time.

- (a) Court Approval. The Approval and Vesting Order shall have been issued and entered by the Court and shall be not have been vacated, set aside or stayed.
- (b) The Vendor's Deliverables. The Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 6.2.
- (c) No Violation of Orders or Law. During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of: (a) making any of the Transactions illegal, or (b) otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement.
- (d) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement (including the Approval and Vesting Order), each of the representations and warranties contained in Sections 4.1 and 4.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.

- (e) No Breach of Covenants. The Vendor and the Purchased Entity shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendor or the Purchased Entity on or before the Closing.
- (f) The Purchased Entity Employees. The Purchased Entity shall have terminated the employment of the Terminated Employees, as requested by the Purchaser in its discretion and all liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of statutory notice, termination payments, severance, vacation pay, benefits, bonuses or other compensation or entitlements, all of which liabilities shall be Excluded Liabilities or shall be Discharged by the Approval and Vesting Order.
- (g) Liabilities Paid. Except as otherwise provided for herein, the Vendor shall pay or have paid when due all liabilities of any nature whatsoever, including liabilities in the ordinary course of business incurred, or due between the Filing Date and the commencement of the Interim Period.
- (h) No Liabilities. The Purchased Entity shall not have any liability of any nature whatsoever and no event has occurred or circumstance exists which may give rise after the Closing Date to any liability of any nature whatsoever, except for, and only to the extent of, in either case: (i) amounts referred to in Schedule "F", including amounts owing to the Canada Revenue Agency for excise tax in respect of the period prior to the Filing Date ("**Pre-Filing Excise**"); (ii) any liabilities owing to the Canada Revenue Agency for GST/HST that arise as a result of the Canada Revenue Agency's audit of the Purchased Entity for the period on or prior to the Filing Date (the "**Pre-Filing GST/HST**"); and (iii) as otherwise provided for in this Agreement.
- (i) CCAA Proceedings. Upon Closing, the CCAA Proceedings will have been terminated in respect of the Purchased Entity, its business and property, as set out in the Approval and Vesting Order.
- (j) Residual Co. Pursuant to the Approval and Vesting Order, (a) all Excluded Assets and Excluded Liabilities shall have been transferred to Residual Co. or Discharged and (b), its business and property shall have been released and forever Discharged of all claims and Encumbrances (other than Assumed Liabilities); such that, from and after Closing the business and property of the Purchased Entity shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.
- (k) Transferred Assets. Pursuant to the Approval and Vesting Order, the Transferred Assets shall have been transferred to and vested in the Purchased Entity.
- (l) Disclaim Contracts. The Purchased Entity shall have sent notices of disclaimer or obtained change of control consents from third parties for such contracts and other agreements as the Purchaser may require, as listed in a list of contracts to disclaim or to obtain consents as sent by the Purchaser to the Vendor and which shall be delivered by the Purchaser no later than 35 days before the Closing Date. In the

alternative to disclaiming a contract, the Vendor and the Purchaser may elect to transfer a contract to Residual Co.

- (m) Cannabis Licenses. The Cannabis Licenses shall be in good standing at the Closing Time and Vendor shall have delivered evidence satisfactory to the Purchaser, acting reasonably, to that effect, including the written approval relating to the change of control of the Purchased Entity issued by Health Canada.

7.2 The Vendor Conditions.

The Vendor shall not be obligated to complete the Transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 7.2 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendor, and may be waived by the Vendor in whole or in part, without prejudice to any of their rights of termination in the event of nonfulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed below in this Section 7.2 are fulfilled at or before the Closing Time.

- (a) Court Approval. The Approval and Vesting Order shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed.
- (b) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing all the documents and payments contemplated in Section 6.3.
- (c) No Violation of Orders or Law. During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of: (a) making any of the Transactions contemplated by this Agreement illegal; or (b) otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement.
- (d) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 4.3 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (e) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing, except for the covenant to pay the Cash Payment, which shall have been performed in all respects.

- (f) Fees. All fees payable in favor of directors of the Purchased Entity (including all retainers and board meeting fees) shall have been paid no later than on Closing.

7.3 Monitor's Certificate.

When the conditions to Closing set out in Section 7.1 and Section 7.2 have been satisfied and/or waived by the Vendor or the Purchaser, as applicable, the Vendor and the Purchaser or their respective counsel will each deliver to the Monitor written confirmation that such conditions of Closing, as applicable, have been satisfied and/or waived (the "**Conditions Certificates**"). Upon receipt of the Conditions Certificates, the Monitor shall: (i) issue forthwith its Monitor's Certificate concurrently to the Vendor and the Purchaser, at which time the Closing will be deemed to have occurred; and (ii) file as soon as practicable a copy of the Monitor's Certificate with the Court (and shall provide a true copy of such filed certificate to the Vendor and the Purchaser). In the case of: (i) and (ii) above, the Monitor will be relying exclusively on the basis of the Conditions Certificates without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

ARTICLE 8 TERMINATION

8.1 Grounds for Termination.

- (a) This Agreement may be terminated on or prior to the Closing Date:
 - (i) by the mutual written agreement of the Vendor and the Purchaser;
 - (ii) by the Vendor in its sole discretion, but with the consent of the Monitor, at any time following the Target Closing Date if Closing has not occurred on or prior to 11:59 p.m. (Eastern time) on the Target Closing Date;
 - (iii) by the Vendor in its sole discretion, but with the consent of the Monitor, if any Interim Period Costs are not paid by the Purchaser within three (3) Business Days of a written request delivered by the Monitor or the Vendor to the Purchaser that such costs be paid;
 - (iv) by the Purchaser, on the one hand, or the Vendor (with the consent of the Monitor), on the other hand, upon written notice to the other Parties if: (i) the Approval and Vesting Order has not been obtained by the Closing Time or (ii) the Court declines at any time to grant the Approval and Vesting Order, in each case for reasons other than a breach of this Agreement by the Party proposing to terminate the Agreement;
 - (v) by the Vendor, if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty of the Purchaser in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 7.2, as applicable, by the Target Closing Date or, if any event has occurred as a result of which

any of the conditions in Sections 7.1-7.2 (inclusive) are not capable of being satisfied by the Target Closing Date, and such violation or breach has not been waived by the Vendor or cured within five (5) Business Days of the Vendor providing written notice to the Purchaser of such breach, unless the Vendor is in material breach of their obligations under this Agreement; or

(vi) by the Purchaser, if there has been a material violation or breach by the Vendor of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, any condition set forth in Section 7.1, by the Target Closing Date, and such violation or breach has not been waived by the Purchaser or cured within five (5) Business Days of the Purchaser providing notice to the Vendor of such breach, unless the Purchaser is in material breach of its obligations under this agreement.

(b) Prior to the Vendor agreeing to or electing to any termination pursuant to this Section 8.1, the Vendor shall first obtain the written consent of the Monitor and DIP Lenders.

8.2 Effect of Termination.

If this Agreement is terminated pursuant to Section 8.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Sections 2.2(b) (*Deposit*), 5.3(b) (*Interim Period Costs*), 9.3 (*Expenses*), 9.4 (*Public Announcements*), 9.5 (*Notices*), 9.9 (*Waiver and Amendment*), 9.12 (*Governing Law*), 9.13 (*Dispute Resolution*), 9.14 (*Attornment*), 9.15 (*Successors and Assigns*), 9.16 (*Assignment*), 9.17 (*No Liability*), and 9.18 (*Third Party Beneficiaries*), which shall survive such termination. For the avoidance of doubt, any Liability incurred by a Party prior to the termination of this Agreement shall survive such termination.

ARTICLE 9 GENERAL

9.1 Tax Returns.

The Purchaser shall: (a) prepare or cause to be prepared and file or cause to be filed all Tax Returns for the Purchased Entity for all Tax periods ending on or prior to the Closing Date and for which Tax Returns have not been filed as of such date; and (b) cause the Purchased Entity to duly and timely make or prepare all Tax Returns required to be made or prepared by them to duly and timely file all Tax Returns required to be filed by them for periods beginning before and ending after the Closing Date. All such Tax Returns in clauses (a) and (b) of this Section 9.1 constitute the “**Straddle Period Tax Returns**”. The Vendor, the Monitor and the Purchaser shall co-operate fully with each other and make available to each other in a timely fashion such data and other information as may reasonably be required for the preparation of any Straddle Period Tax Return and the Purchaser and the Monitor shall preserve such data and other information until the expiration of any applicable limitation period under Applicable Law with respect to Taxes. Straddle Period

Tax Returns required to be prepared by the Purchaser shall be submitted in draft form to the Vendor and the Monitor at least 30 days before the date on which such Tax Returns are required by Law to be filed with the relevant Governmental Authority. The Purchaser, the Vendor and the Monitor shall, subject only to Applicable Law, cooperate in considering any amendments to such Tax Returns as the Vendor or the Monitor may request.

9.2 Survival.

All representations, warranties, covenants and agreements of the Vendor or the Purchaser made in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, or as otherwise expressly provided in this Agreement.

9.3 Expenses.

Except if otherwise agreed upon in writing amongst the Parties, each Party shall be responsible for its own costs and expenses (including any Taxes imposed on such expenses) incurred in connection with the negotiation, preparation, execution, delivery and performance of this Agreement, the Transactions (including the fees and disbursements of legal counsel, bankers, agents, investment bankers, accountants, brokers and other advisers).

9.4 Public Announcements.

The Vendor shall be entitled to disclose this Agreement to the Court and parties in interest in the CCAA Proceedings, other than any information which the Purchaser advises the Vendor in writing as being confidential, and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein) or where required to meet timely disclosure obligations of the Vendor or any of their Affiliates under Applicable Laws or stock exchange rules, the Vendor shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the Transactions contemplated hereby without the prior written consent of the other Parties, which shall not be unreasonably withheld or delayed.

9.5 Notices.

- (a) Mode of Giving Notice. Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if: (i) delivered personally; (ii) sent by prepaid courier service; or (iii) sent by e-mail, in each case, to the applicable address set out below:

if to the Vendor to:

C/O Bennett Jones LLP

100 King Street West
1 First Canadian Place
Suite 3400, P.O. Box 50
Toronto ON M5X 1B8

Attention: Sean Zweig
Tel: 416-777-6254
E-mail: zweigs@bennettjones.com

Attention: Mike Shakra
Tel: 416-777-6236
E-mail: shakram@bennettjones.com

with a copy to the Monitor, to:

KSV Restructuring Inc.

150 King St W #2308,
Toronto, ON M5H 1J9

Attention: Noah Goldstein,
Tel: 416-932-6207
Email: ngoldstein@ksvadvisory.com

Attention Eli Brenner
Tel: 416-932-6028
Email: ebrenner@ksvadvisory.com

with a copy (which shall not constitute notice) to:

Aird & Berlis LLP

Brookfield Place, 181 Bay St. #1800
Toronto, ON M5J 2T9

Attention: Kyle Plunkett
Tel: 416-865-3406
E-mail: kplunkett@airdberlis.com

Attention: Sam Babe
Tel: 416-865-7718
E-mail: sbabe@airdberslis.com

If to the Purchaser:

9453-5382 Québec Inc.

3617 Notre-Dame St W #312,
Montreal, QC H4C 1P6

Attention: David Pedneault,
Tel: 514.794.4029
Email: david@rabaskapartners.com

with a copy (which shall not constitute notice) to:

Dentons Canada LLP

1 Place Ville Marie, 39th Floor
Montreal, QC H3B 4M7

Attention: Joel Cabelli
Tel: 514.909.7245
E-mail: joel.cabelli@dentons.com

- (b) Deemed Delivery of Notice. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 5:00 p.m. Eastern Time on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.
- (c) Change of Address. Any Party may from time to time change its address under this Section 9.5 by notice to the other Parties given in the manner provided by this Section 9.5.

9.6 Time of Essence.

Time shall be of the essence of this Agreement in all respects.

9.7 Further Assurances.

The Vendor, the Purchased Entity and the Purchaser shall, at the sole expense of the requesting Party, from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Parties may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

9.8 Entire Agreement.

This Agreement and the deliverables delivered by the Parties in connection with the Transactions contemplated herein constitute the entire agreement between the Parties or any of them pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no conditions, representations, warranties, obligations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as explicitly set out in this Agreement.

9.9 Waiver and Amendment.

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless: (1) executed in writing by the Vendor and Purchaser; and (2) the Monitor shall have provided its prior written consent. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

9.10 Severability.

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

9.11 Remedies Cumulative.

The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

9.12 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

9.13 Dispute Resolution.

If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach of this Agreement for the purposes of Article 8, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court may direct. The Parties irrevocably submit and attorn to the exclusive jurisdiction of the Court.

9.14 Attornment.

Each Party agrees: (a) that any Legal Proceeding relating to this Agreement shall be brought in the Court, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (b) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Court on any jurisdictional basis, including *forum non conveniens*; and (c) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from the Court as contemplated by this Section 9.14. Each Party agrees that service of process on such Party as provided in this Section 9.14 shall be deemed effective service of process on such Party.

9.15 Successors and Assigns.

This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns.

9.16 Assignment.

Prior to Closing, the Purchaser may assign, upon written notice to the Vendor, all or any portion of its rights and obligations under this Agreement to an Affiliate, including the rights of the Purchaser to purchase from the Vendor the Purchased Shares prior to the issuance of the Approval and Vesting Order; provided that no such assignment shall relieve the Purchaser of any of its obligations or Liabilities under this Agreement (including the obligation to pay the Cash Payment at Closing). Neither the Vendor nor the Purchased Entity may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of their rights or obligations under this Agreement.

9.17 No Liability.

The Purchaser acknowledges and agrees that the Monitor, acting in its capacity as the Monitor of the Vendor and the other parties in the CCAA Proceedings, and the Monitor's Affiliates will have no Liability in connection with this Agreement whatsoever in their capacity as Monitor, in their personal capacity or otherwise.

9.18 Third Party Beneficiaries.

Except with respect to the Monitor pursuant to Section 9.17, this Agreement is for the sole benefit of the Parties, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

9.19 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Parties

by e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

[Remainder of page intentionally left blank. Signature page follows.]

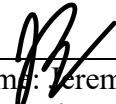
IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

9453-5382 QUÉBEC INC.

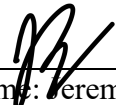
By: 8AC45215C2E3484...

Name: David Pedneault
Title: President & Director

CANVEDA INC.

By:  _____
Name: Jeremy Budd
Title: Director

MPX INTERNATIONAL CORPORATION

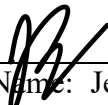
By:  _____
Name: Jeremy Budd
Title: Executive Vice President, General
Counsel and Corporate Secretary

AND TO WHICH INTERVENES:

Residual Co. hereby intervenes to this Agreement and agrees to be bound by its terms and conditions and agrees to perform its obligations thereunder.

This 16th day of October 2022.

1000331738 ONTARIO INC.

By:  _____
Name: Jeremy Budd
Title: Director

SCHEDULE "A"
DRAFT APPROVAL AND VESTING ORDER

[To be provided]

SCHEDULE "B" ENCUMBRANCES TO BE DISCHARGED

The following Ontario PPSA Registrations:

Secured Party	Debtor(s)	Collateral Class.						File No.	Reg. No.	Comments
		CG	I	E	A	O	MV			
AST TRUST COMPANY (CANADA), AS DEBENTURE TRUSTEE	CANVEDA INC.		X	X	X	X	X	763163478 <i>PPSA</i>	20200629 1542 9234 2291 Reg. 4 year(s) Expires 6/29/2024	
Secured Party	Debtor(s)	Collateral Class.						File No.	Reg. No.	Comments
		CG	I	E	A	O	MV			
ALTERNA SAVINGS AND CREDIT UNION LTD.	CANVEDA INC.				X			751270563 <i>PPSA</i>	20190515 1651 1626 4658 Reg. 5 year(s) Expires 5/15/2024	
		Amount Secured: \$40000 No Fixed Maturity Date								
		General Collateral Description: TERM DEPOSIT #2 ACCT# 258302 \$40,000.00 IS SECURITY FOR LETTER OF CREDIT ON SAME ACCOUNT.								

SCHEDULE "C"
BRANDS

Kingsway

Pennies

Alice

Strainrec

Daize

**SCHEDULE “D”
TRANSFERRED ASSETS**

All domain names and email accounts (including access and passwords) used in the Business.

All intellectual property registrations and trademarks in respect of the Brands, which includes:

- Strain Rec & Train Logo (Application #: 1991524) – MPX International Corporation



- Strain Rec Cannabis Store (Application #: 1991521) – MPX International Corporation



- Kingsway (Application #: 1985204)
- Daize (Application #: 1949102)
- Alice (Application #: 1949097)

SCHEDULE "E"
PRE-CLOSING REORGANIZATION

The incorporation of Residual Co, being 1000331738 Ontario Inc. (completed October 7, 2022)

The transactions provided for in the Approval and Vesting Order as they relate to the Transactions (including the vesting of the Excluded Assets and Excluded Liabilities in Residual Co. and the vesting of the Transferred Assets in the Purchased Entity.

SCHEDULE "F"
ASSUMED LIABILITIES

Assumed Liabilities

Interim Period Costs

Pre-Filing GST/HST

Pre-Filing Excise

**SCHEDULE “G”
EXCLUDED LIABILITIES**

Pursuant to Section 2.3 of the Agreement, the following is a non-exhaustive list of Excluded Liabilities:

- Any and all Liabilities with regard to any class action, litigation or other legal proceedings brought or initiated, or which could be brought or initiated against any of the CCAA Applicants (in the case of the Purchased Entity only, relating to any act, occurrence or circumstance arising or existing at or before the commencement of the Interim Period), including any regulatory or enforcement action that might be brought by a securities authority or other Governmental Authority;
- Any and all Liabilities with regard to purchase orders placed and unpaid with suppliers and other vendors prior to the commencement of the Interim Period.
- Any and all Liabilities with regard to the Terminated Employees.
- Any and all Liabilities owing under the DIP Term Sheet to the DIP Lenders.
- Any and all Liabilities with regard to the Debenture Indenture, dated June 30, 2020, between MPX International Corporation and AST Trust Company Canada as amended by: (i) the Supplemental Debenture Indenture dated September 20, 2020; (ii) the Second Supplemental Debenture Indenture dated December 18, 2020; (iii) the Third Supplemental Debenture Indenture dated June 24, 2021; and (iv) the Fourth Supplemental Debenture Indenture dated May 5, 2022.
- Any and all accrued accounts payable of the Purchased Entity prior to the commencement of the Interim Period.

SCHEDULE "H"
EXCLUDED ASSETS

All Pre-Interim Period Cash, minus: all Pre-Interim Period Expenses (as finally determined by the Monitor).

