



July 25, 2022

**Pre-Filing Report of
KSV Restructuring Inc.
as Proposed CCAA Monitor 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**

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COURT FILE NO.: ●

**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**

**PRE-FILING REPORT OF KSV RESTRUCTURING INC. AS
PROPOSED MONITOR**

July 25, 2022

1.0 Introduction

1. KSV Restructuring Inc. ("KSV") understands that MPX International Corporation ("MPXI"), BioCannabis Products Ltd. ("BioCannabis"), Canveda Inc. ("Canveda"), The CinG-X Corporation ("CinG-X"), Spartan Wellness Corporation ("Spartan"), MPXI Alberta Corporation ("MPXI Alberta"), MCLN Inc. ("MCLN"), and Salus BioPharma Corporation ("Salus BioPharma") (collectively the "Applicants" and each an "Applicant") intend to make an application to the Ontario Superior Court of Justice (Commercial List) (the "Court") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for an initial order (the "Initial Order") granting, among other things, the Applicants protection under the CCAA and appointing KSV as the CCAA monitor (in such capacity, the "Monitor").
2. MPXI wholly-owns each of the other Applicants and, directly or indirectly, wholly-owns or has an interest in several other non-Applicant affiliates¹ (each subsidiary of MPXI individually a "Subsidiary" and together the "Subsidiaries", and collectively with MPXI, the "Companies").

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 also has a minority interest in Prime Pharmaceutical Corporation, which in turn controls Primapharm Funding Corporation. MPXI is not involved in the day-to-day operations of either of these companies, and accordingly neither are Applicants nor Non-Applicant Stay Parties.

3. The principal purpose of these CCAA proceedings is to create a stabilized environment to enable the Applicants to secure urgently required interim financing and to pursue a restructuring of their business and/or sale of the business and assets of the Companies by conducting a Court-supervised sale and investor solicitation process (the “SISP”) while continuing operations in the ordinary course of business with the breathing space afforded by filing for protection under the CCAA. No relief is being sought at the initial application in respect of the SISP.
4. If the Initial Order is granted, the Applicants intend to return to Court on or around August 4, 2022 (the “Comeback Motion”) to seek the Court’s approval of an amended and restated Initial Order which, *inter alia*, would:
 - a) increase the amount of each of the Directors’ Charge and the DIP Lenders’ Charge (each as defined below);
 - b) extend the stay of proceedings; and
 - c) seek relief from certain securities reporting obligations.
5. At the Comeback Motion, the Applicants also intend to seek approval of an order approving the SISP (the “SISP Order”).
6. The Affidavit of Jeremy Blumer, a director and Chief Financial Officer of MPXI, sworn July 25, 2022 in support of the CCAA application (the “Blumer Affidavit”), provides, among other things, the Applicants’ background, including the reasons for the commencement of these CCAA proceedings.
7. If the Court grants the relief set out in the Initial Order, the Court materials filed in these proceedings will be made available by KSV on its website at <https://www.ksvadvisory.com/insolvency-cases/case/MPXI>.
8. KSV is filing this report (“Report”) as proposed Monitor. If the Initial Order is granted by the Court, the Monitor will file a subsequent report to Court in respect of the Comeback Motion.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide KSV’s qualifications to act as Monitor;
 - b) provide certain background information about the Companies;
 - c) report on the Companies’ cash flow projection for the period July 25, 2022 through to October 21, 2022 (the “Cash Flow Forecast”);²

² The Cash Flow Forecast is consolidated and contains receipts and disbursements for the Non-Applicant Stay Parties.

- d) summarize the terms of a debtor-in-possession credit facility (the “DIP Facility”) in the maximum principal amount of \$2.67 million to be made available to the Applicants pursuant to a term sheet (the “DIP Term Sheet”) to be entered into between the Applicants, as borrowers, certain of the Non-Applicant Stay Parties, as guarantors, and David Taylor, Alastair Crawford, Broughton Finance and Brahma Finance Limited (collectively, the “Initial DIP Lenders”, and together with any other lender who participates in the DIP Facility with the consent of the Monitor and the Initial DIP Lenders (the “DIP Lenders”));
- e) discuss the rationale for including the following provisions in the Initial Order:
 - i. extending the benefit of the stay of proceedings to the Non-Applicant Stay Parties and their respective directors and officers;
 - ii. approving the Applicants’ ability to borrow under the DIP Facility to finance their working capital requirements, and other general corporate purposes, including post-filing expenses and costs and to make an urgent advance to Salus International Management Ltd. (“Salus International”), a subsidiary of MPXI;
 - iii. a charge in the amount of \$300,000 on all of the Applicants’ current and future assets, property and undertaking (collectively, the “Property”) to secure the fees and disbursements of the Applicants’ legal counsel, as well as the fees and disbursements of the Monitor and its independent counsel (the “Administration Charge”);
 - iv. a charge up to the maximum amount of \$1.2 million on the Property in favour of the DIP Lenders to secure advances to the Applicants made under the DIP Facility prior to the Comeback Motion (the “DIP Lenders’ Charge”);
 - v. a charge in the amount of \$145,000 on the Property in favour of the directors and officers of the Applicants (the “Directors’ Charge” and collectively with the DIP Lenders’ Charge and the Administration Charge, the “Charges”);
 - vi. the proposed priority in the Initial Order of the Charges;
 - vii. relieving MPXI, a reporting issuer listed on the Canadian Securities Exchange, of any obligation to call and hold its annual general meeting of shareholders (the “AGM”) until further order of the Court; and
- f) recommend that this Court grant the relief sought by the Applicants in their CCAA application materials.

1.2 Restrictions

1. In preparing this Report, KSV has relied upon the unaudited financial information of the Companies, the books and records of the Companies and discussions with representatives of the Companies, the Applicants’ counsel and the DIP Lenders.