Canveda's interest in the following litigation claims:

- MPX International Corporation and Canveda Inc. v. Blackhawk Growth Corp. et al., SCBC Vancouver Registry Action No. S-224601

**THIS IS EXHIBIT "H" REFERRED TO IN THE
AFFIDAVIT OF JEREMY BUDD
SWORN
THE 8th DAY OF DECEMBER 2022**

A handwritten signature in black ink, appearing to be 'JB' with a long horizontal stroke extending to the right.

A Commissioner for taking affidavits, etc.

MPX INTERNATIONAL CORPORATION

- AND -

SPARTAN WELLNESS CORPORATION

- AND -

REFLOURISH CAPITAL LIMITED

SHARE AND ASSET PURCHASE AGREEMENT

DATED DECEMBER 7, 2022

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SHARE AND ASSET PURCHASE AGREEMENT

THIS SHARE AND ASSET PURCHASE AGREEMENT dated December 7, 2022 is made by and between:

MPX International Corporation, a corporation incorporated under the laws of Ontario
(hereinafter, the “**MPXI**”)

- and -

Spartan Wellness Corporation, a corporation incorporated under the laws of Ontario
(hereinafter, “**Spartan**”, and together with MPXI, the “**Vendors**”)

- and -

ReFlourish Capital Limited, a corporation incorporated under the laws of the British Virgin
Islands
(hereinafter, the “**Purchaser**”)

RECITALS:

WHEREAS the Vendors are the owners of the Purchased Assets;

AND WHEREAS the Vendors wish to sell to the Purchaser, and the Purchaser wishes to purchase from the Vendors, the Purchased Assets on the terms and conditions set forth in this Agreement;

AND WHEREAS on July 25, 2022, pursuant to the Initial Order: (i) the CCAA Applicants obtained relief under the CCAA; and (ii) KSV Restructuring Inc. was appointed as Monitor in the CCAA Proceedings;

AND WHEREAS on August 4, 2022, pursuant to the SISP Approval Order, the Monitor, with the assistance of the CCAA Applicants, was authorized and directed to carry out the SISP in accordance with its terms;

AND WHEREAS pursuant to the SISP Approval Order, should none of the bids received in the SISP be acceptable to the DIP Lenders, then the CCAA Applicants, with the consent of the Monitor and the DIP Lenders, may accept a credit bid from the Debenture Trustee on behalf of the Debentureholders;

AND WHEREAS the SISP did not result in a Successful Bid for the Purchased Assets;

AND WHEREAS the Debenture Trustee, on behalf of the Debentureholders, has decided to proceed with a credit bid as contemplated in the SISP Approval Order, and has offered to purchase the Purchased Assets pursuant to the terms of this Agreement;

AND WHEREAS the Debentureholders have incorporated: (i) the Purchaser for the purposes of, among other things, acquiring the Purchased Securities and Purchased Accounts and assuming the DIP Loan; (ii) IP Holdco for the purpose of, among other things, holding the MPX IP; and (iii) Spartan Acquireco for the purpose of, among other things, acquiring the Spartan Assets;

NOW THEREFORE in consideration of the covenants and mutual promises set forth in this Agreement (including the recitals hereof) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions.

In this Agreement.

“Accounts” means all accounts receivable, trade accounts, book debts, insurance claims, refunds, prepared expenses, rebates, input tax credits (including in respect of professional fees) or other monetary obligations due or accruing due to MPXI.

“Action” means any claim, action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before a Governmental Authority.

“Affiliate” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to “control” another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term “controlled” shall have a similar meaning.

“Agreement” means this Share and Asset Purchase Agreement between the Vendors and the Purchaser, as may be amended, supplemented, restated or otherwise modified in accordance with the terms hereof.

“Applicable Law” means, with respect to any Person, property, transaction, event or other matter, any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order (including any securities laws or requirements of stock exchanges and any consent decree or administrative Order) or other requirement having the force of law (**“Law”**), in each case relating or applicable to such Person, property, transaction, event or other matter and also

includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

“Approval and Vesting Order” means an order issued by the Court substantially in the form attached hereto as Schedule “A” and otherwise acceptable to the Purchaser, the Vendors, the DIP Lenders and the Monitor authorizing the Transaction and vesting in: (i) the Purchaser (or as it may direct) all of the right, title and interest of MPXI in and to the Purchased Securities and Purchased Accounts; (ii) IP Holdco all of the right, title and interest of MPXI in and to the MPX IP; and (iii) Spartan Acquireco all of the right, title and interest of Spartan in and to the Spartan Assets.

“Assigned Debenture Debt” means that portion of the Debenture Debt assigned to the Purchaser pursuant to the Debenture Assignment Agreement, in the amount of the Purchase Price.

“Assigned Spartan Contracts” means those contracts set forth in Schedule “G” hereto.

“Assumed Liabilities” has the meaning set out in Section 2.7 herein.

“Assumed Purchaser Liabilities” has the meaning set out in Section 2.7 herein

“Assumed Spartan Liabilities” has the meaning set out in Section 2.6 herein.

“Authorization” means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval, development permit or building permit) or from any Person in connection with any easements, contractual rights or other matters.

“Books and Records” means all books, records, files, papers, books of account and other financial data including, without limitation, Tax Returns and customer and employee records, related to the Purchased Assets or the Business in the possession, custody or control of the Vendors.

“Borrowers” has the meaning set out in the DIP Term Sheet.

“Business” means the business and operations carried on by the Purchased Entities, Spartan, or any one of them, as applicable, as at the date of this Agreement and as at the date of Closing.

“Business Day” means any day except Saturday, Sunday or any day on which banks are generally not open for business in the Province of Ontario.

“CCAA” means the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36.

“CCAA Applicants” means collectively, MPXI, BioCannabis Products Ltd., Canveda Inc., The CinG-X Corporation, Spartan, MPXI Alberta Corporation, MCLN Inc. and Salus BioPharma Corporation.

“**CCAA Proceedings**” means the proceedings commenced by the CCAA Applicants under the CCAA.

“**Closing**” means the completion of the Transactions in accordance with the provisions of this Agreement.

“**Closing Date**” means the date on which Closing occurs.

“**Closing Liabilities**” has the meaning set out in Section 2.8.

“**Closing Sequence**” has the meaning set out in Section 5.2.

“**Closing Time**” has the meaning set out in Section 5.1.

“**Conditions Certificates**” has the meaning set out in Section 6.3.

“**Court**” means the Ontario Superior Court of Justice (Commercial List).

“**Debenture Assignment Agreement**” means the agreement, to be dated the Closing Date, between the Purchaser and the Debenture Trustee substantially in the form attached hereto as Schedule “G”, pursuant to which the Debenture Trustee, on behalf of the Debentureholders, will assign to the Purchaser the rights, title and interest of the Debenture Trustee and Debentureholders in and to a portion of the Debenture Debt in exchange for the issuance of shares in the Purchaser in favour of the Debentureholders.

“**Debenture Debt**” means the indebtedness of MPXI to the Debentureholders pursuant to the Debenture Indenture, totaling \$20.14 million as of November 30, 2022, together with accrued interest, costs and fees in connection with the foregoing.

“**Debenture Indenture**” means the debenture indenture dated as of June 30, 2020, between MPXI, as issuer, and AST Trust Company (Canada), predecessor to the Debenture Trustee, as debenture trustee, as amended and supplemented pursuant to a supplemental debenture dated September 16, 2020, a second supplemental debenture dated December 18, 2020, a third supplemental debenture dated June 24, 2021, and a fourth supplemental debenture dated May 5, 2022.

“**Debentureholders**” means the holders of debentures issued pursuant to the Debenture Indenture.

“**Debenture Trustee**” means TSX Trust Company, in its capacity as debenture trustee under the Debenture Indenture, as successor to AST Trust Company (Canada).

“**DIP Assumption Agreement**” means the agreement to be entered into between the Purchaser and the DIP Lenders, pursuant to which the Purchaser will assume all of the Borrowers’ obligations under DIP Term Sheet including, without limitation, in respect of the DIP Loan which shall be immediately converted to a senior secured convertible debt obligation of the Purchaser.

“**DIP Lenders**” has the meaning ascribed to such term in the Initial Order.

“**DIP Loan**” means the amounts the DIP Lenders have advanced to the CCAA Applicants pursuant to the DIP Term Sheet.

“**DIP Term Sheet**” means the Term Sheet among the DIP Lenders and the CCAA Applicants, among others, dated July 25, 2022, as amended pursuant the First Amending Agreement, dated October 17, 2022, pursuant to which the DIP Lenders agreed to advance the DIP Loan, as may be amended, supplemented or restated from time to time.

“**Discharged**” means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, including all proceeds thereof, the full, final, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.

“**Employees**” means all individuals who, as of Closing Time, are employed by a Purchased Entity or Spartan, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not expired, but, for certainty, excludes any employees who are to be terminated pursuant to Section 6.1(f), and “**Employee**” means any one of them.

“**Encumbrances**” means all claims, Liabilities (direct, indirect, absolute or contingent), obligations, prior claims, right of retention, liens, security interests, charges, hypothecs, trusts, deemed trusts (statutory or otherwise), judgments, writs of seizure or execution, notices of sale, contractual rights (including purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual rights) and encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise.

“**Excise Tax Act**” means the *Excise Tax Act, 2001*, SC 2002, c 22.

“**Guarantors**” has the meaning set out in the DIP Term Sheet.

“**Governmental Authority**” means the government of Canada, or any other nation, or of any political subdivision thereof, whether state, provincial (including the government of Ontario), territorial, municipal or local, and any agency, authority, instrumentality, regulatory body, court, arbitrator or arbitrators, tribunal, central bank or other entity exercising executive, legislative, judicial or arbitral, taxing, regulatory or administrative powers or functions (including any applicable stock exchange).

“**GST/HST**” means all goods and services tax and harmonized sales tax imposed under Part IX of the Excise Tax Act.

“**Initial Order**” means the order of the Court dated July 25, 2022 as amended and restated pursuant to a subsequent Court order dated August 4, 2022, and as may be further amended and/or restated from time to time.

“**Interim Period**” means the period from the date that this Agreement is entered into by the Parties to the Closing Time.

“**IP Holdco**” means an Ontario subsidiary of the Purchaser to be incorporated prior to the issuance of the Approval and Vesting Order for the purpose of holding the MPX IP.

“**Law**” has the meaning set out in the definition of “**Applicable Law**”.

“**Legal Proceeding**” means any litigation, Action, application, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any court or other tribunal or Governmental Authority and includes any appeal or review thereof and any application for leave for appeal or review.

“**Liability**” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“**Monitor**” means KSV Restructuring Inc. in its capacity as court-appointed monitor in the CCAA Proceedings.

“**Monitor’s Certificate**” means the certificate, substantially in the form attached as Schedule “A” to the Approval and Vesting Order, to be delivered by the Monitor to the Vendors and the Purchaser on Closing and thereafter filed by the Monitor with the Court which shall, among other things, effect: (i) vesting of the Purchased Assets in the Purchaser, IP Holdco and Spartan Acquireco, as applicable; (ii) termination of the CCAA Proceedings in respect of each Purchased Entity that is a CCAA Applicant; and (iii) termination of the stay in the CCAA Proceedings in respect of each Purchased Entity that is not a CCAA Applicant, all pursuant to the Approval and Vesting Order.

“**MOU**” means the memorandum of understanding, dated May 14, 2021, among the Vendor, Piya Jittalan, Maris Samaram, Phumchai Kambhato and Mayuree Phornprapha.

“**MPXI**” means MPX International Corporation.

“**MPX IP**” means any and all proprietary rights anywhere in the world provided under patent law, copyright law, trademark law, design patent or industrial design law, trade secret law, or any other statutory provision or common law principle that provides a right in either intellectual property or the expression or use of intellectual property, including, without limitation, copyrights and works of authorship, whether or not copyrightable, and all registrations, applications for registration, and renewals in connection with the brands “Salus” and “Beleaf”.

“**Notice of Assignment of Accounts Receivable**” means a notice substantially in the form attached hereto as Schedule “B” advising that the Purchaser has purchased the Accounts

and directing such customers to remit all payments owing to MPXI in respect of the Accounts to the Purchaser.

“**Option Certificates**” means those Option Certificates issued by MPXI in respect of the common shares in the capital of Salus International Management Ltd. and related warrants.

“**Order**” means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

“**Organizational Documents**” means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

“**Party**” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and “**Parties**” means more than one of them.

“**Permitted Encumbrances**” means the Encumbrances related to the Purchased Assets listed in Schedule “C”.

“**Person**” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

“**Personal Property**” means all machinery, equipment, furniture, motor vehicles and other personal property that is Related to the Business, wherever located (including those in possession of suppliers, customers and other third parties).

“**Purchase Price**” has the meaning set out in Section 2.2.

“**Purchased Accounts**” means all Accounts purchased by the Purchaser pursuant to this Agreement.

“**Purchased Assets**” means collectively the Purchased Securities, the Purchased Accounts, the MPX IP and the Spartan Assets.

“**Purchased Entities**” means MPXI Malta Operations Limited, MPXI Malta Holding Limited, Prime Pharmaceutical Corporation, and Salus International Management Ltd.

“**Purchased Securities**” means, collectively, all of the Purchased Shares and Purchased Warrants, together with all other interests in the capital of the Purchased Entities owned by MPXI.

“**Purchased Shares**” means all of the issued and outstanding shares in the capital of the Purchased Entities owned by MPXI.

“**Purchased Warrants**” means all of the issued and outstanding share purchase warrants of the Purchased Entities owned by MPXI.

“**Purchaser**” means ReFlourish Capital Limited.

“**Related to the Business**” means primarily (i) used in; (ii) arising from; or (iii) otherwise related to the Business or any part thereof.

“**Representative**” when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

“**SISP**” means the Court-approved sale and investment solicitation process conducted further to and approved by the SISP Approval Order (including Schedule “A” thereto).

“**SISP Approval Order**” means the order of the Court, dated August 4, 2022, among other things, approving the SISP.

“**Spartan**” means Spartan Wellness Corporation.

“**Spartan Acquireco**” means an Ontario subsidiary of the Purchaser to be incorporated prior to the issuance of the Approval and Vesting Order for the purpose of acquiring the Spartan Assets.

“**Spartan Assets**” means all of Spartan’s right, title and interest in, to and under all of the assets, properties and rights of every kind and nature, whether real, personal or mixed, tangible or intangible (including goodwill), wherever located and whether now existing or hereafter acquired, which relate to, or are used or held for use in connection with, Spartan’s Business, but excludes any Liabilities in connection therewith, except for the Assumed Spartan Liabilities.

“**Successful Bid**” has the meaning given to it in the SISP.

“**Target Closing Date**” means December 16, 2022, or such other date as the Vendors (with the consent of the Monitor and the DIP Lenders) and the Purchaser may agree to in writing, or in any event as otherwise ordered by the Court.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Tax Returns**” means all returns, reports, declarations, designations, forms, elections, notices, filings, information returns, and statements in respect of Taxes that are required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

“**Taxes**” or “**Tax**” means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, mining taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, social security premiums, workers’ compensation premiums, employment insurance or

compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

“**Terminated Employees**” means those individuals employed by Spartan or any of the Purchased Entities that are CCAA Applicants whose employment will be terminated prior to Closing, and which list shall be delivered by the Vendors no later than three (3) Business Days before Closing.

“**Transactions**” means all of the transactions contemplated by this Agreement, which provide for, among other things, the acquisition from the Vendors by the Purchaser of the Purchased Assets, on and subject to the terms set forth herein.

“**Vendors**” means MPXI and Spartan.

1.2 Actions on Non-Business Days.

If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

1.3 Currency and Payment Obligations.

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in the lawful currency of the United States of America.

1.4 Calculation of Time.

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. local Toronto Time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. local Time on the next succeeding Business Day. Any references to a specific time in this Agreement means local Toronto time unless otherwise stated.

1.5 Additional Rules of Interpretation.

- (1) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- (2) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience

of reference only and are not intended to be full or precise descriptions of the text to which they refer.

- (3) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles or Sections of this Agreement, and Schedules to this Agreement.
- (4) *Words of Inclusion.* Wherever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.
- (5) *References to this Agreement.* The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.
- (6) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.
- (7) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

1.6 Schedules.

- (a) The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

SCHEDULES

Schedule “A”	Draft Approval and Vesting Order
Schedule “B”	Form of Notice of Assignment of Accounts Receivable
Schedule “C”	Permitted Encumbrances
Schedule “D”	Encumbrances to be Discharged
Schedule “E”	Purchase Price Allocation
Schedule “F”	Authorized and Issued Capital of the Purchased Entities
Schedule “G”	Form of Debenture Assignment Agreement

Schedule "H" Assigned Spartan Contracts

- (b) Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

ARTICLE 2**PURCHASE OF PURCHASED ASSETS AND ASSUMPTION OF LIABILITIES****2.1 Purchase and Sale of the Purchased Assets.**

Subject to the terms and conditions of this Agreement, effective as and from the Closing Time, the Vendors shall sell, assign and transfer the Purchased Assets to the Purchaser (or as the Purchaser may direct), and the Purchaser shall purchase the Purchased Assets from the Vendors, free and clear of all Encumbrances (other than Permitted Encumbrances) and Liabilities (other than the Assumed Liabilities), with the result that: (i) the Purchaser shall become shareholder of the Purchased Entities and owner of the Purchased Accounts from and after the Closing Time; (ii) IP Holdco shall become the owner of the MPX IP; and (iii) Spartan Acquireco shall become the owner of the Spartan Assets.

2.2 Purchase Price.

The consideration for the Purchased Assets shall be: (i) the purchase price (the "**Purchase Price**") of \$12,150,000; (ii) the assumption of the Assumed Liabilities; and (iii) the assumption of the DIP Loan in accordance with the DIP Assumption Agreement.

2.3 Payment of Purchase Price.

The Purchase Price will be satisfied by the Purchaser by providing a credit to MPXI and corresponding reduction in the Debenture Debt in the amount of the Assigned Debenture Debt.

2.4 Allocation of Purchase Price.

The Purchase Price shall be allocated among the Purchased Assets in accordance with the allocation set out in Schedule "E" hereto, and the Vendors and the Purchaser shall file their respective income tax returns in accordance with such allocation.

2.5 Permitted Encumbrances / Encumbrances to be Discharged.

Pursuant to the Approval and Vesting Order, except for Permitted Encumbrances specifically and expressly designated by the Purchaser in Schedule "C", all Encumbrances of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or

due or not yet due, in law or in equity and whether based in stature or otherwise) in respect of the Purchased Assets as at the Closing Time will be excluded and shall no longer attach to the Purchased Assets following the Closing Time. Pursuant to the Approval and Vesting Order, such Encumbrances shall be Discharged from the Purchased Assets, which for greater certainty, shall include those Encumbrances set out in Schedule "D".

2.6 Assumed Spartan Liabilities.

Subject to the terms and conditions of this Agreement, Spartan Acquireco shall assume and agree to pay, perform and discharge only the following Liabilities of Spartan (collectively, the "**Assumed Spartan Liabilities**"), and no other Liabilities:

- (1) all trade accounts payable by Spartan to third parties in connection with Spartan's Business that remain unpaid as of the Closing Time and that arose in the ordinary course of business;
- (2) all Liabilities in respect of the Assigned Spartan Contracts but only to the extent that such Liabilities thereunder are required to be performed after the Closing Time, were incurred in the ordinary course of business and do not relate to any failure to perform, improper performance, warranty or other breach, default or violation by Spartan on or before the Closing Time;
- (3) all Liabilities of Spartan in respect of the Employees of Spartan (other than Terminated Employees) to that arose after the date of the Initial Order and remain unpaid as of the Closing Time; and
- (4) any HST incurred by Spartan after the date of the Initial Order and remaining unpaid at the Closing Time.

2.7 Assumed Purchaser Liabilities.

Subject to the terms and conditions of this Agreement, the Purchaser shall assume and agree to pay, perform and discharge only the following Liabilities (the "**Assumed Purchaser Liabilities**" and together with the Assumed Spartan Liabilities, the "**Assumed Liabilities**"), and no other Liabilities:

- (1) all unpaid Liabilities owing to Grewall Group Ltd. incurred by MPXI between the date of the Initial Order and Closing Time, including but not limited to invoice number HG40 in the amount of GBP £12,802.

Despite any provision to the contrary, the Purchaser hereby reserves the right to review, confirm and challenge the quantum, timing and entitlement to payment of all Assumed Purchaser Liabilities.

2.8 Closing Liabilities.

Subject to the terms and conditions of this Agreement, and upon receipt of supporting documentation to the satisfaction of the Purchaser and the DIP Lenders, the Purchaser shall pay on Closing the following Liabilities of MPXI (collectively, the "**Closing Liabilities**")

and no other Liabilities:

- (1) unpaid vacation pay owing to Jonathan Chu and Michael Arnkvarn, in the amounts of CA\$10,294.52 and CA\$9,369.86 respectively, in relation to their employment with MPXI; and
- (2) Budd Law invoices for work undertaken by Jeremy Budd in November, 2022 and December, 2022 that remain unpaid as of the Closing Date.

2.9 Payment of Assumed Liabilities and Closing Liabilities by Vendors.

The Vendors hereby covenant and agree that to the extent there are sufficient cash receipts from their operations, and upon the consent of the Monitor and DIP Lenders, the Assumed Liabilities and Closing Liabilities will be paid from cash on hand prior to the Closing Time.

2.10 Taxes.

- (1) The Parties agree that:
 - (a) the Purchase Price is exclusive of all applicable Taxes and the Purchaser shall be liable for and shall pay any and all applicable Taxes pertaining to the acquisition of the Purchased Assets;
 - (b) the Purchaser shall pay any applicable Taxes on the acquisition of the Purchased Assets in addition to the Purchase Price, either to the Monitor on behalf of the Vendors, or either one of them, or directly to the appropriate Governmental Authority, as required by Applicable Law;
 - (c) if applicable, the Vendors, or either of one of them, as applicable, and Spartan Acquireco shall jointly elect under section 167 of the Excise Tax Act that no HST will be payable pursuant to the Excise Tax Act with respect to the purchase and sale of the Spartan Assets under this Agreement, and Spartan Acquireco shall file such election(s) no later than the due date for the Spartan Acquireco's HST returns for the first reporting period in which HST would, in the absence of filing such election, become payable in connection with the purchase and sale of the Spartan Assets under this Agreement. Notwithstanding this election(s), in the event it is determined by a Governmental Authority that there is a liability of the Purchaser, IP Holdco or Spartan Acquireco to pay, or of the Vendors to collect and remit, HST in respect of the purchase and sale of the Purchased Assets hereunder, the Purchaser shall forthwith pay such HST to the applicable Governmental Authority, or to the Vendors for remittance to the appropriate Governmental Authority, as the case may be, and the Purchase, IP Holco and Spartan Acquireco shall indemnify and save harmless the Vendors from any penalties and interest which may be payable by or assessed against the Vendors (or their Representatives, agents, Employees, directors or officers) under the Excise Tax Act in respect thereof.

- (2) If requested by the Purchaser, MPXI shall make a joint election(s) to have the rules in section 22 of the Tax Act, and any equivalent or corresponding provision under applicable provincial or territorial tax legislation, apply in respect of the Accounts Receivable.
- (3) If requested by the Purchaser, the Vendors, or either of one of them, as applicable, shall make a joint election(s) to have the rules in subsection 20(24) of the Tax Act, and any equivalent or corresponding provision under applicable provincial or territorial tax legislation, apply to the obligations of the Vendors in respect of undertakings which arise from the operation of the business to which the Purchased Assets related and to which paragraph 12(1)(a) of the Tax Act applies.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties as to the Vendors.

Subject to the issuance of the Approval and Vesting Order, each of the Vendors represents and warrants to the Purchaser as follows and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the purchase by Purchaser of the Purchased Assets:

- (a) Incorporation and Status. Each Vendor is a corporation incorporated and existing under the laws of Ontario, is in good standing under such act and subject to the Approval and Vesting Order has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by each Vendor of this Agreement has been authorized by all necessary corporate actions on the part of each Vendor.
- (c) No Conflict. The execution, delivery and performance by the Vendors of this Agreement does not or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of either Vendor.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Vendors and constitutes a legal, valid and binding obligation of each Vendor, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (e) Title to Purchased Assets. The Vendors will transfer good and valid title to the Purchased Assets to the Purchaser, free and clear of all Encumbrances (other than Permitted Encumbrances), pursuant to and in accordance with the Approval and

Vesting Order. MPXI is the registered, legal and beneficial owner of the Purchased Securities and is the legal and beneficial owner of the Purchased Accounts.

- (f) No Other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, the MOU and Option Certificates, no Person has any contractual right, option or privilege for the purchase or acquisition from the Vendors, or either one of them, of any of the Purchased Assets.
- (g) No Commissions. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the Transactions based on any arrangement or agreement.
- (h) Proceedings. There are no Legal Proceedings pending against either of the Vendors or, to the knowledge of the Vendors, threatened, with respect to, or in any manner affecting, title to the Purchased Assets or which would reasonably be expected to enjoin, delay, restrict or prohibit the transfer of all or any part of the Purchased Assets or as contemplated by this Agreement or which would reasonably be expected to delay, restrict or prevent the Vendors from fulfilling any of their obligations set forth in this Agreement.
- (i) Residence of the Vendors. Neither of the Vendors is a non-resident of Canada within the meaning of the Tax Act.
- (j) GST/HST Registration. Spartan is duly registered for the purposes of Excise Tax Act and its registration number shall be provided to the Purchaser prior to Closing.

3.2 Representations and Warranties as to the Purchased Entities.

Subject to the issuance of the Approval and Vesting Order, MPXI represents and warrants to the Purchaser as follows with respect to each of the Purchased Entities and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the purchase by the Purchaser of the Purchased Assets:

- (a) Incorporation and Status. Each Purchased Entity is a corporation incorporated and existing under the under the Laws of its jurisdiction of incorporation, in good standing under such act.
- (b) Authorized and Issued Capital. The authorized capital of each Purchased Entity is as set out in Schedule "F" hereto. Schedule "F" also sets out the: (i) number of Purchased Shares together with the percentage of issued and outstanding shares of each Purchased Entity (on a non-diluted basis and on a fully-diluted basis); and (ii) the number of Purchased Warrants together with the percentage of issued and outstanding share purchase warrants of each Purchased Entity. Schedule "F" also sets forth the other ownership interests being purchased by the Purchaser hereunder.
- (c) No Other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition of the Purchased Securities.

- (d) Proceedings. There are no Legal Proceedings pending against the Purchased Entities or, to the knowledge of MPXI, threatened, with respect to, or in any manner affecting title to the Purchased Assets which would reasonably be expected to enjoin, delay, restrict or prohibit the transfer of all or any part of the Purchased Assets or the Closing of the Transactions as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent MPXI from fulfilling its obligations set forth in this Agreement.

3.3 Representations and Warranties as to the Purchaser

The Purchaser represents and warrants to and in favour of the Vendors as follows and acknowledges and agrees that the Vendors are relying upon such representations and warranties in connection with the sale by the Vendors of the Purchased Assets:

- (a) Incorporation and Status. The Purchaser is incorporated and existing under the Laws of its jurisdiction of incorporation and has the corporate power and authority to enter into, deliver and perform its obligations under, this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement and the completion of the Transactions contemplated by this Agreement does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchaser.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and this Agreement is a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (e) No Commissions. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement.
- (f) Litigation. There are no Legal Proceedings pending, or to the knowledge of the Purchaser, threatened against the Purchaser before any Governmental Authority, which would: (i) prevent the Purchaser from paying the Purchase Price to the Vendors; (ii) prohibit or seek to enjoin, restrict or prohibit the Transactions contemplated by this Agreement or (iii) which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.
- (g) Consents. Except for: (i) the issuance of the Approval and Vesting Order; (ii) any consents required in relation to the Assigned Spartan Contracts; and (iii) any

regulatory approvals required to be obtained pursuant to this Agreement, no Authorization, consent or approval of, or filing with or notice to, any Governmental Authority, court or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser, and each of the agreements to be executed and delivered by the Purchaser hereunder or the purchase of the Purchased Assets hereunder.

3.4 As is, Where is.

The Purchased Assets (for clarity, together with all assets held by each Purchased Entity at Closing) shall be sold and delivered to the Purchaser (or as it may direct) on an “*as is, where is*” basis, subject to the representations and warranties contained herein. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever, including with respect to the Purchased Securities.

ARTICLE 4 COVENANTS

4.1 Target Closing Date.

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on the Target Closing Date.

4.2 Motion for Approval and Vesting Order.

As soon as practicable after the execution of this Agreement, the CCAA Applicants shall serve and file with the Court a motion for the issuance of the Approval and Vesting Order. The Vendors shall diligently use their commercially reasonable efforts to seek the issuance and entry of the Approval and Vesting Order and the Purchaser shall cooperate with the Vendors in their efforts to obtain the issuance and entry of the Approval and Vesting Order. The CCAA Applicants will provide to the Purchaser a reasonable opportunity to review a draft of the motion materials to be served and filed with the Court, it being acknowledged that such motion materials should be served as promptly as reasonably possible following execution of this Agreement, and will serve such materials on the current service list and on such other interested parties, and in such manner, as the Purchaser may reasonably require. The Vendors will promptly inform counsel for the Purchaser of any and all threatened or actual objections to the motion for the issuance of the Approval and Vesting Order of which it becomes aware, and will promptly provide to the Purchaser a copy of all written objections received.

4.3 Interim Period.

(a) During the Interim Period, except: (i) as contemplated or permitted by this Agreement (including the Approval and Vesting Order); (ii) as necessary in connection with the CCAA Proceedings; (iii) as otherwise provided in the Initial Order and any other court orders, prior to the Closing Time; or (iv) as consented to

by the Purchaser, such consent not to be unreasonably withheld, conditioned or delayed, the Vendors shall use best efforts to ensure that: (A) Spartan and each Purchased Entity continue to maintain their business and operations in substantially the same manner as conducted on the date of this Agreement; and (B) other than Spartan's and each Purchased Entity's cannabis inventory (if any) pursuant to confirmed purchase orders from third parties, Spartan and each Purchased Entity do not transport, remove or dispose of, any of their assets out of their current locations.

- (b) During the Interim Period, except as contemplated or permitted by this Agreement (including the Approval and Vesting Order), the Vendors shall not enter, and shall use best efforts to ensure that the Purchased Entities do not enter, into any non-arms' length transactions involving its respective assets or the Business without the prior written approval of the Purchaser.
- (c) During the Interim Period, the Purchaser shall furnish to the Vendors such information concerning the Purchaser as shall be reasonably requested, including all such information as shall be necessary to enable the Vendors to verify that the representations and warranties and covenants of the Purchaser contained in this Agreement have been complied with.

4.4 Access During Interim Period.

During the Interim Period, the Vendors shall give, and shall use reasonable efforts to ensure that each Purchased Entity gives, to the Purchaser, and its Representatives, reasonable access during normal business hours to the Personal Property of Spartan and the Purchased Entities, including the Books and Records, to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Business and the Personal Property of Spartan and the Purchased Entities as the Purchaser reasonably deems necessary or desirable to further familiarize themselves with the Business or the Personal Property of Spartan and the Purchased Entities. Without limiting the generality of the foregoing: (a) the Purchaser and its Representatives shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement and to the Employees and (b) any invasive testing, including with respect to any real property, shall require the prior written consent of the Vendors. Such investigations, inspections, surveys and tests shall be carried out at the Purchaser's sole and exclusive risk and cost, during normal business hours, and without undue interference with the Purchased Entities' operations and the Vendors shall, and shall use reasonable efforts to ensure the Purchased Entities, co-operate reasonably in facilitating such investigations, inspections, surveys and tests and shall furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser.

4.5 Regulatory Approvals and Consents.

- (a) Each of the Parties shall use its commercially reasonable efforts to: (i) take, or cause to be taken, all appropriate action, and do, or cause to be done, all things necessary, proper or advisable under any Applicable Law or otherwise to consummate and

make effective the Transactions; (ii) obtain any consents, approvals or orders required to be obtained or made in connection with the authorization, execution and delivery of this Agreement and the consummation of the Transactions; and (iii) make all filings and give any notice, and thereafter make any other submissions either required or reasonably deemed appropriate by each of the Parties, with respect to this Agreement and the Transactions required under any Applicable Law.

- (b) The Parties shall use reasonable efforts to cooperate and consult with each other in connection with the making of any such filings and notices, including providing copies of all such documents to the non-filing Party and its advisors within a reasonable period of time prior to filing or the giving of notice. Each Party shall pay for its own filing fees and other charges arising out of the actions taken under this Section 4.5.

4.6 Insurance Matters.

Until the Closing, the Vendors shall, and shall use best efforts to ensure that the Purchased Entities, keep in full force and effect all of their applicable existing insurance policies and give any notice or present any claim under any such insurance policies consistent with past practices of the Vendors and the Purchased Entities in the ordinary course of business.

4.7 Books and Records.

The Purchaser shall, and shall cause Spartan Acquireco to, preserve and keep the Books and Records acquired by them pursuant to this Agreement for a period of six (6) years after Closing, or for any longer periods as may be required by any Laws applicable to such Books and Records. The Purchaser shall, and shall cause Spartan Acquireco to, make such Books and Records, as well as electronic copies of such books and records (to the extent such electronic copies exist), available to the Monitor and the Vendors, their successors, and any trustee in bankruptcy or receiver of the Vendors, and shall, at such party's expense, permit any of the foregoing persons to take copies of such Books and Records as they may reasonably require. As soon as practicable following Closing and in any event no later than 45 days following Closing, the Vendors shall deliver, at the cost of the Purchaser: (i) any and all Books and Records reasonably requested by the Purchaser; and (ii) an electronic copy of all of the materials relating to the Transactions, and such materials available on such electronic copy shall be unlocked, unprotected and fully available to the Purchaser. Until such electronic copy is provided to the Purchaser, the Vendors shall permit access to such materials in such data room.

4.8 Delivery of Post-Closing Receivables.

As soon as practicable after Closing, the Purchaser shall deliver a Notice Assignment of Accounts Receivable to all Persons having Purchased Account(s) payable or accruing due to MPXI.

Upon receiving any payments in respect of any Purchased Accounts on or after the Closing Date, MPXI shall promptly, and in any event within five (5) Business Days, remit such

payments to the Purchaser in accordance with the payment directions provided to MPXI by the Purchaser.

ARTICLE 5 CLOSING ARRANGEMENTS

5.1 Closing.

The Closing shall take place virtually by exchange of documents in PDF format at 12:00 noon (the “**Closing Time**”) on the Closing Date, or at such other time on the Closing Date or such other place as may be agreed in writing by the Vendors and the Purchaser, with the consent of the Monitor.

5.2 Closing Sequence

On the date of closing, Closing shall take place in the following sequence (the “**Closing Sequence**”):

- (a) First, the Debenture Trustee, on behalf of the Debentureholders, shall (i) assign the right, title and interest of the Debenture Trustee and the Debentureholders in and to the Assigned Debenture Debt to the Purchaser in accordance with the terms of the Debenture Assignment Agreement, and (ii) provide a credit to MPXI and corresponding reduction in the Debenture Debt in the amount of the Assigned Debenture Debt;
- (b) Second, the Purchaser shall assume the Borrowers’ and the Guarantors’ obligations under the DIP Term Sheet and the DIP Loan in accordance with the terms of the DIP Assumption Agreement and such obligations shall no longer be an obligation of the Borrowers and the Guarantors; and
- (c) Third, in consideration for the Purchase Price, pursuant to the Approval and Vesting Order, (i) the Purchased Securities and Purchased Accounts shall vest in the Purchaser, (ii) the MPX IP shall vest in IP Holdco, and (iii) the Spartan Assets shall vest in Spartan Acquireco.

5.3 The Vendors’ Closing Deliveries.

At the Closing, the Vendors shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (b) certificates representing the Purchased Securities duly endorsed in blank for transfer, or accompanied by irrevocable transfer powers duly executed in blank, in either case, by the holder of record;
- (c) records of all Purchased Accounts;
- (d) copies of all Assigned Spartan Contracts;

- (e) a certificate of status, compliance, good standing or like certificate with respect each Purchased Entity, Spartan and MPXI issued by the appropriate government official of its jurisdiction of incorporation, to the extent such certificate exists in such jurisdiction;
- (f) a certificate dated as of the Closing Date and executed by an executive officer of each of MPXI and Spartan confirming and certifying that each the conditions in Sections 6.1(d) and 6.1(e) have been satisfied and that each of the representations and warranties contained in Sections 3.1 and 3.2 are true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date;
- (g) HST election pursuant to section 167 of the Excise Tax Act executed by Spartan in respect of the Spartan Assets;
- (h) the Books and Records;
- (i) consents to assignment of the Spartan Assigned Contracts executed by the counterparties to such agreements; and
- (j) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

5.4 The Purchaser's Closing Deliveries.

At the Closing, the Purchaser shall, and shall cause Spartan Acquireco and IP Holdco to, deliver or cause to be delivered to the Vendors (or to the Monitor, if so indicated below), the following:

- (a) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser, IP Holdco or Spartan Acquireco, as applicable, issued by the appropriate government official of its jurisdiction of formation;
- (b) a certificate dated as of the Closing Date and executed by an executive officer of the Purchaser, IP Holdco or Spartan Acquireco, as applicable, confirming and certifying that each the conditions in Sections 6.2(d) and 6.2(e) have been satisfied and that the representations and warranties contained in Section 3.3 are true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date;
- (c) a fully executed copy of the Debenture Assignment Agreement;
- (d) a fully executed copy of the DIP Assumption Agreement;
- (e) HST election pursuant to section 167 of the Excise Tax Act executed by Spartan Acquireco in respect of the Spartan Assets; and

- (f) such other agreements, documents and instruments as may be reasonably required by the Vendors to complete the Transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

ARTICLE 6 CONDITIONS OF CLOSING

6.1 The Purchaser's Conditions.

The Purchaser shall not be obligated to complete the Transactions contemplated by this Agreement, unless, at or before the Closing Time, each of the conditions listed below in this Section 6.1 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser, and may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing; provided that if the Purchaser does not waive a condition(s) and completes the Closing, such condition(s) shall be deemed to have been waived by the Purchaser. The Vendors shall take, and shall use best efforts to ensure that each Purchased Entity takes, all such commercially reasonable actions, steps and proceedings as are reasonably within their control to ensure that the conditions listed below in this Section 6.1 are fulfilled at or before the Closing Time.