2. KSV has not audited, or otherwise attempted to verify, the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards (“CAS”) pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, KSV expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon the Companies’ assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. KSV expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.3 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

1.4 KSV’s Qualifications to Act as Monitor

1. KSV is a licensed trustee within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act* (Canada). KSV is not subject to any of the restrictions to act as monitor set out in Section 11.7(2) of the CCAA on who may be appointed monitor.
2. KSV has consented to act as Monitor in these proceedings should the Court grant the Initial Order. A copy of KSV’s consent to act as Monitor is attached to the Blumer Affidavit.
3. KSV has experience acting as CCAA monitor and other court officer capacities in formal insolvency proceedings in the cannabis industry. In addition, KSV has been involved with the Applicants’ plans and preparations for this filing for the last several weeks and during that time has obtained an understanding of the Companies’ financial and operational challenges. This knowledge will assist KSV to fulfil its duties as Monitor.

2.0 Background of the Companies

1. The Blumer Affidavit sets out detailed information with respect to the Companies’ business and operations. The information contained in this Report is not intended to be a detailed summary of all matters relating to the business of the Companies. KSV recommends that readers review the application materials filed by the Applicants in respect of these CCAA proceedings.
2. The Companies’ principal business is cannabis production, resale, management consulting for cannabis companies and cannabis education. The Companies consist of 23 entities registered in Canada, Lesotho, South Africa, Switzerland, Malta, Thailand, Australia and the United Kingdom. The Companies’ corporate chart is provided at Exhibit "A" of the Blumer Affidavit.

2.1 Applicants

1. The Applicants are comprised of MPXI and its wholly-owned Canadian operations Subsidiaries.
2. The Applicants operate from three leased premises, being a head office located in Toronto, Ontario, an operational office located in Ottawa, Ontario and a cannabis cultivation facility located in Peterborough, Ontario (the “Canveda Facility”).
3. A high-level description of the business of the Applicants is provided below:

MPXI

- a) MPXI has been publicly traded since 2019 on the Canadian Securities Exchange under the ticker symbol “MPXI”. MPXI has eight employees. KSV understands that MPXI provides back-office and administrative support to the Subsidiaries.
- b) The Board of Directors of MPXI consists of six individuals - three senior executives of MPXI and three Debentureholders (as defined below) and/or their respectively representatives.

Canveda

- c) The Canadian cannabis operations of the Applicants are conducted through Canveda, which operates out of the Canveda Facility.
- d) Canveda holds various licenses that allow it to, among other things, produce, sell, and export Canadian cannabis products, including topicals, extracts, edibles, vapes, tablets and topical creams. Canveda’s products are currently available for sale in Alberta, British Columbia, Ontario and Saskatchewan.

MCLN

- e) MCLN operates the Medical Cannabis Learning Network, which, among other things, serves as an online educational platform about the use of medical cannabis, a telemedicine medium for medical practitioners and a sales platform for licensed cannabis sellers.

Spartan

- f) Spartan focuses on telehealth and cannabis education. Spartan’s business helps veterans suffering from psychological or other ailments reduce dependencies on highly addictive and unsafe opioids by directing them towards medical cannabis.

MPXI Alberta, BioCannabis, CinG-X and Salus BioPharma

- g) KSV understands that MPXI Alberta, BioCannabis, CinG-X and Salus BioPharma do not have any material assets or carry on any active operations.

4. The Applicants presently have a total of 43 employees and five individuals employed on a contract basis. None of the employees of the Applicants are unionized and the Applicants do not maintain a pension plan.

2.2 The Non-Applicant Stay Parties

1. The Companies have interests in other material assets and operations in the cannabis sector through certain of the other Subsidiaries, which include the Non-Applicant Stay Parties. Although most of the Non-Applicant Stay Parties are registered in foreign jurisdictions, KSV understands that historically, the Companies operate as an integrated global business for which most key decision making is done through personnel and advisors located at the Head Office in Canada. This also includes significant administrative and financial support provided to the Subsidiaries to assist with their day-to-day operations.
2. A high-level description of the material Non-Applicant Stay Parties with operations and assets is provided below:

Operations in Thailand

- a) MPXI owns approximately 50% of Salus International, a Canadian company, which in turn controls approximately 97% of the votes of Salus Bioceutical (Thailand) Co., Ltd. (“Salus Bioceutical”), a Thai company.
- b) Salus Bioceutical is involved in the cultivation, processing and distribution of high-quality, medical-grade cannabis products for the medical community in Thailand. In partnership with Salus International, Salus Bioceutical recently opened a cannabis/hemp production plant (the “Thai Plant”), which is expected to have significant annual capacity for the extraction of biomass, production of CBD oil and CBD isolates.
- c) Due to cost overruns associated with the development of the Thai Plant, Salus International and Sale Bioceutical are experiencing an immediate liquidity crisis. Absent additional funding, KSV has been advised that the entities will not be able to pay payroll and other expenses due at the end of July 2022 and the Thai Plant will be forced to shut down.

Operations in South Africa

- d) MPXI SA Pty Ltd. (“MPXI SA”) is an indirect wholly-owned Subsidiary that holds an 80% interest in First Growth Holdings Pty Ltd. (“First Growth”), which is authorized to cultivate and export cannabis from a farm located in Sonop, South Africa (the “First Growth Facility”).
- e) First Growth has made significant progress towards the construction of a half-hectare greenhouse on the First Growth Facility, although the construction and commencement of operations have been delayed due to the COVID-19 pandemic. The cannabis produced from the First Growth Facility is expected to primarily support the Companies’ operations in Malta.

Operations in Malta

- f) MPXI holds 75%³ of the voting shares in MPXI Malta Operations Limited (“MPXI Operations”), a Maltese company, which was awarded a letter of intent from the regulator in Malta to receive a license to import, extract, produce finished products and distribute cannabis for medicinal use in Malta and to export to certain international markets. The construction of a facility in Malta has been substantially completed. MPXI Operations owns Alphafarma Operations Limited (“Alphafarma”), which holds a license allowing it to begin commercial production and export of finished medical cannabis flower products from Malta into certain international markets.
3. The Non-Applicant Stay Parties presently have approximately 70 employees, 64 of which are employed by Salus Bioceutical in Thailand, and the remainder of which are employed by Alphafarma in Malta. Salus Bioceutical is also a party to several compensation agreements through which it has engaged certain individuals as consultants. KSV understands that none of the employees of the Non-Applicant Stay Parties are unionized.

3.0 Creditors

3.1 Secured Creditors

3.1.1 Debentureholders

1. MPXI raised capital through a private offering of units (the "Units") made up of common share purchase warrants and secured convertible debentures (collectively, the “Debentures”, and the holders of the Debentures are referred to as the “Debentureholders”). As at July 21, 2022, the amount outstanding under the Debentures is approximately US\$19.2 million. Interest and costs continue to accrue.
2. The Debentures were issued pursuant to a debenture indenture dated June 30, 2020 between MPXI and AST Trust Company Canada (now TMX Trust Company), as trustee (as amended, the “Indenture”).
3. As described in more detail in the Blumer Affidavit, MPXI has struggled to make interest payments due under the Indenture.
4. KSV understands that the Indenture was amended to allow MPXI to satisfy the accrued interest payments through the issuance of additional Units to the Debentureholders. These amendments also permitted MPXI to deposit cash interest for unpaid interest payments to be applied to the principal amount owing under certain bridge loans that were used to finance MXPI (the “Bridge Loans”). The principal amounts owing pursuant to the Bridge Loans were convertible into Units on terms favourable to the Bridge Loan lenders.

³ KSV understands that MPXI previously held an 80% interest in MPXI Operations, and that the reduction to 75% was due to a clerical error which MPXI is seeking to correct.

5. There was a total of three Bridge Loans made to MXPI, each of which was drawn down in several tranches. The most recent Bridge Loan (the “3rd Bridge Loan”) expanded and revised the terms of the previous Bridge Loans (which had raised a total of US\$3,183,752 and US\$1,827,333, respectively) into further short-term loan financing for MXPI that ultimately raised an additional US\$4,909,097 from a group of investors that was drawn down in several tranches.
6. In total, the three Bridge Loans raised approximately US\$9,920,182. MPXI also issued certain warrants and options to the 3rd Bridge Loan lenders, including options to purchase shares and warrants in Salus International. All amounts outstanding under the Bridge Loans were subsequently converted into Units such that no Bridge Loans remain outstanding.
7. MPXI’s obligations in respect of the Debentures are secured by (collectively, the “Security Documents”):
 - a) a general security agreement securing all of the present and after-acquired property of MPXI; and
 - b) a pledge agreement by MPXI pursuant to which MPXI has pledged all of its shares of the other Applicants as well as Holyworld, MPX Australia, MPXI Malta Holding Limited, MPXI Malta, MPXI UK and later, Salus International.
8. The Indenture is also guaranteed by the other Applicants as well as several of the Non-Applicant Stay Parties.
9. It is the intention of KSV, if appointed Monitor, to have its counsel in these proceedings, Aird & Berlis LLP, conduct a review of the Security Documents and issue an independent security opinion to the Monitor in due course.

3.1.2 Other Secured and Trust Creditors

1. The only other party known to have a registered security interest against the Applicants at this time is Alterna Savings and Credit Union Ltd. (“Alterna”). Alterna has a registered security interest against Canveda in respect of a \$40,000 letter of credit issued in favour of Moneris Solutions Corporation, Canveda’s third-party payment processor. The letter of credit is cash collateralized, and Canveda executed an assignment of term deposit in favour of Alterna.
2. Based on the Applicants’ books and records, as of July 22, 2022, the Applicants owed approximately \$108,000 to the Canada Revenue Agency (“CRA”) in respect of GST/HST obligations. KSV further understands that the Applicants have not filed all GST/HST returns that are due and are in the process of filing these outstanding returns.

3.2 Unsecured Creditors and other claims

1. Based on the Applicants' books and records, as at July 22, 2022, unsecured obligations totalled approximately \$2.6 million. The unsecured obligations⁴ consist primarily of:
 - a) \$503,000 owing to CRA in respect of excise taxes;
 - b) \$1.3 million owing to various trade and other vendors in respect of goods and services provided to the Applicants, some of which are critical to the Applicants' operations;
 - c) \$538,000 owing to certain of the Applicants' employees in connection with salary and non-salary related holdbacks; and
 - d) \$210,000 in respect of other obligations.

4.0 Cash Flow Forecast

1. The Applicants have prepared the Cash Flow Forecast for the period from the week ending July 29, 2022 to the week ending October 21, 2022. The Cash Flow Forecast and the Applicants' statutory report on the cash flow pursuant to Section 10(2)(b) of the CCAA is attached as Appendix "A".
2. The Cash Flow Forecast reflects that the Companies require funding of approximately \$1.2 million prior to the Comeback Motion, as reflected in the table below.

(unaudited; \$000s)	July 25 – August 5
Receipts	-
Disbursements	
Payroll ⁵	(192)
Rent	(26)
Cost of goods purchased for resale	(329)
Other	(149)
Salus International Management Ltd.	(650)
	<u>(1,346)</u>
Net Cash Flow	(1,346)
Opening Cash Balance	169
Net Cash Flow	<u>(1,346)</u>
Required DIP	<u>1,200</u>

3. Based on KSV's review of the Cash Flow Forecast, the cash flow assumptions appear reasonable. KSV's statutory report on the Cash Flow Forecast is attached as Appendix "B".

⁴ Excludes potential litigation claims and accrued professional fees.

⁵ Including benefit payments.

4. In order to provide the Companies with the liquidity required to fund the operations during the CCAA proceedings, the Applicants are seeking the approval of the DIP Term Sheet, provided that until the Comeback Motion, the Applicants are requesting that they be permitted to draw no more than \$1.2 million to fund the expenditures noted in the table above. The amounts are contemplated to be funded under the DIP Lenders' Charge.
5. The amount required to be drawn in the first ten days represents approximately 45% of the total DIP Facility. KSV has gone through the Cash Flow Forecast in detail with management and only critical items are being funded until the Comeback Motion. The critical payments include:
 - a) Payroll (\$192,000): represents normal course payroll and payroll arrears for MPXI Operations that should have been previously funded;
 - b) Cost of goods purchased for resale (\$329,000): the Companies have not been able to purchase products for several weeks due to the liquidity crisis. The amounts to be purchased within the next ten days are critical to maintaining the Companies' operations. It is assumed that suppliers will require cash on demand;
 - c) Thailand (\$650,000): represents an intercompany secured loan to be made to Salus International. Management has advised that this is a critical loan to support the Thai business that if not funded immediately could result in an immediately wind-down of the Thai operations.
 - d) Other (\$149,000): represents other critical expenses, including payment of utilities, insurance and critical operating expenses; and
 - e) Professional fees (\$0): the professionals have agreed to defer their fees until the Comeback Motion, provided the Administration Charge is granted.
6. The Cash Flow Forecast has also been reviewed and scrutinized by the DIP Lenders, who hold approximately 52% of the Debentures, and thereby hold the largest economic interest in the Applicants. KSV understands that the DIP Lenders support the proposed day one advances and the use of proceeds.