- (a) Court Approval. The Approval and Vesting Order shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed.
- (b) The Vendors' Deliverables. The Vendors shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 5.3.
- (c) No Violation of Orders or Law. During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of: (a) making any of the Transactions illegal, or (b) otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement.
- (d) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement (including the Approval and Vesting Order), each of the representations and warranties contained in Sections 3.1 and 3.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (e) No Breach of Covenants. Each of the Vendors shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendors on or before the Closing.

- (f) The Purchased Entity Employees: Spartan and each Purchased Entity shall have terminated the employment of the Terminated Employees, as requested by the Purchaser in its sole discretion.
- (g) CCAA Proceedings. Upon Closing, the CCAA Proceedings will have been terminated in respect of any Purchased Entity that is a CCAA Applicant, their businesses and properties, and the stay of proceedings in the CCAA Proceedings will have been terminated in respect of any such Purchased Entity, all as set out in the Approval and Vesting Order.
- (h) Disclaim Contracts. The Vendors shall cause any Purchased Entity that is a CCAA Applicant to issue notices of disclaimer for such contracts and other agreements as the Purchaser may require, as listed in a list of contracts to disclaim as sent by the Purchaser to the Vendors and which shall be delivered by the Purchaser no later than five (5) days before the Closing Date.
- (i) Registered shareholder of MPXI. The Purchaser shall be a registered shareholder of MPXI.

6.2 The Vendors' Conditions.

The Vendors shall not be obligated to complete the Transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 6.2 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendors, and may be waived by the Vendors in whole or in part, without prejudice to any of their rights of termination in the event of nonfulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Vendors only if made in writing. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed below in this Section 6.2 are fulfilled at or before the Closing Time.

- (a) Court Approval. The Approval and Vesting Order shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed.
- (b) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendors at the Closing all the documents and payments contemplated in Section 5.4.
- (c) No Violation of Orders or Law. During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of: (a) making any of the Transactions contemplated by this Agreement illegal; or (b) otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement.

- (d) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 3.3 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (e) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing, which shall have been performed in all respects.

6.3 Monitor's Certificate.

When the conditions to Closing set out in Section 6.1 and Section 6.2 have been satisfied and/or waived by the Vendors or the Purchaser, as applicable, the Vendors and the Purchaser or their respective counsel will each deliver to the Monitor written confirmation that such conditions of Closing, as applicable, have been satisfied and/or waived (the "**Conditions Certificates**"). Upon receipt of the Conditions Certificates, the Monitor shall: (i) issue forthwith its Monitor's Certificate concurrently to the Vendors and the Purchaser, at which time the Closing will be deemed to have occurred; and (ii) file as soon as practicable a copy of the Monitor's Certificate with the Court (and shall provide a true copy of such filed certificate to the Vendors and the Purchaser). In the case of: (i) and (ii) above, the Monitor will be relying exclusively on the basis of the Conditions Certificates without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

ARTICLE 7 TERMINATION

7.1 Grounds for Termination.

- (a) This Agreement may be terminated on or prior to the Closing Date:
 - (I) by the mutual written agreement of the Vendors and the Purchaser;
 - (II) by the Purchaser, on the one hand, or the Vendors (with the consent of the Monitor), on the other hand, upon written notice to the other Parties if: (i) the Approval and Vesting Order has not been obtained by the Closing Time or (ii) the Court declines at any time to grant the Approval and Vesting Order; in each case for reasons other than a breach of this Agreement by the party proposing to terminate the Agreement;
 - (III) by the Vendors, if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty of the Purchaser in this Agreement which would prevent the satisfaction of, or

compliance with, any condition set forth in Section 6.2, as applicable, by the Target Closing Date or, if any event has occurred as a result of which any of the conditions in Sections 6.1-6.2 (inclusive) are not capable of being satisfied by the Target Closing Date, and such violation or breach has not been waived by the Vendors or cured within five (5) Business Days of the Vendors providing written notice to the Purchaser of such breach, unless the Vendors are in material breach of their obligations under this Agreement; or

(IV) by the Purchaser, if there has been a material violation or breach by the Vendors of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, any condition set forth in Section 6.1, by the Target Closing Date and such violation or breach has not been waived by the Purchaser or cured within five (5) Business Days of the Purchaser providing notice to the Vendors of such breach, unless the Purchaser is in material breach of its obligations under this agreement.

(b) Prior to the Vendors agreeing to or electing to any termination pursuant to this Section 7.1, the Vendors shall first obtain the written consent of the Monitor and DIP Lenders.

7.2 Effect of Termination.

If this Agreement is terminated pursuant to Section 7.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Sections 8.2 (*Expenses*), 8.3 (*Public Announcements*), 8.4 (*Notices*), 8.8 (*Waiver and Amendment*), 8.11 (*Governing Law*), 8.12 (*Dispute Resolution*), 8.13 (*Attornment*), 8.14 (*Successors and Assigns*), 8.15 (*Assignment*), 8.16 (*No Liability*), and 8.17 (*Third Party Beneficiaries*), which shall survive such termination. For the avoidance of doubt, any Liability incurred by a Party prior to the termination of this Agreement shall survive such termination.

ARTICLE 8 GENERAL

8.1 Survival.

All representations, warranties, covenants and agreements of the Vendors or the Purchaser made in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, or as otherwise expressly provided in this Agreement.

8.2 Expenses.

Except if otherwise agreed upon in writing amongst the Parties, each Party shall be responsible for its own costs and expenses (including any Taxes imposed on such expenses) incurred in connection with the negotiation, preparation, execution, delivery and performance of this Agreement, the Transactions (including the fees and disbursements of legal counsel, bankers, agents, investment bankers, accountants, brokers and other advisers).

8.3 Public Announcements.

The Vendors shall be entitled to disclose this Agreement to the Court and parties in interest in the CCAA Proceedings, other than any information which the Purchaser advises the Vendors in writing as being confidential, and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein) or where required to meet timely disclosure obligations of the Vendors or any of their Affiliates under Applicable Laws or stock exchange rules, the Vendors shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the Transactions contemplated hereby without the prior written consent of the other Parties, which shall not be unreasonably withheld or delayed.

8.4 Notices.

- (a) Mode of Giving Notice. Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if: (i) delivered personally; (ii) sent by prepaid courier service; or (iii) sent by e-mail, in each case, to the applicable address set out below:

if to the Vendors to:

C/O Bennett Jones LLP

100 King Street West
1 First Canadian Place
Suite 3400, P.O. Box 50
Toronto ON M5X 1B8

Attention: Sean Zweig
Tel: 416-777-6254
E-mail: zweigs@bennettjones.com

Attention: Mike Shakra
Tel: 416-777-6236
E-mail: shakram@bennettjones.com

with a copy to the Monitor, to:

KSV Restructuring Inc.

150 King St W #2308,
Toronto, ON M5H 1J9

Attention: Noah Goldstein,
Tel: 416-932-6207
Email: ngoldstein@ksvadvisory.com

Attention Eli Brenner
Tel: 416-932-6028
Email: ebrenner@ksvadvisory.com

with a copy (which shall not constitute notice) to:

Aird & Berlis LLP

Brookfield Place, 181 Bay St. #1800
Toronto, ON M5J 2T9

Attention: Kyle Plunkett
Tel: 416-865-3406
E-mail: kplunkett@airdberlis.com

Attention: Sam Babe
Tel: 416-865-7718
E-mail: sbabe@airdberslis.com

If to the Purchaser:

ReFlourish Capital Limited

C/O Dentons (BVI) Corp

Palm Grove House, Third Floor
Road Town
Tortola, VG1110
British Virgin Islands

Attention: Stuart Bruce
Tel: +1 284 541 2260
E-mail: stuart.bruce@dentons.com

with a copy (which shall not constitute notice) to:

Dentons Canada LLP

77 King Street West, Suite 400,
Toronto-Dominion Centre,
Toronto, ON M5K 0A1

Attention: Kenneth Kraft
Tel: 416-863-4374
E-mail: kenneth.kraft@dentons.com

Attention: Sara-Ann Wilson
Tel: 416-863-4402
E-mail: sara.wilson@dentons.com

Attention: Mark Freake
Tel: 416-863-4456
E-mail: mark.freake@dentons.com

- (b) Deemed Delivery of Notice. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 5:00 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.
- (c) Change of Address. Any Party may from time to time change its address under this Section 8.4 by notice to the other Parties given in the manner provided by this Section 8.4.

8.5 Time of Essence.

Time shall be of the essence of this Agreement in all respects.

8.6 Further Assurances.

The Vendors and the Purchaser shall, at the sole expense of the requesting Party, from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Parties may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

8.7 Entire Agreement.

This Agreement and the deliverables delivered by the Parties in connection with the Transactions contemplated herein constitute the entire agreement between the Parties or any of them pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no conditions, representations, warranties, obligations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as explicitly set out in this Agreement.

8.8 Waiver and Amendment.

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless: (1) executed in writing by the Vendors and Purchaser; and (2) the Monitor shall have provided its prior written consent. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

8.9 Severability.

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

8.10 Remedies Cumulative.

The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

8.11 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

8.12 Dispute Resolution.

If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach of this Agreement for the purposes of Article 7, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court may direct. The Parties irrevocably submit and attorn to the exclusive jurisdiction of the Court.

8.13 Attornment.

Each Party agrees: (a) that any Legal Proceeding relating to this Agreement shall be brought in the Court, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (b) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Court on any jurisdictional basis, including *forum non conveniens*; and (c) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from the Court as contemplated by this Section 8.13. Each Party agrees that service of process on such Party as provided in this Section 8.13 shall be deemed effective service of process on such Party.

8.14 Successors and Assigns.

This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns.

8.15 Assignment.

Prior to Closing, the Purchaser may assign, upon written notice to the Vendors, all or any portion of its rights and obligations under this Agreement to an Affiliate, including the rights of the Purchaser to purchase from the Vendors the Purchased Assets prior to the issuance of the Approval and Vesting Order; provided that no such assignment shall relieve the Purchaser of any of its obligations or Liabilities under this Agreement. The Vendors may not assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement.

8.16 No Liability.

The Purchaser acknowledges and agrees that the Monitor, acting in its capacity as the Monitor of the Vendors and the other parties in the CCAA Proceedings, and the Monitor's Affiliates will have no Liability in connection with this Agreement whatsoever in their capacity as Monitor, in their personal capacity or otherwise.

8.17 Third Party Beneficiaries.

Except with respect to the Monitor pursuant to Section 8.16, this Agreement is for the sole benefit of the Parties, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.


8.18 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Parties by e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

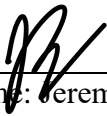
[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

MPX INTERNATIONAL CORPORATION

By:  _____
Name: Jeremy Budd
Title: Executive Vice President, General Counsel and
Corporate Secretary

SPARTAN WELLNESS CORPORATION

By:  _____
Name: Jeremy Budd
Title: Director

REFLOURISH CAPITAL LIMITED

By: _____
Name:
Title:

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

MPX INTERNATIONAL CORPORATION

By: _____
Name:
Title:

SPARTAN WELLNESS CORPORATION

By: _____
Name:
Title:

REFLOURISH CAPITAL LIMITED

By:  _____
Name: Robert Petch
Title: Director

SCHEDULE "A"
DRAFT APPROVAL AND VESTING ORDER

Court File No. CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)
)
JUSTICE) DAY OF DECEMBER, 2022

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC.,
THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA
CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

**APPROVAL AND VESTING ORDER
(Credit Bid Transaction)**

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order approving the sale transactions (the "**Transactions**") contemplated by the share and asset purchase agreement (the "**Sale Agreement**") among MPX International Corporation ("**MPXI**"), Spartan Wellness Corporation ("**Spartan**" and together with MPXI, the "**Vendors**") and ReFlourish Capital Limited (the "**Purchaser**") dated [●], 2022, attached as Exhibit "●" to the Affidavit of Jeremy Budd sworn [●], 2022 (the "**Budd Affidavit**"), and vesting: (i) in the Purchaser all of MPXI's right, title and interest in and to the Purchased Shares and the Purchased Accounts; (ii) in [**IP Holdco**] all of MPXI's right, title and interest in and to the MPX IP; and (iii) in [**Spartan Acquireco**] all of Spartan's right, title and interest in the Spartan Assets, was heard this day via videoconference due to the COVID-19 pandemic.

ON READING the Motion Record of the Applicants and the Fourth Report of KSV Restructuring Inc. dated [●], 2022 in its capacity as Monitor of the Applicants (the "**Monitor**"),

and on hearing the submissions of counsel for the Applicants, the Monitor, the Purchaser, the DIP Lenders and for those other parties appearing as indicated by the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Thomas Gray sworn [●], 2022:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the Budd Affidavit, as applicable.

APPROVAL AND VESTING

3. **THIS COURT ORDERS AND DECLARES** that the Sale Agreement and the Transactions are hereby approved and the execution of the Sale Agreement by the Vendors is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary, with the approval of the Monitor. The Vendors are hereby authorized and directed to perform their obligations under the Sale Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of: (i) the Purchased Shares and the Purchased Accounts to the Purchaser; (ii) the MPX IP to **[IP Holdco]**; and (iii) the Spartan Assets to **[Spartan Acquireco]**.

4. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Vendors to proceed with the Transactions and that no shareholder or other corporate approval shall be required in connection therewith.

5. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Monitor's Certificate**"):

- (a) all of MPXI's right, title and interest in and to the Purchased Shares and the Purchased Accounts described in the Sale Agreement shall vest absolutely in the Purchaser;
- (b) all of MPXI's right, title and interest in and to the MPXI IP described in the Sale Agreement shall vest absolutely in [**IP Holdco**]; and
- (c) all of Spartan's right, title and interest in and to the Spartan Assets described in the sale Agreement shall vest absolutely in [**Spartan Acquireco**],

free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

(i) any encumbrances or charges created by the Order of the Honourable Chief Justice Morawetz dated July 25, 2022, as amended and restated by the Order of the Honourable Chief Justice Morawetz dated August 4, 2022; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "B"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "C"** hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions.

8. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Vendors and the Purchaser regarding the fulfillment of conditions to closing under the Sale Agreement and shall have no liability with respect to delivery of the Monitor's Certificate following receipt of such notices.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Vendors or the Monitor, as the case may be, are authorized, permitted and directed to disclose to the Purchaser and [**Spartan Acquireco**] all human resources and payroll information in the Vendors' records pertaining to past and current employees of the Purchased Entities and Spartan. The Purchaser and Spartan Acquireco shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Purchased Entities and Spartan.

10. **THIS COURT ORDERS** that except to the extent expressly contemplated by the Sale Agreement, all contracts to which a Purchased Entity is a party upon delivery of the Monitor's Certificate (each a "**Purchased Entity Contract**") will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of any Purchased Entity);

- (b) the insolvency of any Purchased Entity or the fact that any Purchased Entity sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Sale Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or
- (d) any transfer or assignment, or any change of control of a Purchased Entity arising from the implementation of the Sale Agreement, the Transactions or the provisions of this Order.

11. **THIS COURT ORDERS**, for greater certainty, that: (a) nothing in paragraph 10 hereof shall waive, compromise or discharge any obligations of a Purchased Entity in respect of a Purchased Entity Contract, and (b) nothing in this Order or the Sale Agreement shall affect or waive a Purchased Entity's rights and defences, both legal and equitable, with respect to any Purchased Entity Contract, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against any liabilities thereunder.

12. **THIS COURT ORDERS AND DECLARES** that, as of the Closing Time each Purchased Entity that was an Applicant or a Non-Applicant Stay Party shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to any Purchased Entity) shall continue to apply in all respects.

13. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC, 1985, c B-3 (the "**BIA**") in respect of any Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any Applicant;

the Sale Agreement, the implementation of the Transactions, and any payments by the Purchaser authorized herein or pursuant to the Sale Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of any Applicant and shall not be void or voidable by creditors of any Applicant, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

14. **THIS COURT ORDERS** that, following the Effective Time, the Purchaser, [**IP HoldCo**] and [**Spartan Acquireco**], as applicable, shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Purchased Assets.

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand, British Virgin Islands or any other country, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

16. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

SCHEDULE “A” – Form of Monitor’s Certificate

Court File No. CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

MONITOR’S CERTIFICATE

RECITALS

- A. The Applicants commenced these proceedings under the *Companies’ Creditors Arrangement Act* on July 25, 2022 (the “**CCAA Proceedings**”).
- B. Pursuant to an Order of the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated July 25, 2022, was appointed as monitor (the “**Monitor**”) of the Applicants in the CCAA Proceedings.
- B. Pursuant to an Approval and Vesting Order of the Court dated November 1, 2022 (the “**Order**”), the Court approved the transactions (the “**Transactions**”) contemplated by the share and asset purchase agreement (the “**Sale Agreement**”) among MPX International Corporation (“**MPXI**”), Spartan Wellness Corporation (“**Spartan**” and together with MPXI, the “**Vendors**”) and ReFlourish Capital Limited (the “**Purchaser**”) dated October [●], 2022, and provided for the vesting of: (i) all MPXI’s, right title and interest in and to the Purchased Shares and

Purchased Accounts to the Purchaser; (ii) all of MPXI's right, title and interest in and to the MPX IP to [IP HoldCo]; (iii) all of Spartan's right, title and interest in and to the Spartan Assets to [Spartan Acquireco], which vesting is to be effective upon the delivery by the Monitor to the Purchaser of a certificate confirming that the Monitor has received written confirmation in the form and substance satisfactory to the Monitor from the Purchaser and the Vendors that all conditions to closing have been satisfied or waived by the parties to the Sale Agreement.

C. Capitalized terms used but not defined herein have the meanings ascribed to them in the Order.

THE MONITOR CERTIFIES the following:

1. The Monitor has received written confirmation from the Purchaser and the Vendors, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Sale Agreement.

2. This Monitor's Certificate was delivered by the Monitor at _____ on _____, 2022.

**KSV Restructuring Inc., in its capacity as
Monitor of the Applicants, and not in its
personal capacity**

Per: _____
Name:
Title:

SCHEDULE "B"

1. The rights of each optionee under the Option Certificates.

SCHEDULE "C"
Permitted Encumbrances

1. The DIP Lenders' Charge, as such charge may be amended and continued pursuant to the DIP Assumption Agreement

SCHEDULE "B"
FORM OF NOTICE OF ASSIGNMENT OF ACCOUNTS RECEIVABLE

NOTICE OF ASSIGNMENT OF ACCOUNTS RECEIVABLE

To: [INSERT ACCOUNT DEBTOR'S/CUSTOMER'S NAME AND ADDRESS]

From: ReFlourish Capital Limited (the "Purchaser")

Date: ____, 2022

Re: Payments for Goods/Services/Equipment due to MPX International Corporation (the "Vendor") (collectively, the "Payments") under [INSERT DESCRIPTION OF SERVICE AGREEMENT] (the "Agreement")

1. Please be advised that pursuant to:
 - (a) a Share and Asset Purchase Agreement dated as of October __, 2022 (the "SPA") between the Vendor and the Purchaser; and
 - (b) an Approval and Vesting Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated November __, 2022, in respect of the SPA (the "Court Order"),the Purchaser purchased all of the Vendor's rights in and to the Payments.
2. The Payments owing by you to Vendor are as identified in Schedule 1.
3. Effective immediately upon the date of this Notice, remittance of the Payments due or to become due under the Agreement shall be made by you directly to the Purchaser to the address provided in Schedule 2 annexed hereto and/or by irrevocable wire transfer of immediately available funds, unless otherwise directed in writing by the Purchaser to you, and this shall be your good and sufficient authorization and direction for so doing.
4. Effective immediately upon the date of this Notice, all notices, requests, demands, enquiries and other communications in respect of any of the Payments shall be addressed to the Purchaser at the address provided in Schedule 2 annexed hereto.

Sincerely,

ReFlourish Capital Limited, as Purchaser

By: _____

Name:

Title:

[Signature page to Notice of Accounts Receivable]

Schedule 1

Payments

Contract Description:

Invoice Number:

Balance Owing:

Payment Due Date:

Schedule 2

Purchaser Contact Information and Wire Transfer Instructions

ReFlourish Capital Limited

Address:

Wire Instructions:

Bank Name and Address:

Swift Code:

Transit No.:

Account Number:

Beneficiary:

Attention:

SCHEDULE "C"
PERMITTED ENCUMBRANCES

1. The DIP Lenders' Charge (as defined in the Initial Order), as such charge may be amended and continued pursuant to the DIP Assumption Agreement

SCHEDULE "D"
ENCUMBRANCES TO BE DISCHARGED

All Encumbrances against the Purchased Assets (except for Permitted Encumbrances), pursuant to and in accordance with the Approval and Vesting Order, including, without limitation, the rights of each optionee under the Option Certificates.

**SCHEDULE “E”
PURCHASE PRICE ALLOCATION**

Pursuant to Section 2.4 of the Agreement, the Purchase Price shall be allocated as follows:

Purchased Asset	Allocation (USD)
Spartan Assets	\$416,000
MPXI Malta Operations Limited	\$416,000
MPXI Malta Holding Limited	\$416,000
Prime Pharmaceutical Corporation	\$11,000
Salus International Management Ltd.	\$10,000,000
Purchased Accounts	\$880,000
MPX IP	\$11,000
Total	\$12,150,000

**SCHEDULE “F”
PURCHASED SECURITIES AND OWNERSHIP INTEREST**

Company	Class of Securities	Number of Securities owned by MPXI	% of Issued and Outstanding Securities owned by MPXI (non-diluted)	% of Issued and Outstanding Securities owned by MPXI (fully-diluted)
MPXI Malta Holding Limited	Ordinary shares	1,200	100%	100%
MPXI Malta Operations Limited	Ordinary shares	150,000 ¹	75%	75%
Salus International Management Ltd.	Common shares	10,000,000	50%	49%
	Common share purchase warrants	5,000,000	50% ²	
Prime Pharmaceutical Corporation	To be determined			

Prime Pharmaceutical Corporation Authorized Capital: unlimited number of common shares and up to 8,300,000 new Series A 4% First Preferred Shares

MPXI Malta Holding Limited Authorized Capital: 1,200 ordinary shares

MPXI Malta Operations Limited Authorized Capital: 200,000 ordinary shares

Salus International Management Ltd. Authorized Capital: unlimited common shares

Note 1 - Bortex is transferring 5% (10,000) shares to MPXI to correct the shareholding percentages to 80% MPXI and 20% Bortex. The current shareholding is correct as a result of an administrative filing error.

Note 2 - Salus International Management Ltd. has 9,999,990 outstanding warrants and 303,915 compensation warrants

SCHEDULE "G"
FORM OF DEBENTURE ASSIGNMENT AGREEMENT

DEBENTURE ASSIGNMENT AGREEMENT

This Assignment, Assumption and Amending Agreement (the “**Agreement**”) is made as of the _____ day of _____, 2022

AMONG:

MPX INTERNATIONAL CORPORATION, a company incorporated pursuant to the laws of the Province of Ontario (the “**Corporation**”)

- and -

REFLOURISH CAPITAL LIMITED, a corporation incorporated under the laws of the British Virgin Islands (the “**Purchaser**”)

- and -

TSX TRUST COMPANY, a trust company existing under the laws of Canada (the “**Debenture Trustee**”) for and on behalf of certain debentureholders (the “**Debentureholders**”)

WHEREAS:

- A. Pursuant to a debenture indenture dated as of June 30, 2020, between the Corporation, as issuer, and AST Trust Company (Canada), predecessor to the Debenture Trustee, as debenture trustee, as amended and supplemented pursuant to a supplemental debenture dated September 16, 2020, a second supplemental debenture dated December 18, 2020, a third supplemental debenture dated June 24, 2021, and a fourth supplemental debenture dated May 5, 2022 (collectively, the “**Indenture**”), the Corporation is authorized to issue debentures of the Corporation up to an aggregate principal amount of \$22,000,000 (the “**Debentures**”);
- B. On July 25, 2022, pursuant to the *Companies’ Creditors Arrangement Act*, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an Initial Order, as amended and restated pursuant to the Amended and Restated Initial Order of the Court, dated August 4, 2022 (the “**Initial Order**”) in respect of the Corporation and certain of its subsidiaries;
- C. On August 4, 2022, the Court issued an order approving a sale and investment solicitation process (the “**SISP**”) for the purpose of soliciting interest in, and opportunities for the sale of, or investment in, the assets and business operations of the Corporation and its subsidiaries;
- D. Pursuant to the Indenture and the Debentures, the Corporation is indebted to the Debentureholders in the principal amount and accrued interest as of November 30, 2022 equal to approximately US\$20.14 million (the “**Debenture Debt**”). The Debenture Trustee holds security (the “**Security**”) in respect of the Debenture Debt and the obligations of the Corporation under the Indenture;
- E. Certain subsidiaries of the Corporation (referred to herein as the “**Guarantors**”) guaranteed the obligations of the Corporation under the Debentures and this Indenture;

- F. In accordance with the terms of the SISP, pursuant to the share and asset purchase agreement, dated [DATE] (the “**Purchase Agreement**”) between the Corporation and the Purchaser, the Debentureholders will purchase certain assets, properties and undertakings of the Corporation and its subsidiaries in consideration of the Purchase Price (as defined in the Purchase Agreement), which shall be satisfied by, among other things, a reduction in the Debenture Debt in the amount of the Assigned Debenture Debt (as defined herein);
- G. pursuant to the Debenture Indenture, the Debentureholders have, by extraordinary resolution, authorized and directed the Corporation and the Debenture Trustee to enter into this Assignment, Assumption and Amending Agreement (the “**Agreement**”) in order to effect the transfer, on a *pro rata* basis, of a portion of the principal amount of the Debenture Debt totaling US \$12,150,000 (the “**Assigned Debenture Debt**”) and the related Security from the Debentureholders to the Purchaser in exchange for the issuance of 12,150,000 shares of the Purchaser (the “**Newco Shares**”) (or one Newco Share per US\$1.00 of Assigned Debenture Debt so exchanged), distributed rateably and proportionally to the Debentureholders, all as set out herein; and
- H. Pursuant to the Approval and Vesting Order, dated [DATE], the Court approved the Purchase Agreement and authorized and directed the Corporation to complete the transaction contemplated therein.

NOW THEREFORE in consideration of ten dollars (\$10.00), the mutual covenants of the parties contained herein, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties), the parties covenant and agree as follows:

1. RECITALS

The parties hereto acknowledge and agree that the recitals contained herein are true and correct as of the date hereof and form an integral part of this Agreement.

2. ASSIGNMENT

The Debenture Trustee, on behalf of the Debentureholders, hereby irrevocably and unconditionally assigns, transfers and sets over unto Purchaser all the estate, right, title, interest, claim and demand whatsoever, both at law and in equity, in and to the Assigned Debenture Debt and related Security and all benefits and obligations thereunder or to be derived therefrom, for and in consideration of the Newco Shares. The Debenture Trustee, on behalf of the Debentureholders, hereby directs the Purchaser to issue the Newco Shares, rateably and proportionally, directly to the Debentureholders.

The Corporation and Guarantors hereby consent to the terms of this Agreement and acknowledge the assignment contained herein.

3. HEADINGS

The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

4. ENUREMENT

This Agreement shall enure to the benefit of and be binding upon the parties, their respective successors and assigns.

5. GOVERNING LAW

This Agreement is and shall be deemed to have been made in the Province of Ontario, and for all purposes shall be governed exclusively by and construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the rights and remedies of the parties shall be determined in accordance with those laws.

6. FURTHER ASSURANCES

The parties shall, from time to time, promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that an other party may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

7. WAIVER AND AMENDMENT

No amendment or waiver of this Agreement shall be binding unless executed in writing by the parties. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

8. SEVERABILITY

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

9. COUNTERPARTS AND ELECTRONIC EXECUTION

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of a counterpart of this Agreement, a party execute this Agreement by electronic means (including DocuSign) and send a copy of its signature on the execution page hereof to the other parties by e-mail in pdf or other electronic format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving party.

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement by their authorized officers as of the day and year first above written.

MPX INTERNATIONAL CORPORATION REFLOURISH CAPITAL LIMITED

By: _____
Name:
Title:

By: _____
Name:
Title:

TSX TRUST COMPANY

By: _____
Name:
Title:

By: _____
Name:
Title:

**SCHEDULE “H”
ASSIGNED SPARTAN CONTRACTS**

Contract	Parties
Referral Agreement dated April 1, 2021	Retrain Canada Incorporated Spartan
Clinic Services Agreement dated March 25, 2021	Aurora Cannabis Enterprises Inc. Spartan
Referral Agreement dated December 30, 2019	Canna Farms Limited Spartan
Patient Referral Agreement dated June 19, 2017	Pure Natures Wellness Inc. O/A Aphria Spartan
Patient Education Agreement dated October 2020	Aphria Inc. Spartan
Services Agreement dated July 1, 2020	Medical Cannabis by Shoppers Drug Mart Inc. Spartan
Educational Support Agreement dated January 29, 2021	Tilray Canada Ltd. Spartan

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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36*, AS AMENDED AND
IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION,
BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS
CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION**

Court File No CV-22-00684542-00CL

***ONTARIO*
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings Commenced in Toronto

**AFFIDAVIT OF JEREMY BUDD
(Sworn December 8, 2022)**

BENNETT JONES LLP
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Suite 3400, P.O. Box 130
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Lawyers for the Applicants

Tab 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) THURSDAY, THE 15th
)
JUSTICE PENNY) DAY OF DECEMBER, 2022
)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC.,
THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA
CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

APPROVAL AND VESTING ORDER

(Canveda)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*, (i) approving the Share Purchase Agreement (the "**Sale Agreement**") among MPX International Corporation (the "**Vendor**"), Canveda Inc. (the "**Purchased Entity**") and 9453-5382 Quebec Inc. (the "**Purchaser**") dated October 16, 2022 and attached as Exhibit "G" to the affidavit of Jeremy Budd sworn December 8th, 2022 (the "**Budd Affidavit**") and the Transactions as defined therein (the "**Transactions**"); (ii) adding 1000331738 Ontario Inc. ("**Residual Co.**") as an Applicant to these CCAA proceedings (the "**CCAA Proceedings**"); (iii) vesting in the Purchased Entity all the right, title and interest of the Vendor in and to the Transferred Assets, free and clear from any Encumbrances, except for the Permitted Encumbrances; (iv) vesting in the Purchaser all the right, title and interest of the Vendor in and to the Purchased Shares, free and clear from any Encumbrances, except for the Permitted Encumbrances; (v) vesting out of the Purchased Entity all Excluded Assets and Excluded Liabilities and discharging all Encumbrances against the Purchased Entity other than Permitted Encumbrances; and (vi) granting certain related relief, was heard this day via videoconference due to the COVID-19 pandemic.

ON READING the Motion Record of the Applicants and the Fourth Report of KSV Restructuring Inc. in its capacity as Monitor of the Applicants (the “**Monitor**”), and on hearing the submissions of counsel for the Applicants, the Monitor, the Purchaser, the DIP Lenders and for those other parties appearing as indicated by the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Thomas Gray sworn December 8th, 2022:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the Budd Affidavit, as applicable.

APPROVAL AND VESTING

3. **THIS COURT ORDERS AND DECLARES** that the Sale Agreement and the Transactions are hereby approved and the execution of the Sale Agreement by the Vendor and the Purchased Entity is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary, with the approval of the Monitor and the DIP Lenders. The Applicants are hereby authorized and directed to perform their obligations under the Sale Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of the Purchased Shares to the Purchaser.

4. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Vendor to proceed with the Transactions and that no shareholder or other approval shall be required in connection therewith.

5. **THIS COURT ORDERS AND DECLARES** that, upon the delivery of the Monitor's certificate (the "**Monitor's Certificate**") to the Purchaser (the "**Effective Time**"), substantially in the form attached as Schedule "A" hereto, the following shall occur and shall be deemed to have occurred at the Effective Time in the following sequence:

- (a) first, (i) all of the Vendor's right, title and interest in and to the Transferred Assets shall vest absolutely and exclusively in the Purchased Entity, free and clear of and from any and all Claims and Encumbrances (each as defined below); and (ii) all Assumed Liabilities which are to be assigned by the Vendor to, and assumed by the Purchased Entity pursuant to the Sale Agreement shall be and are hereby assigned to, assumed by and shall vest absolutely and exclusively in the Purchased Entity, and for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Transferred Assets, other than Permitted Encumbrances, are hereby expunged and discharged as against the Transferred Assets;
- (b) second, all of the Purchased Entity's right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in Residual Co., and all Claims and Encumbrances (each as defined below) shall continue to attach to the Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
- (c) third, all Excluded Liabilities (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) of Purchased Entity shall be transferred to, assumed by and vest absolutely and exclusively in, Residual Co. such that the Excluded Liabilities shall become obligations of Residual Co. and shall no longer be obligations of Purchased Entity, and the Purchased Entity and all of its assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate (including, for certainty, the Transferred Assets and the Retained Assets, (the "**Purchased Entity Property**") shall be and are hereby forever released and

discharged from such Excluded Liabilities and all related Claims (as defined below), and all Encumbrances (as defined below) affecting or relating to the Purchased Entity Property, other than Permitted Encumbrances, are hereby expunged and discharged as against the Purchased Entity Property;

- (d) fourth, in consideration of the Purchase Price, all of the right, title and interest in and to the Purchased Shares shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order or any other Order of the Court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule “B” hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances, easements and restrictive covenants listed on Schedule “C” hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Shares are hereby expunged and discharged as against the Purchased Shares;
- (e) fifth, all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person (as defined below) and are convertible or exchangeable for any securities of Purchased Entity or which require the issuance, sale or transfer by the Purchased Entity, of any shares or other securities of the Purchased Entity, or otherwise evidencing a right to acquire the Purchased Shares and/or the share capital of the Purchased Entity, or otherwise relating thereto, shall be deemed terminated and cancelled; and

(f) sixth, the Purchased Entity shall and shall be deemed to cease to be an Applicant in these CCAA Proceedings, and the Purchased Entity shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to the Purchased Entity) shall continue to apply in all respects.

6. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions.

7. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Applicants and the Purchaser regarding the fulfillment of conditions to closing under the Sale Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

8. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Shares (the "**Sale Proceeds**") shall stand in the place and stead of the Purchased Shares and any interest in the Purchased Entity, and that from and after the delivery of the Monitor's Certificate, all Claims and Encumbrances shall attached to the Sale Proceeds with the same priority as they had with respect to the Purchased Shares and the Purchased Entity immediately prior to the sale, as if the Purchased Shares had not been sold and remained in the possession or control of the Person have that possession or control immediately prior to the sale.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Applicants or the Monitor, as the case may be, is authorized, permitted and directed to disclose to the Purchaser all human resources and payroll information in Purchased Entity records pertaining to past and current employees of Purchased Entity. The Purchaser shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by Purchased Entity.

10. **THIS COURT ORDERS AND DECLARES** that, at the Effective Time and without limiting the provisions of paragraph 5 hereof, the Purchaser and the Purchased Entity shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the Applicants, including without limiting the generality of the foregoing all taxes that could be assessed against the Purchaser or the Purchased Entity (including its affiliates and any predecessor corporations) pursuant to section 160 of the *Income Tax Act* (Canada), or any provincial equivalent, in connection with the Applicants, provided, as it relates to the Purchased Entity, such release shall not apply to: (i) Transaction Taxes; (ii) Taxes in respect of the business and operations conducted by the Purchased Entity following the date on which the Interim Period commenced; and (iii) any Pre-Filing Excise and Pre-Filing GST/HST (each as defined in the Sale Agreement).

11. **THIS COURT ORDERS** that except to the extent expressly contemplated by the Sale Agreement, all contracts to which the Purchased Entity is a party upon delivery of the Monitor's Certificate will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of any Applicant);
- (b) the insolvency of any Applicant or the fact that the Applicants sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Sale Agreement,

the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or

- (d) any transfer or assignment, or any change of control of the Purchased Entity arising from the implementation of the Sale Agreement, the Transactions or the provisions of this Order.