5.0 DIP Facility⁶

1. The significant terms of the DIP Facility are summarized below. The DIP is being provided by the DIP Lenders, who hold a majority of the Debenture. A copy of the DIP Term Sheet is attached to the Blumer Affidavit at Exhibit BB.
 - a) Borrowers: the Applicants;
 - b) DIP Lenders: David Taylor, Alastair Crawford, Broughton Limited and Brahma Finance Limited and/or such other lenders to be designated from time to time with the consent of the Monitor and the Initial DIP Lenders;

⁶ Terms not defined in this section have the meaning provided to them in the DIP Term Sheet.

- c) DIP Facility:⁷ up to a maximum of \$2.67 million;
- d) Guarantors: MPXI Malta, MPXI Malta Property Limited, Alphafarma, MPXI Malta Holding Limited, MPXI SA, First Growth, MPX Australia Pty Ltd., MPXI Lesotho (Pty) Ltd., Highland Farms (Pty) Ltd., MPXI UK Limited, and any other wholly-owned subsidiaries of any Borrower and/or Guarantors;
- e) Termination Date: the earlier of:
 - i. three months from the date of the initial Advance under the DIP Facility ;
 - ii. The date on which any Event of Default occurs or is discovered to have occurred in the past and the Lender has terminated the Credit Facility by notice to the Borrowers;
 - iii. unless consented to by the DIP Lenders, the date upon which the SISP terminates;
 - iv. the date of a sale of all or a portion of the Property pursuant to the SISP and/or Approval and Vesting Order, provided the CCAA Proceedings are concurrently terminated with the consent of the DIP Lenders; and
 - v. unless waived or otherwise consented to by the DIP Lenders, the date on which any of the Applicants undertakes a liquidation, reorganization event, or Change of Control.
- f) Interest rate: 12% per annum, which will be capitalized monthly in arrears and paid on the Termination Date;
- g) Commitment Fee: a fee equal to 2% of the total amount of the DIP Facility, being \$53,400. The Commitment Fee shall be fully earned upon issuance of the DIP Order but payable on the Termination Date;
- h) DIP Charge: the obligations of the Borrowers under the DIP Facility are to be secured by the DIP Charge on the Property of the Applicants;
- i) Conditions: the material conditions precedent to first Advance include:
 - i. the issuance of the DIP Order and the Initial Order (which may be one and the same order);
 - ii. the termination of all head office staff, with the exception of those employee(s) who are retained with the DIP Lenders' consent on such terms satisfactory to DIP Lenders acting reasonably;
 - iii. the cancellation of the current director's and officer's liability insurance maintained by the Borrowers;

⁷ US\$500,000 of the DIP Facility shall be loaned by the Borrowers to Salus International to fund the operations of Salus International and Salus Bioceutical. The receivable and any security from Salus International shall be assigned by the Borrowers to the DIP Lender on terms satisfactory to the DIP Lender and secured by the DIP Charge.

- iv. no Event of Default shall have occurred.

In addition to the conditions above, the following material conditions are not required for the First Advance, but are required to be satisfied following the First Advance:

- i. the issuance of the SISP Order;
- ii. a notice of disclaimer shall be sent in respect of the head office lease at 5255 Yonge Street, Suite 701, Toronto, Ontario, providing for the disclaimer effective not later than thirty (30) days after the Comeback Motion;
- iii. if required, the engagement by the Borrowers of a Chief Restructuring Officer (“CRO”), approved by the DIP Lenders, on terms satisfactory to the DIP Lender;
- iv. the DIP Order and Initial Order must not be vacated, stayed, amended (without the DIP Lenders’ consent), appealed or caused to become ineffective;
- v. approval by the Lender of the Borrowers’ and Guarantors’ most recent 13-week cash flow forecast, prepared in the form of the Approved Budget Forecast; and
- vi. no Event of Default shall have occurred and is continuing.

5.1 Recommendation

1. KSV considered the following factors when reviewing the reasonableness of the DIP Facility, as well as those set out in Section 11.2 of the CCAA:
 - a) the Applicants have a critical and immediate need for interim financing. Without access to the DIP Facility, the Applicants will be unable to maintain their operations and commence their restructuring process. The DIP Lenders’ Charge will allow the Applicants to continue to operate, including funding payroll, which must be funded on or around July 27, 2022;
 - b) there are very few tangible assets in Canada, mainly consisting of cannabis, accounts receivable and leasehold improvements. These assets alone are unlikely to support a loan from another DIP lender. Given the Companies’ liquidity constraints, funding is needed urgently and the Companies cannot wait weeks while other potential DIP lenders consider the loan;
 - c) the Applicants are seeking an initial DIP Lenders’ Charge of \$1.2 million to make critical payments which are imperative to the day-to-day operations until the Comeback Motion. The Applicants will be seeking to increase the DIP Lenders’ Charge to \$2.67 million at the Comeback Motion;

- d) KSV compared the terms of the DIP Facility to other DIP facilities approved by Canadian courts in CCAA proceedings commenced between 2020 to 2022. The comparison is attached as Appendix “C”. Based on KSV’s analysis, the cost of the proposed DIP Facility is within the ranges of similar facilities of this size approved by the Court and other Canadian courts in CCAA and other restructuring proceedings;
 - e) KSV believes that approval of the DIP Facility is in the best interests of the Applicants’ stakeholders and will advance the Applicants’ restructuring process. KSV does not believe that creditors of the Applicants will be prejudiced as a result of the approval of the DIP Facility – to the contrary, they will benefit from it as it will allow the business to continue to operate, which will enhance value versus the alternative, which is the discontinuation of operations and the potential liquidation of the Companies’ assets;
 - f) the DIP Facility is to be provided by a subset of the Debentureholders, who are supportive of the proposed restructuring process pursuant to the CCAA at this time, and other Debentureholders will have an opportunity to participate pro rata in the DIP Facility; and
 - g) although a condition of the First Advance under the DIP Facility is the termination of head office staff, unless the DIP Lenders agree otherwise, the DIP Lenders have indicated that they are prepared to maintain sufficient management to oversee the restructuring proceedings and, if needed, support the appointment of a CRO. As of the date of this Report, the DIP Lenders have not indicated which head office staff needs to be terminated. KSV and the Companies intend to provide an update to the Court at the CCAA application hearing.
2. Based on the foregoing, KSV believes that the terms of the DIP Facility are reasonable in the circumstances.

6.0 Additional Relief Sought

6.1 Non-Applicant Stay of Proceedings

1. The proposed Initial Order contemplates that the Non-Applicant Stay Parties be granted the benefits and protection of the stay of proceedings despite not being an Applicants in these CCAA proceedings.
2. The insolvency of the Applicants puts the Non-Applicant Stay Parties, and the Applicants’ substantial investments in the Non-Applicant Stay Parties, in a highly vulnerable position. It would be detrimental to the Companies’ ability to successfully restructure if proceedings were commenced or actions taken against any of the Non-Applicant Stay Parties. A stay of proceedings for the Non-Applicant Stay Parties will help maintain the status quo in order to afford the Companies the best chance to maximize value for all stakeholders. As stated above, KSV understands that the Companies operate as an integrated global business for which most key decision making is done through personnel and advisors located in Canada. Certain advances under the DIP will be made to the Non-Applicant Stay Parties. As a result, the proposed stay in favour of the Non-Applicant Stay Parties is in the best interest of the Applicants and their stakeholders as it will protect the Applicants’ investments in the Non-Applicant Stay Parties.

3. If enforcement steps are taken against the Non-Applicant Stay Parties, it is expected to materially destroy value and negatively impact the SISP to be sought at the Comeback Motion.
4. Accordingly, KSV believes that the relief sought in this regard is reasonable and in the best interests of the Applicants and their stakeholders.

6.2 Annual Meeting of Shareholders

1. MPXI, as a reporting issuer, was required to call an AGM by no later than July 15, 2022, which deadline was extended to July 29, 2022.
2. Following approval of the DIP Facility and the granting of the Initial Order, MPXI's executive management will be focused on the Applicants' restructuring efforts. The work required to prepare for and hold an annual meeting would require significant time and attention from MPXI's management and would detract from these efforts. In addition, as a cost savings measure, MPXI may not continue as a reporting issuer upon its emergence from the CCAA.
3. In addition, the CCAA is a public process which will provide shareholders with information regarding the Companies.
4. Given the foregoing, the Applicants are seeking an order relieving MPXI of its obligation to call an annual meeting of shareholders until further order of the Court. The Monitor views this request as reasonable and supports such relief.
5. The Monitor understands that the Applicants also intend to seek relief from certain securities reporting obligations at the Comeback Motion; however, the relief from holding an AGM is required prior to the Comeback Motion as the AGM is scheduled for July 29, 2022, prior to the Comeback Motion.

6.3 Administration Charge

1. The Applicants are seeking an Administration Charge pursuant to the proposed Initial Order in an amount not to exceed \$300,000 to secure the fees and expenses of the Monitor, its counsel and the Applicants' counsel pending the Comeback Motion.
2. The Administration Charge is a customary provision in an Initial Order in a CCAA proceeding - it is required by certain of the professionals engaged to assist a debtor company and to protect them in the event that the debtor is unable to pay professional fees and costs during the CCAA proceeding.
3. The Applicants worked with KSV to estimate the proposed amount of the Administration Charge.
4. KSV believes that the Administration Charge is reasonable and appropriate in the circumstances given the complexities of the Applicants' proceedings and the services to be provided by professionals involved in these proceedings. In addition, based on the Applicants' illiquidity, each of the professionals having the benefit of the Administration Charge has been providing services with very limited to no retainer funds as security. As noted above, the beneficiaries of the Administration Charge will also not receive any funds from the initial advance under the DIP Facility.

5. The DIP Lenders have been consulted and are supportive of the proposed Administration Charge.

6.4 Directors' Charge

1. KSV understands that, apart from consensual salary related holdbacks for certain senior employees which totalled approximately \$538,000 as at June 30, 2022, the Applicants are current on their normal course payroll obligations (including withholding taxes). KSV also understands that the Applicants' vacation pay liability totals approximately \$62,000.
2. The Cash Flow Forecast contemplates that payroll and sales taxes will continue to be paid in the ordinary course and the Applicants are projected to have sufficient liquidity to do so provided the DIP Lenders' Charge is approved in the Initial Order and an increase to the DIP Lenders' Charge is approved at the Comeback Motion. The proposed Directors' Charge provides protection for the directors and officers should the Applicants fail to pay certain obligations which may give rise to liability for directors and officers, including vacation pay.
3. The Directors' Charge will only cover the current and future directors and officers for liabilities incurred after the commencement of the CCAA proceedings to the extent relating to the period on or after the date of the Initial Order.
4. As provided in the table below, the amount of the Directors' Charge was estimated by the Applicants, in consultation with the proposed Monitor, taking into consideration current vacation pay liability and the estimated payroll obligation, sales tax obligations and excise tax obligations arising during the ten-day period prior to the Comeback Motion:

(unaudited)	Amount (\$)
Payroll, including source deductions	40,000
Vacation Pay	65,000
Sales tax	15,000
Excise tax	25,000
Total Directors' Charge	145,000

5. KSV is of the view that the Directors' Charge is required and reasonable in the circumstances and that the continued involvement of the directors and officers is beneficial to the Applicants and these proceedings. The Directors' Charge is particularly needed in this instance where the DIP Lenders are requiring the existing insurance policy in favour of the directors and officers be cancelled.
6. The DIP Lenders have been consulted and are supportive of the proposed Directors' Charge.

6.5 DIP Lenders' Charge

1. The Applicants are seeking a charge in favour of the DIP Lenders to secure all advances under the DIP Facility. KSV is of the view that the DIP Lenders' Charge is required as: (i) the Applicants are in immediate need of liquidity, including to fund payroll; (ii) the terms of the DIP Facility are reasonable for the reasons set out in Section 5.1 of this Report; and (iii) the DIP Lenders are not prepared to provide further financing without the benefit of the DIP Lenders' Charge.