12. **THIS COURT ORDERS**, for greater certainty, that: (a) nothing in paragraph 11 hereof shall waive, compromise or discharge any obligations of the Purchased Entity in respect of any Assumed Liabilities, and (b) the designation of any Claim as an Assumed Liability is without prejudice to the Purchased Entity's right to dispute the existence, validity or quantum of any such Assumed Liability, and (c) nothing in this Order or the Sale Agreement shall affect or waive the Purchased Entity's rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Assumed Liability.

13. **THIS COURT ORDERS** that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of any Applicant then existing or previously committed by any Applicant, or caused by any Applicant, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any contract, existing between such Person and Purchased Entity arising directly or indirectly from the filing by the Applicants under the CCAA and the implementation of the Transactions, including without limitation any of the matters or events listed in paragraph 11 hereof and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Purchased Entity or the Vendor from performing their obligations under the Sale Agreement or be a waiver of defaults by the Purchased Entity or the Vendor under the Sale Agreement and the related documents.

14. **THIS COURT ORDERS** that from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly,

derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations and assessment, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Purchased Entity or the Purchased Entity Property relating in any way to or in respect of any Excluded Assets or Excluded Liabilities and any other claims, obligations and other matters which are waived, released, expunged or discharged pursuant to this Order.

15. **THIS COURT ORDERS** that, from and after the Effective Time:

- (a) the nature of the Assumed Liabilities retained by the Purchased Entity, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to Residual Co.;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Purchased Entity under or in respect of any Excluded Liability (each an “**Excluded Liability Claim**”) shall no longer have such right or claim against the Purchased Entity but will have an equivalent Excluded Liability Claim against Residual Co. in respect of the Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against Residual Co.;
and
- (d) the Excluded Liability Claim of any Person against Residual Co. following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Purchased Entity prior to the Effective Time.

16. **THIS COURT ORDERS AND DECLARES** that, as of the Effective Time:

- (a) Residual Co. shall be a company to which the CCAA applies; and
- (b) Residual Co. shall be added as an Applicant in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to (i) an “Applicant” or the “Applicants” shall refer to and include Residual Co., *mutatis mutandis*, and (ii) “Property” shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of Residual Co. (the “**Residual Co. Property**”), and, for greater certainty, each of the Charges (as defined in the Initial Order) shall constitute a charge on the Residual Co. Property.

17. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the Applicants and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicants;

the Sale Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets and Excluded Liabilities in and to Residual Co., the transfer and vesting of the Transferred Assets in and to the Purchased Entity, and the transfer and vesting of the Purchased Shares in and to the Purchaser), and any payments by the Purchaser authorized herein or pursuant to the Sale Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicants and/or Residual Co. and shall not be void or voidable by creditors of the Applicants or Residual Co., as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

18. **THIS COURT ORDERS** that, following the Effective Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Purchased Shares and the Purchased Entity Property.

19. **THIS COURT ORDERS** that, following the Effective Time, the title of these proceedings is hereby changed to add Residual Co. and remove the Purchased Entity.

20. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand or any other country, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

21. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

22. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing on the date hereof, provided that the transaction steps set out in Paragraph 5 shall be deemed to have occurred sequentially, one after the other, in the order set out in Paragraph 5.

SCHEDULE “A” – Form of Monitor’s Certificate

Court File No. CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES’ CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION, BIOCANABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the “**Applicants**”)

MONITOR’S CERTIFICATE

RECITALS

- A. The Applicants commenced these proceedings under the *Companies’ Creditors Arrangement Act* on July 25, 2022 (the “**CCAA Proceedings**”).
- B. Pursuant to an Order of the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated July 25, 2022, was appointed as monitor (the “**Monitor**”) of the Applicants in the CCAA Proceedings.
- B. Pursuant to an Approval and Vesting Order of the Court dated December 15, 2022 (the “**Order**”), the Court approved the transactions (the “**Transactions**”) contemplated by the Share Purchase Agreement (the “**Sale Agreement**”) among MPX International Corporation (the “**Vendor**”), Canveda Inc. (the “**Purchased Entity**”), and 9453-5382 Quebec Inc. (the “**Purchaser**”) dated October 16, 2022, and ordered, *inter alia*, that: (i) all of Purchased Entity’s right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in

Residual Co.; (ii) all of the Vendor's right, title and interest in and to the Transferred Assets shall vest absolutely and exclusively in Purchased Entity; (iii) all of the Excluded Liabilities shall be transferred to, assumed by and vest absolutely and exclusively in, Residual Co.; and (iv) all of the right, title and interest in and to the Purchased Shares shall vest absolutely and exclusively in the Purchaser, which vesting is, in each case, to be effective upon the delivery by the Monitor to the Purchaser of a certificate confirming that the Monitor has received written confirmation in the form and substance satisfactory to the Monitor from the Purchaser and the Applicants that all conditions to closing have been satisfied or waived by the parties to the Sale Agreement.

C. Capitalized terms used but not defined herein have the meanings ascribed to them in the Order.

THE MONITOR CERTIFIES the following:

1. The Monitor has received written confirmation from the Purchaser and the Vendor, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Sale Agreement.
2. This Monitor's Certificate was delivered by the Monitor at _____ on _____, 2022.

**KSV Restructuring Inc., in its capacity as
Monitor of the Applicants, and not in its
personal capacity**

Per: _____
Name:
Title:

SCHEDULE "B"

The following Ontario PPSA Registrations:

Secured Party	Debtor(s)	Collateral Class.						File No.	Reg. No.	Comments
		CG	I	E	A	O	MV			
AST TRUST COMPANY (CANADA), AS DEBENTURE TRUSTEE	CANVEDA INC.		X	X	X	X	X	763163478 <i>PPSA</i>	20200629 1542 9234 2291 Reg. 4 year(s) Expires 6/29/2024	
Secured Party	Debtor(s)	Collateral Class.						File No.	Reg. No.	Comments
		CG	I	E	A	O	MV			
ALTERNA SAVINGS AND CREDIT UNION LTD.	CANVEDA INC.				X			751270563 <i>PPSA</i>	20190515 1651 1626 4658 Reg. 5 year(s) Expires 5/15/2024	
		Amount Secured: \$40000 No Fixed Maturity Date								
		General Collateral Description: TERM DEPOSIT #2 ACCT# 258302 \$40,000.00 IS SECURITY FOR LETTER OF CREDIT ON SAME ACCOUNT.								

SCHEDULE “C”

[To be populated]

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36*, AS AMENDED AND
IN THE MATTER OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC.,
THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN
INC., AND SALUS BIOPHARMA CORPORATION**

Court File No.: CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

ORDER
(Sale Approval)

BENNETT JONES LLP
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M5X 1A4

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Lawyers for the Applicants

Tab 4

Court File No. ~~_____~~ CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE _____) ~~WEEKDAY~~ THURSDAY, THE # 15th
JUSTICE ~~_____~~ PENNY) DAY OF ~~MONTH~~ DECEMBER, ~~20YR~~ 2022

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

~~BETWEEN:~~

~~PLAINTIFF~~

~~Plaintiff~~

~~-and-~~

~~DEFENDANT~~

~~Defendant~~

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA
INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI
ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "Applicants")

APPROVAL AND VESTING ORDER

(Canveda)

THIS MOTION, made by ~~[RECEIVER'S NAME] in its capacity as the Court appointed~~
~~receiver~~ the Applicants, pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985,
c. C-36, as amended (the "Receiver") ~~of the undertaking, property and assets of [DEBTOR] (the~~
~~"Debtor")~~ "CCAA"), for an order, inter alia, (i) approving the ~~sale transaction (the "Transaction")~~

contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and ~~[NAME OF PURCHASER]~~ Share Purchase Agreement (the "Sale Agreement") among MPX International Corporation (the "Vendor"), Canveda Inc. (the "Purchased Entity") and 9453-5382 Quebec Inc. (the "Purchaser") dated ~~[DATE]~~ October 16, 2022 and ~~appended~~ attached as Exhibit "G" to the ~~Report~~ affidavit of the Receiver dated [DATE] (the "Report"), Jeremy Budd sworn December 8th, 2022 (the "Budd Affidavit") and the Transactions as defined therein (the "Transactions"); (ii) adding 1000331738 Ontario Inc. ("Residual Co.") as an Applicant to these CCAA proceedings (the "CCAA Proceedings"); (iii) vesting in the Purchased Entity all the right, title and interest of the Vendor in and to the Transferred Assets, free and clear from any Encumbrances, except for the Permitted Encumbrances; (iv) vesting in the Purchaser all the ~~Debtor's~~ right, title and interest of the Vendor in and to the ~~assets described in the Sale Agreement~~ (Purchased Shares, free and clear from any Encumbrances, except for the Permitted Encumbrances; (v) vesting out of the "Purchased Entity all Excluded Assets") and Excluded Liabilities and discharging all Encumbrances against the Purchased Entity other than Permitted Encumbrances; and (vi) granting certain related relief, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ via videoconference due to the COVID-19 pandemic.

ON READING the ~~Report~~ Motion Record of the Applicants and the Fourth Report of KSV Restructuring Inc. in its capacity as Monitor of the Applicants (the "Monitor"), and on hearing the submissions of counsel for the ~~Receiver, [NAMES OF OTHER PARTIES APPEARING]~~ Applicants, the Monitor, the Purchaser, the DIP Lenders and for those other parties appearing as indicated by the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ~~[NAME]~~ Thomas Gray sworn ~~[DATE]~~ filed[†] December 8th, 2022:

SERVICE

[†] This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. THIS COURT ORDERS that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the Budd Affidavit, as applicable.

APPROVAL AND VESTING

3. ~~1.~~ THIS COURT ORDERS AND DECLARES that the ~~Transaction is~~ Sale Agreement and the Transactions are hereby approved;² and the execution of the Sale Agreement by the ~~Receiver~~³ Vendor and the Purchased Entity is hereby authorized and approved, with such minor amendments as the ~~Receiver~~ parties thereto may deem necessary, with the approval of the Monitor and the DIP Lenders. The ~~Receiver is~~ Applicants are hereby authorized and directed to perform their obligations under the Sale Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions~~s~~ and for the conveyance of the Purchased ~~Assets~~ Shares to the Purchaser.

4. ~~2.~~ THIS COURT ORDERS AND DECLARES that this Order shall constitute the only authorization required by the Vendor to proceed with the Transactions and that no shareholder or other approval shall be required in connection therewith.

5. THIS COURT ORDERS AND DECLARES that, upon the delivery of a ~~Receiver~~ the Monitor's certificate (the "Monitor's Certificate") to the Purchaser (the "Effective Time"),

² ~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.~~

³ ~~In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

substantially in the form attached as Schedule “A” hereto, the following shall occur and shall be deemed to have occurred at the Effective Time in the following sequence:

- (a) first, (the "Receiver's Certificate"); all of the Debtor's right, title and interest in and to the Purchased Transferred Assets described in shall vest absolutely and exclusively in the Purchased Entity, free and clear of and from any and all Claims and Encumbrances (each as defined below); and (ii) all Assumed Liabilities which are to be assigned by the Vendor to, and assumed by the Purchased Entity pursuant to the Sale Agreement [shall be and listed on Schedule B hereto]⁴ are hereby assigned to, assumed by and shall vest absolutely and exclusively in the Purchased Entity, and for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Transferred Assets, other than Permitted Encumbrances, are hereby expunged and discharged as against the Transferred Assets;
- (b) second, all of the Purchased Entity's right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in Residual Co., and all Claims and Encumbrances (each as defined below) shall continue to attach to the Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
- (c) third, all Excluded Liabilities (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) of Purchased Entity shall be transferred to, assumed by and vest absolutely and exclusively in, Residual Co. such that the Excluded Liabilities shall become obligations of Residual Co. and shall no longer be obligations of Purchased Entity, and the Purchased Entity and all of its assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate (including, for certainty, the Transferred

⁴To allow this Order to be free standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

Assets and the Retained Assets, (the “Purchased Entity Property”) shall be and are hereby forever released and discharged from such Excluded Liabilities and all related Claims (as defined below), and all Encumbrances (as defined below) affecting or relating to the Purchased Entity Property, other than Permitted Encumbrances, are hereby expunged and discharged as against the Purchased Entity Property;

(d) fourth, in consideration of the Purchase Price, all of the right, title and interest in and to the Purchased Shares shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “Claims”⁵) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order or any other Order of the ~~Honourable Justice [NAME] dated [DATE]~~Court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule ~~E~~“B” hereto (all of which are collectively referred to as the “Encumbrances”, which term shall not include the ~~p~~Permitted eEncumbrances, easements and restrictive covenants listed on Schedule ~~D~~“C” hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased ~~Assets~~Shares are hereby expunged and discharged as against the Purchased ~~Assets~~Shares;

~~3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the~~

⁵ ~~The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting-out of "rights, titles and interests" is vague and therefore undesirable.~~

~~Land Registration Reform Act~~ duly executed by the Receiver][Land Titles Division of {LOCATION} of an Application for Vesting Order in the form prescribed by the ~~Land Titles Act~~ and/or the ~~Land Registration Reform Act~~]⁶; the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the “Real Property”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

(e) fifth, all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person (as defined below) and are convertible or exchangeable for any securities of Purchased Entity or which require the issuance, sale or transfer by the Purchased Entity, of any shares or other securities of the Purchased Entity, or otherwise evidencing a right to acquire the Purchased Shares and/or the share capital of the Purchased Entity, or otherwise relating thereto, shall be deemed terminated and cancelled; and

(f) sixth, the Purchased Entity shall and shall be deemed to cease to be an Applicant in these CCAA Proceedings, and the Purchased Entity shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to the Purchased Entity) shall continue to apply in all respects.

6. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the ~~Receiver~~ Monitor’s Certificate, forthwith after delivery thereof, in connection with the Transactions.

7. THIS COURT ORDERS that the Monitor may rely on written notice from the Applicants and the Purchaser regarding the fulfillment of conditions to closing under the

⁶ ~~Elect the language appropriate to the land registry system (Registry vs. Land Titles).~~

Sale Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

8. ~~4.~~ **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the Purchased ~~Assets~~Shares (the "Sale Proceeds") shall stand in the place and stead of the Purchased ~~Assets~~Shares and any interest in the Purchased Entity, and that from and after the delivery of the ~~Receiver~~Monitor's Certificate, all Claims and Encumbrances shall attach~~ed~~ed to the ~~net proceeds from the sale of the Purchased Assets~~Sale Proceeds with the same priority as they had with respect to the Purchased ~~Assets~~Shares and the Purchased Entity immediately prior to the sale⁸, as if the Purchased ~~Assets~~Shares had not been sold and remained in the possession or control of the ~~p~~Person hav~~ing~~ing that possession or control immediately prior to the sale.

~~5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.~~

9. ~~6.~~ **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the ~~Receiver~~Applicants or the Monitor, as the case may be, is authorized~~and~~, permitted and directed to disclose ~~and transfer~~ to the Purchaser all human resources and payroll information in ~~the Company's~~Purchased Entity records pertaining to ~~the Debtor's~~ past and current employees, ~~including personal information of those employees listed on Schedule "●" to the Sale Agreement~~ of Purchased Entity. The Purchaser shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by ~~the Debtor~~Purchased Entity.

⁷ ~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

⁸ ~~This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.~~

10. THIS COURT ORDERS AND DECLARES that, at the Effective Time and without limiting the provisions of paragraph 5 hereof, the Purchaser and the Purchased Entity shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the Applicants, including without limiting the generality of the foregoing all taxes that could be assessed against the Purchaser or the Purchased Entity (including its affiliates and any predecessor corporations) pursuant to section 160 of the Income Tax Act (Canada), or any provincial equivalent, in connection with the Applicants, provided, as it relates to the Purchased Entity, such release shall not apply to: (i) Transaction Taxes; (ii) Taxes in respect of the business and operations conducted by the Purchased Entity following the date on which the Interim Period commenced; and (iii) any Pre-Filing Excise and Pre-Filing GST/HST (each as defined in the Sale Agreement).

11. THIS COURT ORDERS that except to the extent expressly contemplated by the Sale Agreement, all contracts to which the Purchased Entity is a party upon delivery of the Monitor's Certificate will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "Persons" and each being a "Person") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of any Applicant);
- (b) the insolvency of any Applicant or the fact that the Applicants sought or obtained relief under the CCAA;

(c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Sale Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or

(d) any transfer or assignment, or any change of control of the Purchased Entity arising from the implementation of the Sale Agreement, the Transactions or the provisions of this Order.

12. THIS COURT ORDERS, for greater certainty, that: (a) nothing in paragraph 11 hereof shall waive, compromise or discharge any obligations of the Purchased Entity in respect of any Assumed Liabilities, and (b) the designation of any Claim as an Assumed Liability is without prejudice to the Purchased Entity's right to dispute the existence, validity or quantum of any such Assumed Liability, and (c) nothing in this Order or the Sale Agreement shall affect or waive the Purchased Entity's rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Assumed Liability.

13. THIS COURT ORDERS that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of any Applicant then existing or previously committed by any Applicant, or caused by any Applicant, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any contract, existing between such Person and Purchased Entity arising directly or indirectly from the filing by the Applicants under the CCAA and the implementation of the Transactions, including without limitation any of the matters or events listed in paragraph 11 hereof and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Purchased Entity or the Vendor from performing their obligations under the Sale Agreement or be a waiver of defaults by the Purchased Entity or the Vendor under the Sale Agreement and the related documents.

14. THIS COURT ORDERS that from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations and assessment, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Purchased Entity or the Purchased Entity Property relating in any way to or in respect of any Excluded Assets or Excluded Liabilities and any other claims, obligations and other matters which are waived, released, expunged or discharged pursuant to this Order.

15. THIS COURT ORDERS that, from and after the Effective Time:

- (a) the nature of the Assumed Liabilities retained by the Purchased Entity, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to Residual Co.;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Purchased Entity under or in respect of any Excluded Liability (each an “Excluded Liability Claim”) shall no longer have such right or claim against the Purchased Entity but will have an equivalent Excluded Liability Claim against Residual Co. in respect of the Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against Residual Co.; and
- (d) the Excluded Liability Claim of any Person against Residual Co. following the Effective Time shall have the same rights, priority and entitlement as such

Excluded Liability Claim had against the Purchased Entity prior to the Effective Time.

16. THIS COURT ORDERS AND DECLARES that, as of the Effective Time:

- (a) Residual Co. shall be a company to which the CCAA applies; and
- (b) Residual Co. shall be added as an Applicant in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to (i) an “Applicant” or the “Applicants” shall refer to and include Residual Co., *mutatis mutandis*, and (ii) “Property” shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of Residual Co. (the “Residual Co. Property”), and, for greater certainty, each of the Charges (as defined in the Initial Order) shall constitute a charge on the Residual Co. Property.

17. ~~7.~~ THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the ~~Bankruptcy and Insolvency Act (Canada)~~ BIA in respect of the ~~Debtor~~ Applicants and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the ~~Debtor~~ Applicants;

the ~~vesting of the Purchased Assets in~~ Sale Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets and Excluded Liabilities in and to Residual Co., the transfer and vesting of the Transferred Assets in and to the Purchased Entity, and the transfer and vesting of the Purchased Shares in and to the Purchaser), and any payments by the Purchaser authorized herein or pursuant to ~~this Order~~ the Sale Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the ~~Debtor~~ Applicants and/or Residual Co. and shall not be void or voidable by creditors of the ~~Debtor~~ Applicants or Residual Co., as applicable, nor shall ~~it~~ they constitute nor be deemed to be

a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the ~~Bankruptcy and Insolvency Act (Canada)~~ CCAA, the BIA or any other applicable federal or provincial legislation, nor shall ~~it~~they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

~~8.~~_____

GENERAL

18. THIS COURT ORDERS ~~AND DECLARES~~ that, following the ~~Transaction is exempt from the application of the Bulk Sales Act (Ontario)~~ Effective Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Purchased Shares and the Purchased Entity Property.

19. THIS COURT ORDERS that, following the Effective Time, the title of these proceedings is hereby changed to add Residual Co. and remove the Purchased Entity.

20. ~~9.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada ~~or in~~, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand or any other country, to give effect to this Order and to assist the ~~Receiver~~Applicants, the Monitor and ~~its~~their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Receiver~~Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the ~~Receiver~~Applicants, the Monitor and ~~its~~their respective agents in carrying out the terms of this Order.

21. THIS COURT ORDERS that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

22. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing on the date hereof, provided that the transaction steps set out in Paragraph 5 shall be deemed to have occurred sequentially, one after the other, in the order set out in Paragraph 5.

~~Schedule~~ SCHEDULE "A" – Form of ~~Receiver~~ Monitor's Certificate

Court File No. CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

~~BETWEEN:~~

~~PLAINTIFF~~

~~Plaintiff~~

~~—and—~~

~~DEFENDANT~~

~~Defendant~~

~~RECEIVER~~

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA
INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI
ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "Applicants")

MONITOR'S CERTIFICATE

RECITALS

A. The Applicants commenced these proceedings under the Companies' Creditors Arrangement Act on July 25, 2022 (the "CCA Proceedings").

B. Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated ~~[DATE OF ORDER]~~, ~~[NAME OF RECEIVER]~~ July 25, 2022, was appointed as ~~the receiver~~ monitor (the "Receiver" "Monitor") of the ~~undertaking, property and assets of [DEBTOR] (the "Debtor")~~ Applicants in the CCA Proceedings.

B. Pursuant to an Approval and Vesting Order of the Court dated ~~[DATE]~~ December 15, 2022 (the "Order"), the Court approved the ~~agreement of purchase and sale made as of [DATE OF AGREEMENT] (the "transactions (the "Transactions") contemplated by the Share Purchase Agreement (the "Sale Agreement") between the Receiver [Debtor] and [NAME OF PURCHASER] among MPX International Corporation (the "Vendor"), Canveda Inc. (the "Purchased Entity"), and 9453-5382 Quebec Inc. (the "Purchaser") and provided for the vesting~~ dated October 16, 2022, and ordered, inter alia, that: (i) all of Purchased Entity's right, title and interest in and to the Purchaser Excluded Assets shall vest absolutely and exclusively in Residual Co.; (ii) all of the Debtor's right, title and interest in and to the Purchased Assets Transferred Assets shall vest absolutely and exclusively in Purchased Entity; (iii) all of the Excluded Liabilities shall be transferred to, assumed by and vest absolutely and exclusively in, Residual Co.; and (iv) all of the right, title and interest in and to the Purchased Shares shall vest absolutely and exclusively in the Purchaser, which vesting is, in each case, to be effective ~~with respect to the Purchased Assets~~ upon the delivery by the ~~Receiver~~ Monitor to the Purchaser of a certificate confirming ~~(i) that the payment by Monitor has received written confirmation in the form and substance satisfactory to the Monitor from the Purchaser of and the Purchase Price for the Purchased Assets;~~ (i) Applicants that the all conditions to Closing as set out in section 1 of the Sale Agreement closing have been satisfied or waived by the ~~Receiver and the Purchaser;~~ and ~~(iii) the Transaction has been completed to the satisfaction of the Receiver~~ parties to the Sale Agreement.

C. ~~Unless otherwise indicated herein, terms with initial capitals~~ Capitalized terms used but not defined herein have the meanings ~~set out~~ ascribed to them in the ~~Sale Agreement~~ Order.

THE ~~RECEIVER~~ MONITOR CERTIFIES the following:

1. The Monitor has received written confirmation from the Purchaser ~~has paid~~ and the Receiver ~~has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant~~ Vendor, in form and substance satisfactory to the ~~Sale Agreement~~;
2. ~~The~~ Monitor, that all conditions to ~~Closing as set out in section 4.2 of the Sale Agreement~~ closing have been satisfied or waived by the ~~Receiver and the Purchaser~~; and
3. ~~The Transaction has been completed to the satisfaction of the Receiver~~ parties to the Sale Agreement.
4. ~~2.~~ This Monitor's Certificate was delivered by the ~~Receiver~~ Monitor at _____ ~~[TIME]~~ on _____ ~~[DATE]~~ _____, 2022.

~~[NAME OF RECEIVER]~~ KSV Restructuring Inc., in its capacity as ~~Receiver~~ Monitor of the ~~undertaking, property and assets of~~ [DEBTOR] Applicants, and not in its personal capacity

Per: _____

Name:

Title:

Schedule B—Purchased Assets

SCHEDULE “B”

The following Ontario PPSA Registrations:

Secured Party	Debtor(s)	Collateral Class.						File No.	Reg. No.	Comments
		CG	I	E	A	O	MV			
AST TRUST COMPANY (CANADA), AS DEBENTURE TRUSTEE	CANVEDA INC.		X	X	X	X	X	763163478 <i>PPSA</i>	20200629 1542 9234 2291 Reg. 4 year(s) Expires 6/29/2024	
Secured Party	Debtor(s)	Collateral Class.						File No.	Reg. No.	Comments
		CG	I	E	A	O	MV			
ALTERNA SAVINGS AND CREDIT UNION LTD.	CANVEDA INC.				X			751270563 <i>PPSA</i>	20190515 1651 1626 4658 Reg. 5 year(s) Expires 5/15/2024	
		Amount Secured: \$40000 No Fixed Maturity Date								
		General Collateral Description: TERM DEPOSIT #2 ACCT# 258302 \$40,000.00 IS SECURITY FOR LETTER OF CREDIT ON SAME ACCOUNT.								

SCHEDULE "C"

[To be populated]

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION

Court File No.: CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

ORDER
(Sale Approval)

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Suite 3400, P.O. Box 130
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Mike Shakra (LSO# 64604K)
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Lawyers for the Applicants

~~Schedule C—Claims to be deleted and expunged from title to Real Property~~

~~Schedule D—Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property~~

~~(unaffected by the Vesting Order)~~

Tab 5

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	THURSDAY, THE 15 th
)	
JUSTICE PENNY)	DAY OF DECEMBER, 2022

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the “**Applicants**”)

APPROVAL AND VESTING ORDER

(Debentureholder Transaction)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), for an order approving the sale transactions (the “**Transactions**”) contemplated by the share and asset purchase agreement (the “**Sale Agreement**”) among MPX International Corporation (“**MPXI**”), Spartan Wellness Corporation (“**Spartan**” and together with MPXI, the “**Vendors**”) and ReFlourish Capital Limited (the “**Purchaser**”) dated December 7, 2022, attached as Exhibit “H” to the Affidavit of Jeremy Budd sworn December 8th, 2022 (the “**Budd Affidavit**”), and vesting: (i) in the Purchaser all of MPXI’s right, title and interest in and to the Purchased Securities and the Purchased Accounts; (ii) in 1000380716 Ontario Inc. (“**IP Holdco**”) all of MPXI’s right, title and interest in and to the MPX IP; and (iii) in 1000380801 Ontario Inc. (“**Spartan Acquireco**”) all of Spartan’s right, title and interest in the Spartan Assets, was heard this day via videoconference due to the COVID-19 pandemic.

ON READING the Motion Record of the Applicants and the Fourth Report of KSV Restructuring Inc. in its capacity as Monitor of the Applicants (the “**Monitor**”), and on hearing the submissions of counsel for the Applicants, the Monitor, the Purchaser, the DIP Lenders and for those other parties appearing as indicated by the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Thomas Gray sworn December 8, 2022:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the Budd Affidavit, as applicable.

APPROVAL AND VESTING

3. **THIS COURT ORDERS AND DECLARES** that the Sale Agreement and the Transactions are hereby approved and the execution of the Sale Agreement by the Vendors is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary, with the approval of the Monitor. The Vendors are hereby authorized and directed to perform their obligations under the Sale Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of: (i) the Purchased Securities and the Purchased Accounts to the Purchaser; (ii) the MPX IP to IP Holdco; and (iii) the Spartan Assets to Spartan Acquireco.

4. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Vendors to proceed with the Transactions and that no shareholder or other corporate approval shall be required in connection therewith.

5. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Monitor's Certificate**"):

- (a) all of MPXI's right, title and interest in and to the Purchased Securities and the Purchased Accounts described in the Sale Agreement shall vest absolutely in the Purchaser;
- (b) all of MPXI's right, title and interest in and to the MPXI IP described in the Sale Agreement shall vest absolutely in IP Holdco; and
- (c) all of Spartan's right, title and interest in and to the Spartan Assets described in the sale Agreement shall vest absolutely in Spartan Acquireco,

free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

(i) any encumbrances or charges created by the Order of the Honourable Chief Justice Morawetz dated July 25, 2022, as amended and restated by the Order of the Honourable Chief Justice Morawetz dated August 4, 2022; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "B"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "C"** hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions.

8. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Vendors and the Purchaser regarding the fulfillment of conditions to closing under the Sale Agreement and shall have no liability with respect to delivery of the Monitor's Certificate following receipt of such notices.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Vendors or the Monitor, as the case may be, are authorized, permitted and directed to disclose to the Purchaser and Spartan Acquireco all human resources and payroll information in the Vendors' records pertaining to past and current employees of the Purchased Entities and Spartan. The Purchaser and Spartan Acquireco shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Purchased Entities and Spartan.

10. **THIS COURT ORDERS** that except to the extent expressly contemplated by the Sale Agreement, all contracts to which a Purchased Entity is a party upon delivery of the Monitor's Certificate (each a "**Purchased Entity Contract**") will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of any Purchased Entity);

- (b) the insolvency of any Purchased Entity or the fact that any Purchased Entity sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Sale Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or
- (d) any transfer or assignment, or any change of control of a Purchased Entity arising from the implementation of the Sale Agreement, the Transactions or the provisions of this Order.

11. **THIS COURT ORDERS**, for greater certainty, that: (a) nothing in paragraph 10 hereof shall waive, compromise or discharge any obligations of a Purchased Entity in respect of a Purchased Entity Contract, and (b) nothing in this Order or the Sale Agreement shall affect or waive a Purchased Entity's rights and defences, both legal and equitable, with respect to any Purchased Entity Contract, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against any liabilities thereunder.

12. **THIS COURT ORDERS AND DECLARES** that, as of the Closing Time each Purchased Entity that was an Applicant or a Non-Applicant Stay Party shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to any Purchased Entity) shall continue to apply in all respects.

13. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC, 1985, c B-3 (the "**BIA**") in respect of any Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any Applicant;

the Sale Agreement, the implementation of the Transactions, and any payments by the Purchaser authorized herein or pursuant to the Sale Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of any Applicant and shall not be void or voidable by creditors of any Applicant, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

14. **THIS COURT ORDERS** that, following the Effective Time, the Purchaser, IP HoldCo and Spartan Acquireco, as applicable, shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Purchased Assets.

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, the British Virgin Islands, Thailand or any other country, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

16. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative

in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

SCHEDULE “A” – Form of Monitor’s Certificate

Court File No. CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES’ CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION, BIOCANBIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the “**Applicants**”)

MONITOR’S CERTIFICATE

RECITALS

- A. The Applicants commenced these proceedings under the *Companies’ Creditors Arrangement Act* on July 25, 2022 (the “**CCAA Proceedings**”).
- B. Pursuant to an Order of the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated July 25, 2022, was appointed as monitor (the “**Monitor**”) of the Applicants in the CCAA Proceedings.
- B. Pursuant to an Approval and Vesting Order of the Court dated December 15, 2022 (the “**Order**”), the Court approved the transactions (the “**Transactions**”) contemplated by the share and asset purchase agreement (the “**Sale Agreement**”) among MPX International Corporation (“**MPXI**”), Spartan Wellness Corporation (“**Spartan**” and together with MPXI, the “**Vendors**”) and ReFlourish Capital Limited (the “**Purchaser**”) dated December 7, 2022, and provided for the vesting of: (i) all MPXI’s, right title and interest in and to the Purchased Securities and Purchased

Accounts to the Purchaser; (ii) all of MPXI's right, title and interest in and to the MPX IP to 1000380716 Ontario Inc.; (iii) all of Spartan's right, title and interest in and to the Spartan Assets to 1000380801 Ontario Inc., which vesting is to be effective upon the delivery by the Monitor to the Purchaser of a certificate confirming that the Monitor has received written confirmation in the form and substance satisfactory to the Monitor from the Purchaser and the Vendors that all conditions to closing have been satisfied or waived by the parties to the Sale Agreement.

C. Capitalized terms used but not defined herein have the meanings ascribed to them in the Order.

THE MONITOR CERTIFIES the following:

1. The Monitor has received written confirmation from the Purchaser and the Vendors, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Sale Agreement.

2. This Monitor's Certificate was delivered by the Monitor at _____ on _____, 2022.

**KSV Restructuring Inc., in its capacity as
Monitor of the Applicants, and not in its
personal capacity**

Per: _____
Name:
Title:

SCHEDULE “B”

1. The rights of each optionee under the Option Certificates.

SCHEDULE “C”
Permitted Encumbrances

1. The DIP Lenders’ Charge, as such charge may be amended and continued pursuant to the DIP Assumption Agreement

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED*
AND IN THE MATTER OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA
INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION,
MCLN INC., AND SALUS BIOPHARMA CORPORATION**

Court File No.: CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

ORDER
(Sale Approval)

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Lawyers for the Applicants

Tab 6

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE _____) ~~WEEKDAY~~ THURSDAY, THE #15th
JUSTICE ~~_____~~ PENNY) DAY OF ~~MONTH~~ DECEMBER, ~~20YR~~
2022

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

~~BETWEEN:~~

~~PLAINTIFF~~

~~Plaintiff~~

~~-and-~~

~~DEFENDANT~~

~~Defendant~~

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA
INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI
ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "Applicants")

APPROVAL AND VESTING ORDER

(Debentureholder Transaction)

THIS MOTION, made by ~~[RECEIVER'S NAME] in its capacity as the Court appointed receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor")~~ the Applicants, pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCA"), for an order approving the sale transactions ~~(the "Transaction"~~ "Transactions") contemplated by ~~an~~ the share and asset purchase agreement ~~of~~

~~purchase and sale~~ (the ""Sale Agreement"") ~~between~~ among MPX International Corporation ("MPXI"), Spartan Wellness Corporation ("Spartan" and together with MPXI, the Receiver "Vendors") and [NAME OF PURCHASER] ReFlourish Capital Limited (the ""Purchaser"") dated ~~[DATE]~~ December 7, 2022, attached as Exhibit "H" to the ~~Report~~ Affidavit of ~~the Receiver dated [DATE]~~ Jeremy Budd sworn December 8th, 2022 (the "Report "Budd Affidavit""), and vesting: (i) in the Purchaser ~~the Debtor~~ all of MPXI's right, title and interest in and to the assets described in Purchased Securities and the Sale Agreement (the "Purchased Accounts; (ii) in 1000380716 Ontario Inc. ("IP Holdco") all of MPXI's right, title and interest in and to the MPX IP; and (iii) in 1000380801 Ontario Inc. ("Spartan Acquireco") all of Spartan's right, title and interest in the Spartan Assets"), was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ via videoconference due to the COVID-19 pandemic.

ON READING the ~~Report~~ Motion Record of the Applicants and the Fourth Report of KSV Restructuring Inc. in its capacity as Monitor of the Applicants (the "Monitor"), and on hearing the submissions of counsel for the ~~Receiver, [NAMES OF OTHER PARTIES APPEARING]~~ Applicants, the Monitor, the Purchaser, the DIP Lenders and for those other parties appearing as indicated by the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ~~[NAME]~~ Thomas Gray sworn ~~[DATE]~~ filed¹ December 8, 2022:

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. THIS COURT ORDERS that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the Budd Affidavit, as applicable.

APPROVAL AND VESTING

3. 1. ~~THIS COURT ORDERS AND DECLARES~~ that the ~~Transaction is~~ Sale Agreement and the Transactions are hereby approved,² and the execution of the Sale Agreement by the ~~Receiver~~³ Vendors is hereby authorized and approved, with such minor amendments as the ~~Receiver~~ parties thereto may deem necessary, with the approval of the Monitor. The ~~Receiver is~~ Vendors are hereby authorized and directed to perform their obligations under the Sale Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of: (i) the Purchased Assets Securities and the Purchased Accounts to the Purchaser; (ii) the MPX IP to IP Holdco; and (iii) the Spartan Assets to Spartan Acquireco.

4. THIS COURT ORDERS AND DECLARES that this Order shall constitute the only authorization required by the Vendors to proceed with the Transactions and that no shareholder or other corporate approval shall be required in connection therewith.