6.6 Priority of Charges

1. The Applicants propose the Court-ordered charges have the following priority among them, which priorities are contemplated in the proposed DIP Term Sheet:
 - a) First, the Administration Charge (to a maximum of \$300,000);
 - b) Second, the DIP Lenders' Charge (to a maximum of \$1.2 million, plus accrued and unpaid interest, fees and expenses); and
 - c) Third, the Directors' Charge (to a maximum of \$145,000).

7.0 Creditor Notification

1. The proposed Initial Order requires the Monitor to:
 - a) publish without delay a notice in the national edition of *The Globe and Mail* newspaper containing the information prescribed under the CCAA; and
 - b) within five (5) days of the issuance of the Initial Order to:
 - i. make the Initial Order publicly available in the manner prescribed under the CCAA;
 - ii. send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000 (other than employees) advising that the order is publicly available; and
 - iii. prepare a list, showing the names and addresses of those creditors (other than creditors that are individuals), and the estimated amounts of those claims, and make it publicly available in the prescribed manner.
2. If appointed Monitor, KSV will also post the Initial Order and all motion materials on its website in accordance with the Court's *E-Service Protocol*.

8.0 SISP

1. The Applicants, the DIP Lenders and KSV are in the process of developing the SISP. Court approval of the SISP will be sought at the Comeback Motion pursuant to the SISP Order.
2. It is contemplated that the SISP will see the Companies restructured and/or all or a portion of the Applicants' business sold as a going concern.

3. The SISP will be addressed in the Court materials to be filed in support of the SISP Order, including a further report from the Monitor.

9.0 Conclusion and Recommendation

1. Based on the foregoing, KSV respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1 (1)(e) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS PROPOSED MONITOR 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
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

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")

Projected Statement of Cash Flow

For the Period Ending October 21, 2022

(Unaudited; \$CAD)

Notes	Weeks Ending													Total
	29-Jul-22	5-Aug-22	12-Aug-22	19-Aug-22	26-Aug-22	2-Sep-22	9-Sep-22	16-Sep-22	23-Sep-22	30-Sep-22	7-Oct-22	14-Oct-22	21-Oct-22	
<i>Receipts</i>														
1														
Retail Sales	2	-	-	278,302	92,522	215,000	235,000	275,000	275,000	275,000	275,000	302,500	310,063	2,808,387
HST Refund	3	-	-	100,000	-	-	-	-	-	-	-	-	-	100,000
Total Receipts		-	-	378,302	92,522	215,000	235,000	275,000	275,000	275,000	275,000	302,500	310,063	2,908,387
<i>Disbursements</i>														
<i>Operating Costs:</i>														
Excise Taxes	4	-	-	-	-	(89,014)	-	-	-	(266,282)	-	-	-	(355,296)
HST Payments	3	-	-	-	-	-	-	-	-	-	-	-	(100,000)	(100,000)
Cost of Goods Purchased for Resale	5	(170,116)	(158,996)	(225,000)	(320,000)	(1,317)	(51,448)	(6,448)	(351,448)	(41,448)	(130,683)	(131,185)	(130,692)	(1,859,221)
Operating Expenses	6	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(455,000)
Payroll	7	(192,013)	-	(96,000)	(41,013)	(111,000)	-	(96,000)	-	(41,013)	(116,000)	-	(96,899)	(830,951)
Rent	8	(4,668)	(21,000)	(14,952)	-	(4,668)	-	-	(14,952)	-	(14,869)	-	(14,952)	(90,060)
Utilities		(15,379)	-	-	(28,379)	-	-	-	(23,000)	-	-	-	(23,000)	(95,137)
Insurance		(22,860)	(10,516)	(470)	(4,654)	-	(10,516)	(470)	(4,654)	-	-	(10,516)	(470)	(69,780)
Contingency		(10,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(250,000)
Salus International Management Ltd.	9	(650,000)	-	-	-	-	-	-	-	-	-	-	-	(650,000)
Total Operating Disbursements		(1,100,036)	(245,512)	(391,422)	(449,046)	(260,999)	(116,964)	(157,918)	(449,054)	(403,743)	(316,552)	(196,701)	(321,012)	(4,755,446)
Net Cash Flow Before the Underrated		(1,100,036)	(245,512)	(13,120)	(356,524)	(45,999)	118,036	117,082	(174,054)	(128,743)	(41,552)	78,299	(18,512)	(1,847,058)
Restructuring Costs	10	-	-	(300,000)	-	-	(250,000)	-	-	-	-	(300,000)	-	(850,000)
Net Cash Flow		(1,100,036)	(245,512)	(313,120)	(356,524)	(45,999)	(131,964)	117,082	(174,054)	(128,743)	(41,552)	(221,701)	(18,512)	(2,697,058)
Opening Cash Balance		169,000	268,964	23,452	560,333	203,809	157,810	225,846	342,928	168,874	340,131	298,579	196,878	178,366
Net cash flow		(1,100,036)	(245,512)	(313,120)	(356,524)	(45,999)	(131,964)	117,082	(174,054)	(128,743)	(41,552)	(221,701)	(18,512)	(36,424)
DIP Financing	11	1,200,000	-	850,000	-	-	200,000	-	-	300,000	-	120,000	-	2,670,000
Closing Cash Balance		268,964	23,452	560,333	203,809	157,810	225,846	342,928	168,874	340,131	298,579	196,878	178,366	141,942
DIP Loan Balance, excluding accrued interest and DIP fees		1,200,000	1,200,000	2,050,000	2,050,000	2,050,000	2,250,000	2,250,000	2,250,000	2,550,000	2,550,000	2,670,000	2,670,000	2,670,000

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")

Notes to Projected Statement of Cash Flow

For the Period Ending October 21, 2022

(Unaudited; \$CAD)

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of the Applicants and certain of the Non-Applicant subsidiaries (together, the "Companies") for the period July 25, 2022 to October 21, 2022 (the "Period") in respect of their proceedings under the Companies' Creditors Arrangement Act ("CCAA"). The cash flow forecast assumes that the Applicants file for protection under the CCAA on July 25, 2022.

The cash flow projection has been prepared based on most probable assumptions.

Hypothetical Assumptions

2. Represents retail sales of all cannabis related-products.

Probable Assumptions

3. The Applicants file harmonized sales tax returns on a quarterly basis. The Applicants have advised that they owe approximately \$108,000 in sales tax arrears. It is assumed that the arrears will not be paid during these proceedings.
4. Represents monthly excise tax remittances paid in the normal course. Canveda Inc. owes approximately \$500,000 in excise tax arrears. It is assumed that the arrears will not be paid during the CCAA proceedings.
5. Represents cannabis and cannabis-related product purchases for the purpose of resale.
6. Operating expenses include product testing, packaging and shipping and other sundry expenses.
7. Includes payroll of the Applicants, and certain of the Companies' subsidiaries located in Malta. Assumes the termination of all head office employees other than two individuals.
8. Occupancy costs include rent for the Applicants' leased premises in Toronto, Ontario, Peterborough, Ontario and Ottawa, Ontario. It is assumed that the Applicants will be vacating their head office and Ottawa office during the Period.
9. Represents a loan to fund the Companies' Thai operations.
10. Includes the estimated payments to the Monitor, its counsel, the Applicants' counsel and debentureholders counsel.
11. Reflects projected DIP funding to be provided by the DIP Lender, as defined and pursuant to the terms of the DIP Term Sheet.

COURT FILE NO.: _____

**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**

**MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)**

The management 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") have developed the assumptions and prepared the attached statement of projected cash flow as of the 22nd day of July, 2022 for the period July 25, 2022 to October 21, 2022 ("Cash Flow"). All such assumptions are disclosed in the notes to the Cash Flow.

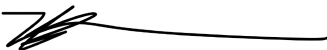
The hypothetical assumptions are reasonable and consistent with the purpose of the Cash Flow as described in Note 1 to the Cash Flow, and the probable assumptions are suitably supported and consistent with the plans of the Applicants and the non-Applicant affiliates and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual events will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Note 1 using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Toronto, Ontario this 22nd day of July, 2022.

MPX International Corporation, BioCannabis Products Ltd., Canveda Inc., The CinG-X Corporation, Spartan Wellness Corporation, MPXI Alberta Corporation, MCLN Inc., and Salus BioPharma Corporation



Per: Jeremy Blumer

Appendix “B”

**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**

**MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)**

The attached statement of projected cash-flow 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") and non-Applicant affiliates, as of the 22nd day of July, 2022, consisting of a weekly projected cash flow statement for the period July 25, 2022 to October 21, 2022 ("Cash Flow") has been prepared by the management of the Applicants for the purpose described in Note 1, using the probable and hypothetical assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Applicants. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- c) the Cash Flow does not reflect the probable and hypothetical assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, Ontario this 25th day of July, 2022.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS PROPOSED CCAA MONITOR 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
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “C”

Comparative Summary of DIP Facilities

January 1, 2020 to July 22, 2022

(\$, millions)

Appendix "C"