5. 2. ~~THIS COURT ORDERS AND DECLARES~~ that upon the delivery of a ~~Receiver~~ Monitor's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the ~~"Receiver"~~ "Monitor's Certificate");:

- (a) all of ~~the Debtor~~ MPXI's right, title and interest in and to the Purchased Assets Securities and the Purchased Accounts described in the Sale Agreement ~~[and listed on Schedule B hereto]~~⁴ shall vest absolutely in the Purchaser;
- (b) all of MPXI's right, title and interest in and to the MPX IP described in the Sale Agreement shall vest absolutely in IP Holdco; and
- (c) all of Spartan's right, title and interest in and to the Spartan Assets described in the sale Agreement shall vest absolutely in Spartan Acquireco,

free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the ~~"Claims"~~⁵) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Chief Justice [NAME] Morawetz dated ~~[DATE]~~ July 25, 2022, as amended and restated by the Order of the Honourable Chief Justice Morawetz dated August 4, 2022; (ii) all charges, security interests or

claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule C** ~~“B”~~ hereto (all of which are collectively referred to as the **“Encumbrances”**, which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule D** ~~“C”~~ hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

~~3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver][Land Titles Division of {LOCATION}] of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act⁶, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the “Real Property”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.~~

6. ~~4.~~ **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the ~~Receiver~~ **Monitor**'s Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale⁸, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. ~~5.~~ **THIS COURT ORDERS AND DIRECTS** the ~~Receiver~~ **Monitor** to file with the Court a copy of the ~~Receiver~~ **Monitor**'s Certificate, forthwith after delivery thereof **in connection with the Transactions.**

8. **THIS COURT ORDERS that the Monitor may rely on written notice from the Vendors and the Purchaser regarding the fulfillment of conditions to closing under the Sale Agreement and shall have no liability with respect to delivery of the Monitor's Certificate following receipt of such notices.**

9. ~~6.~~ **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the ~~Receiver is~~ Vendors or the Monitor, as the case may be, are authorized ~~and~~, permitted and directed to disclose ~~and transfer~~ to the Purchaser and Spartan Acquireco all human resources and payroll information in the ~~Company's~~ Vendors' records pertaining to ~~the Debtor's~~ past and current employees, ~~including personal information of those employees listed on Schedule "•" to the Sale Agreement~~ of the Purchased Entities and Spartan. The Purchaser and Spartan Acquireco shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the ~~Debtor~~ Purchased Entities and Spartan.

10. THIS COURT ORDERS that except to the extent expressly contemplated by the Sale Agreement, all contracts to which a Purchased Entity is a party upon delivery of the Monitor's Certificate (each a "Purchased Entity Contract") will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "Persons" and each being a "Person") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of any Purchased Entity);
- (b) the insolvency of any Purchased Entity or the fact that any Purchased Entity sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to

the Sale Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or

(d) any transfer or assignment, or any change of control of a Purchased Entity arising from the implementation of the Sale Agreement, the Transactions or the provisions of this Order.

11. THIS COURT ORDERS, for greater certainty, that: (a) nothing in paragraph 10 hereof shall waive, compromise or discharge any obligations of a Purchased Entity in respect of a Purchased Entity Contract, and (b) nothing in this Order or the Sale Agreement shall affect or waive a Purchased Entity's rights and defences, both legal and equitable, with respect to any Purchased Entity Contract, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against any liabilities thereunder.

12. THIS COURT ORDERS AND DECLARES that, as of the Closing Time each Purchased Entity that was an Applicant or a Non-Applicant Stay Party shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to any Purchased Entity) shall continue to apply in all respects.

13. ~~7.~~ THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (~~Canada, RSC, 1985, c B-3~~ (the "BIA") in respect of ~~the Debtor~~ any Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of ~~the Debtor~~ any Applicant;

the ~~vesting of the Purchased Assets in~~ Sale Agreement, the implementation of the Transactions, and any payments by the Purchaser authorized herein or pursuant to ~~this Order~~ the Sale Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of ~~the Debtor~~ any Applicant and shall not be void or voidable by creditors of ~~the Debtor~~ any Applicant,

nor shall ~~it~~they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the ~~*Bankruptcy and Insolvency Act (Canada)*~~ CCAA, the BIA or any other applicable federal or provincial legislation, nor shall ~~it~~they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

~~8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act (Ontario)*.~~

GENERAL

14. THIS COURT ORDERS that, following the Effective Time, the Purchaser, IP HoldCo and Spartan Acquireco, as applicable, shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Purchased Assets.

15. ~~9.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada ~~or in~~, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, the British Virgin Islands, Thailand or any other country, to give effect to this Order and to assist the ~~Receiver~~Applicants, the Monitor and ~~its~~their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Receiver~~Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the ~~Receiver~~Applicants, the Monitor and ~~its~~their respective agents in carrying out the terms of this Order.

16. THIS COURT ORDERS that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

~~Schedule A~~—SCHEDULE “A”— Form of ~~Receiver~~Monitor’s Certificate

Court File No. CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

~~BETWEEN:~~

PLAINTIFF

~~Plaintiff~~

~~—and—~~

DEFENDANT

~~Defendant~~

RECEIVER

IN THE MATTER OF THE COMPANIES’ CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA
INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI
ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the “Applicants”)

MONITOR’S CERTIFICATE

RECITALS

A. The Applicants commenced these proceedings under the Companies' Creditors Arrangement Act on July 25, 2022 (the "CCAA Proceedings").

B. Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated ~~[DATE OF ORDER], [NAME OF RECEIVER], July 25, 2022,~~ was appointed as ~~the receiver~~ monitor (the "Receiver" "Monitor") of the ~~undertaking, property and assets of [DEBTOR] (the "Debtor")~~ Applicants in the CCAA Proceedings.

B. Pursuant to an Approval and Vesting Order of the Court dated ~~[DATE]~~ December 15, 2022 (the "Order"), the Court approved the transactions (the "Transactions") contemplated by the share and asset purchase agreement ~~of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Receiver [Debtor] and [NAME OF PURCHASER] among MPX International Corporation ("MPXI"), Spartan Wellness Corporation ("Spartan" and together with MPXI, the "Vendors") and ReFlourish Capital Limited (the "Purchaser") dated December 7, 2022,~~ and provided for the vesting ~~in~~ of: (i) all MPXI's, right title and interest in and to the Purchased Securities and Purchased Accounts to the Purchaser; (ii) all of the Debtor MPXI's right, title and interest in and to the MPX IP to 1000380716 Ontario Inc.; (iii) all of Spartan's right, title and interest in and to the Purchased Spartan Assets to 1000380801 Ontario Inc., which vesting is to be effective ~~with respect to the Purchased Assets~~ upon the delivery by the ~~Receiver~~ Monitor to the Purchaser of a certificate confirming ~~(i) that the payment by Monitor has received written confirmation in the form and substance satisfactory to the Monitor from the Purchaser of and the Purchase Price for the Purchased Assets; (ii) Vendors that the all conditions to Closing as set out in section • of the Sale Agreement closing have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver~~ parties to the Sale Agreement.

C. ~~Unless otherwise indicated herein, terms with initial capitals~~ Capitalized terms used but not defined herein have the meanings ~~set out~~ ascribed to them in the ~~Sale Agreement~~ Order.

THE ~~RECEIVER~~ MONITOR CERTIFIES the following:

1. The Monitor has received written confirmation from the Purchaser ~~has paid~~ and the Receiver ~~has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant~~ Vendors, in form and substance satisfactory to the ~~Sale Agreement~~;
- ~~2. The~~ Monitor, that all conditions to ~~Closing as set out in section 1 of the Sale Agreement~~ closing have been satisfied or waived by the ~~Receiver and the Purchaser~~; and
- ~~3. The Transaction has been completed to the satisfaction of the Receiver~~ parties to the Sale Agreement.
4. ~~2.~~ This Monitor's Certificate was delivered by the ~~Receiver~~ Monitor at _____ ~~[TIME]~~ on _____ ~~[DATE]~~ _____, 2022.

~~[NAME OF RECEIVER]~~ KSV Restructuring Inc., in its capacity as ~~Receiver~~ Monitor of the ~~undertaking, property and assets of~~ ~~[DEBTOR]~~ Applicants, and not in its personal capacity

Per: _____
Name:
Title:

Schedule B—Purchased Assets

~~Schedule C—Claims to be deleted and expunged from title to Real Property~~

~~Schedule D~~

SCHEDULE "B"

1. The rights of each optionee under the Option Certificates.

SCHEDULE "C"

**Permitted Encumbrances, ~~Easements and Restrictive Covenants~~
related to the Real Property**

(~~unaffected by the Vesting Order~~)

1. The DIP Lenders' Charge, as such charge may be amended and continued pursuant to the DIP Assumption Agreement

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND
IN THE MATTER OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC.,
THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN
INC., AND SALUS BIOPHARMA CORPORATION

Court File No.: CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

ORDER
(Sale Approval)

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M5X 1A4

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Lawyers for the Applicants

Tab 7

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	THURSDAY, THE 15 th
)	
JUSTICE PENNY)	DAY OF DECEMBER, 2022

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

**ORDER
(CCAA Termination Order)**

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, among other things: (i) extending the Stay of Proceedings; (ii) approving the fourth report (the "**Fourth Report**") of KSV Restructuring Inc. ("**KSV**") in its capacity as monitor of the Applicants (in such capacity, the "**Monitor**") and the fees, disbursements and activities of the Monitor and its counsel described therein; (iii) terminating the proceedings of the Applicants under the CCAA (the "**CCAA Proceedings**") upon the Monitor's filing of Discharge Certificate (as defined below); (iv) discharging KSV as Monitor at the CCAA Termination Time (as defined below); (v) terminating the Administration Charge and the Directors' Charge upon the filing of the Discharge Certificate; and (vi) approving certain releases, was heard this day by Zoom videoconference.

ON READING the Notice of Motion of the Applicants, the affidavit of Jeremy Budd sworn December 8th, 2022 (the "**Budd Affidavit**"), the Fourth Report, filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the DIP Lenders, and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service of Thomas Gray sworn December 8th, 2022;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them under the Amended and Restated Initial Order dated August 4, 2022 (the "**Amended and Restated Initial Order**") or the Budd Affidavit, as applicable.

EXTENSION OF THE STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended for MPXI Malta Operations Limited, MPXI Malta Holding Limited, and Salus International Management Limited (the "**Debentureholder MPXI Entities**") and all of the current and former directors and officers of the Debentureholder MPXI Entities (in such capacity) until and including the earlier of: (i) the closing of the Debentureholder Transaction; or (ii) February 28, 2023.
4. **THIS COURT ORDERS** that the Stay Period be and is hereby extended for all MPXI Entities other than the Debentureholder MPXI Entities (the "**Other MPXI Entities**"), and all of the directors and officers of the Other MPXI Entities until and including the earlier of: (i) the closing of the Canveda Transaction; or (ii) February 28, 2023.
5. **THIS COURT ORDERS** that the Stay of Proceedings is extended to 1000331738 Ontario Inc. upon the closing of the Canveda Transaction and its addition to the CCAA Application until the filing of the Discharge Certificate (defined below).

APPROVAL OF THE MONITOR'S REPORT, ACTIVITIES AND FEES

6. **THIS COURT ORDERS** that the Fourth Report and the activities of the Monitor and its counsel referred to therein be and are hereby approved; provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

7. **THIS COURT ORDERS** that the fees and disbursements of the Monitor for the period from October 1, 2022 to November 30, 2022, along with a fee accrual amount of \$20,000.00 for the completion of remaining activities in connection with the CCAA Proceedings, as set out in the Fourth Report and more particularized within the fee affidavit of the Monitor appended thereto, be and are hereby approved.

8. **THIS COURT ORDERS** that the fees and disbursements of the Monitor's legal counsel, Aird & Berlis LLP ("**A&B**") for the period from October 1, 2022 to December 6, 2022, along with a fee accrual amount of \$18,000.00 for the completion of remaining activities in connection with the CCAA Proceedings, as set out in the Fourth Report and more particularized within the fee affidavit of the Monitor appended thereto, be and are hereby approved.

TERMINATION OF CCAA PROCEEDINGS & DISCHARGE OF THE MONITOR

9. **THIS COURT ORDERS** that upon the Monitor filing a certificate substantially in the form attached hereto at Schedule "A" (the "**Discharge Certificate**") certifying that, to the best of the knowledge and belief of the Monitor, all matters to be attended to in connection with the CCAA Proceedings have been completed, KSV shall be discharged as Monitor effective immediately and shall have no further duties, obligations, or responsibilities as Monitor (the "**CCAA Termination Time**").

10. **THIS COURT ORDERS** that effective at CCAA Termination Time, KSV shall be and is hereby discharged from its duties as the Monitor and shall have no further duties, obligations or responsibilities as Monitor from and after the CCAA Termination Time, provided that, notwithstanding its discharge as Monitor, KSV shall have the authority to carry out, complete or address any matters in its role as Monitor that are ancillary or incidental to these CCAA Proceedings following the CCAA Termination Time, as may be required or appropriate ("**Monitor Incidental Matters**"). In completing any such Monitor Incidental Matters, KSV shall continue to have the benefit of the provisions of all Orders made in the CCAA Proceedings and all protections under the CCAA, including all approvals, protections and stays of proceedings in favour of KSV in its capacity as the Monitor, and nothing in this Order shall affect, vary, derogate from or amend any of the protections in favour of the Monitor pursuant to any Order issued in the CCAA Proceedings.

11. **THIS COURT ORDERS** that, notwithstanding any provision of this Order and the termination of the CCAA Proceedings, nothing herein shall affect, vary, derogate from, limit or amend any of the protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order or any other Order of this Court in the CCAA Proceedings, all of which are expressly continued and confirmed following the CCAA Termination Date, including in connection with any actions taken by KSV, which includes any Monitor Incidental Matters, following the CCAA Termination Time with respect to the Applicants or these CCAA Proceedings.

12. **THIS COURT ORDERS** that upon the CCAA Termination Time, the CCAA Proceedings are hereby terminated without any other act or formality.

13. **THIS COURT ORDERS** that the Administration Charge and the Directors' Charge shall be and are hereby terminated, released and discharged at the CCAA Termination Time.

PROFESSIONAL RELEASES

14. **THIS COURT ORDERS** that upon the CCAA Termination time, Bennett Jones LLP, the Monitor, and A&B, and each of their respective affiliates and officers, directors, partners, employees and agents (collectively, the "**Released Parties**") are hereby released and discharged from any and all claims that any person may have or be entitled to assert against the Released Parties, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based on statute or otherwise, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the CCAA Termination Time in any way relating to, arising out of, or in respect of, the CCAA Proceedings or with respect to their respective conduct in the CCAA Proceedings, further including any actions required or steps taken in carrying out any Monitor Incidental Matters (collectively, the "**Released Claims**"), and any such Released Claims are hereby released, stayed, extinguished and forever barred, and the Released Parties shall have no liability in respect thereof, provided that the Released Claims shall not include any claim or liability arising out of any gross negligence or wilful misconduct on the part of the applicable Released Party.

15. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against any of the Released Parties in any way arising from or related to the CCAA Proceedings, except with prior leave of this Court on at least seven (7) days' prior written notice to the applicable Released Parties.

D&O RELEASES

16. **THIS COURT ORDERS** that, from and after the date hereof, any Person having a claim of whatever nature or kind whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based on statute or otherwise, against any of the current or former directors and officers of the Applicants (collectively, the "**Directors and Officers**"), based in whole or in part on any action or omission, transaction, dealing or other occurrence existing or taking place prior to the CCAA Termination Time in respect of the Applicants, the business, operations, assets, property and affairs of the Applicants or these proceedings (collectively, the "**D&O Claims**") with the exception of:

- (a) the D&O Claims in the Consolidated Statement of Claim of Ninth Square Capital Corporation dated July 13, 2021 bearing Court File No. CV-19-625101-00CL (the "**Ninth Square Claim**"), as may be amended solely with respect to D&O Claims directly arising from or relating to the issues identified in such draft; and
- (b) the D&O Claims in the Statement of Claim of Lifestyle Management Inc. dated October 8, 2020 bearing Court File No. CV-20-00649065-0000 (the "**LMI Claim**"), as may be amended solely with respect to D&O Claims directly arising from or relating to the issues identified in such draft;

shall only be permitted to commence and/or continue its D&O Claim to the point of determination of liability, if any, and seeking the enforcement of any judgement solely as against any insurance policy maintained by any of the Applicants (collectively, the "**Insurance Policies**"), to the extent available in respect of any such D&O Claim. Any such Person shall be irrevocably and forever limited solely to recovery from the proceeds of the Insurance Policies payable on behalf of the Applicants in respect of any such D&O Claim, and such Person shall have no right to, and shall not, directly or indirectly, make any claim or seek any recoveries from

any of the Applicants or any of the Directors and Officers in respect of a D&O Claim, other than enforcing such Person's rights to be paid by the applicable insurer(s) from the proceeds of the applicable Insurance Policies.

17. **THIS COURT ORDERS** that nothing in the paragraph above prejudices, compromises, releases or otherwise affects (i) any Person having a D&O Claim from recovering against the Directors and Officers for any liabilities or claims attributable to any such Directors or Officer's fraud, wilful misconduct, or criminal act or criminal omission as determined by the final, non-appealable judgement of a court of competent jurisdiction, or any claim against the Directors and Officers that is not permitted to be released pursuant to section 5.1(2) of the CCAA; (ii) the rights of the defendants in the Ninth Square Claim and/or the LMI Claim; (iii) any and all rights or defences of any insurer with respect to its obligations under an Insurance Policy, including, but not limited to, the conduct of any Director or Officer with respect to the defence of any D&O Claim; or (iv) any rights of any insurer to pay out any valid claim as presented, settled or adjudicated.

GENERAL

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand, the British Virgin Islands or any other country, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative

in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

20. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.

Schedule "A"

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., THE CING-X
CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA
CORPORATION, MCLN INC., SALUS BIOPHARMA CORPORATION, AND 1000331738
ONTARIO INC.
(collectively, the "**Applicants**")

**MONITOR'S DISCHARGE
CERTIFICATE**

RECITALS

1. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated July 25, 2012, KSV Restructuring Inc. ("**KSV**") was appointed as the Monitor (in such capacity, the "**Monitor**") of the Applicants.
2. Pursuant to an Order of the Court dated December 15, 2022 (the "**CCAA Termination Order**"), KSV shall be discharged as Monitor of the Applicants and the Applicants' ongoing proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**" and the "**CCAA Proceedings**", respectively) shall be terminated upon the filing by the Monitor with the Court of a certificate confirming that all matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor, all in accordance with the terms of the CCAA Termination Order.
3. Capitalized terms not otherwise defined herein have the meanings set out in the CCAA Termination Order.

THE MONITOR CERTIFIES the following:

4. To the knowledge of the Monitor, all matters to be attended to in connection with the CCAA Proceedings (Court File No.: CV-22-00684542-00CL) have been completed.

ACCORDINGLY, the CCAA Termination Time as defined in the CCAA Termination Order has occurred.

DATED at Toronto, Ontario this _____ day of _____, 2022.

KSV RESTRUCTURING INC.,
solely in its capacity as the Monitor of
the Applicants and not in its personal or
corporate capacity

Per: _____
Name:
Title:

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36*, AS AMENDED AND IN THE MATTER OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION

Court File No.: CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

ORDER
(CCA Termination)

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Court File No CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

MOTION RECORD
(Returnable December 15, 2022)

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