Debtor	Lender	Proceeding Type	Trustee	Filing Date	Jurisdiction	Industry	Commitment (\$, million)	Interest Rate (%)	Fees
The Sanderson-Harold Company c.o.b. as Paris Kitchens	BMO	NOI	KSV	May 31, 2022	Ontario	Manufacturing	0.45	Prime commercial lending rate of BMO plus 1.5% per annum (currently, 5.2%).	
Sproutly, Inc. and Toronto Herbal Remedies Inc.	0982244 B.C. Ltd. o/a Isle of Mann Property Group	CCAA	BDO	June 24, 2022	Ontario	Cannabis	0.75		14 Facility fee of 2%
Revoln Inc. et al.	The BrandCo Lenders and certain Prepetition ABL Lenders	Foreign order recognition	KSV	June 20, 2022	Ontario	Manufacturing	Term DIP Facility - \$1.025 billion; ABL DIP Facility - \$400 million	Term DIP Facility - SOFR + 775 basis points (with a 1% SOFR floor); LIFO ABL DIP Loans - ABR + 2.50% (with a 1.5% ABR floor); SISO ABL DIP Loans - ABR + 4.75% (with a 2.75% ABR floor)	Term DIP Facility - 1% of the aggregate principal amount of each Term DIP Lender's Term DIP Commitment; ABL DIP Facility - 1% of the aggregate Tranche A DIP ABL Commitments as of the Petition Date
Canadian Dehua International Mines Group Inc.	Qubo Liu (a 50% shareholder)	CCAA	FTI	June 3, 2022	British Columbia	Mining			0 0.0%
MJardin Group Inc., Growforce Holdings Inc., 8586985 Canada Corporation and Highgrade MMJ Corporation	Bridging Finance	CCAA	KSV	June 2, 2022	Ontario	Cannabis			10 Upfront fee of \$50,000. Debtor responsible for DIP lender's expenses.
Choom Holdings Inc.	Aurora Cannabis Inc.	CCAA	EY	April 22, 2022	British Columbia	Cannabis	0.80		12 Borrower responsible for DIP lender's expenses.
0989705 B.C. Ltd. et al.	Gatland, REV and South Street LP	CCAA	A&M	April 1, 2022	British Columbia	Real Estate	1.00		10 25,000
Eve & Co Incorporated, Natural Medco Ltd. and Eve & Co International Holdings Ltd.	Deans Knight Private Credit GP Inc., as General Partner of Deans Knight Private Credit Limited Partnership and DK Strategic Yield U.S. GP LLC, as General Partner of DK Strategic Yield Master Trust Limited Partnership	CCAA	BDO	March 25, 2022	Ontario	Cannabis	2.20		12 Facility fee of 60,000. Borrower responsible for DIP lender's expenses.
Rising Phoenix International Inc.	Interim Financing - Gestion Levy inc. Junior Interim Financing - 6815464 Canada Ltd.	CCAA	Richter	January 6, 2022	Quebec	Education	Interim Financing - 1.75 Junior Interim Financing - 2.5	Unclear - facilities granted under seal	Unclear - facilities granted under seal
Canada Fluorspar (NL) Inc. and Canada Fluorspar Inc. (collectively "CFI")	(i) Bridging Finance Inc., a body corporate, existing pursuant to the laws of Canada, as agent for the Bridging Funds ("BFI") and (ii) Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology (as successor to the Minister of Tourism, Culture, Industry and Innovation)	CCAA	Grant Thornton	CCAA - March 11, 2022 Interim Receivership - February 21, 2022	Newfoundland	Mining	6.50	Prime plus 12%	N/A
Trinity Ravine Community Inc.	Nahid Corporation or an affiliate	CCAA	Deloitte	February 23, 2022	Ontario	Real Estate	0.85	The greater of 12% or the TD Bank Prime Rate (currently 2.45%) plus 9.55%	1. one-time fee of \$20,000 payable from proceeds of the first Advance; 2. Advance Fee of \$500 plus HST in respect of each Advance; 3. Utilization Fee in respect of any unutilized portion of the DIP Facility at a rate of 0.35% per annum calculated and compounded monthly in arrears; 4. \$40,000 to be applied against the lender's legal fees and disbursements
BC Craft Supply Co. Ltd.	Avro Capital Corp.	NOI	Crowe MacKay	January 24, 2022	British Columbia	Cannabis	0.42	11.5% per annum, with an additional 3% per annum in the event of a default	\$5,000 documentation fee; Borrower responsible for DIP Lender's expenses
BlackRock Mining Inc. et al.	OMF Fund II H Ltd. and Investissement Québec	CCAA	Deloitte	December 23, 2021	Quebec	Mining	2.00	12% per annum	
Behr Technologies Inc.	13486826 Canada Inc.	NOI	Farber	December 3, 2021	Ontario	Technology	0.80	12% per annum	\$8,000 commitment fee
Kaisen Energy Corp.	Durum Opportunities LP, an affiliate of Durum Capital Inc.	CCAA	EY	December 8, 2021	Alberta	Oil and Gas	1.00	ATB Financial Prime Rate + 5% per annum and is only payable on amounts advanced under the Interim Lender Facility;	\$50,000 commitment fee
Harte Gold Corp.	1000025833 Ontario Inc., a wholly owned subsidiary of Silver Lake Resources Limited.	CCAA	FTI	December 7, 2021	Ontario	Other	10.80	(a) in the case of the Balance in the Monitor's Account from time to time, 2% per annum; (b) in the case of any portion of the Loan Amount that has been advanced, 5% per annum from the date of the advance	Borrower responsible for DIP Lender's expenses
Boreal Capital Partners	Halmont Properties Corporation	CCAA	EY	25-Nov-21	Ontario	Real Estate	10.00		7.50 Borrower responsible for DIP lender's expenses
Junction Craft Brewing Inc.	100003509 Ontario Limited	NOI		15-Oct-21	Ontario	Food & Accommodation	0.65		0
ChronoMetriq Inc. and Health Myself Innovations Inc.	CIBC	NOI	Richter	26-Oct-21	Quebec	Healthcare	1.00	Unclear - term sheet filed under seal.	Unclear - term sheet filed under seal.
Medifocus Inc. (TSX:v:MFS)	Asset Profits Limited	CCAA	Spiegel	pp-21 (NOI)7-Oct-21 (CCAA)	Ontario	Biotech	0.70		9 Borrower responsible for DIP Lender's expenses Loan 1 - \$15,000 brokerage fee and \$1,200 administration fee, plus lender's legal fees Loan 2 - \$10,000 brokerage fee, plus lender's legal fees
Drexler Construction Limited, Folmur Construction (2004) Ltd. and Down Under Pipe and Cable Locating Ltd.	Corwin Mortgage Capital Inc.	NOI	Albert Gelman	23-Mar-21	Ontario	Construction	Loan 1 - 1.5 Loan 2 - 1	Loan 1 - 6.99 Loan 2 - 10, interest only	
Coalspur Mines (Operations) Ltd.	Cline Trust Company LLC	CCAA	FTI	26-Apr-21	Alberta	Mining	26.00		12 Closing fee of US\$50,000. Undrawn amount fee of 2% on any undrawn amounts. The Borrower must also pay for the Lender and Monitor's reasonable expenses in connection with the loan.
International Fitness Holdings Inc., International Fitness Holdings LP and World Health North LP	First Canadian Cardio-Fitness Clinics Ltd.	NOI	KPMG	23-Apr-21	Alberta	Other	10.00		10 The Borrower is responsible for the Lender's reasonable expenses in connection with the DIP loan, the term sheet and the NOI proceedings.
BioEnergie AE Cote-Nord Canada Inc.	Biogas SP senc	CCAA	Raymond Chabot	6-May-21	Quebec	Biotech	0.30		
CannTrust	Cortland Credit Lending Corporation	CCAA	EY	6-May-21	Ontario	Cannabis	22.50		Confidential Confidential

Comparative Summary of DIP Facilities

January 1, 2020 to July 22, 2022

(\$, millions)

Appendix "C"

Debtor	Lender	Proceeding Type	Trustee	Filing Date	Jurisdiction	Industry	Commitment (\$, million)	Interest Rate (%)	Fees
Spartan Bioscience Inc.	Casa-Dea Financing Ltd.	NOI continued as CCAA	EY	4-May-21	Ontario	Biotech	0.60	10%	Facility fee of \$6,000. The Borrower is responsible for the Lender's reasonable expenses incurred in connection with the interim financing.
Ardenton Capital Corporation	RCM Capital Management Ltd.	CCAA	KSV	5-Mar-21	British Columbia	Financial Services	5.00	10%	n/a
Just Energy Group Inc. (TSX:JE)	LVS III SPE XV LP, TOCU XVII LLC, HVS XVI LLC and OC II LVS XIV LP	CCAA	FTI	9-Mar-21	Ontario	Oil and Gas	125.00	13%	Commitment fee of \$1.25 million and origination fee of \$1.25 million. The Borrower will be responsible for all of the DIP Lenders' reasonable legal fees incurred in respect of the DIP Financing.
Change of Scandinavia Canada Retail Inc.	Change of Scandinavia Holding A/S and Change of Scandinavia A/S	NOI	Richter	2-Mar-21	Quebec	Retail	2.00	15%	
Atis Group	BNS	CCAA	Raymond Chabot	24-Feb-21	Quebec	Manufacturing	6.25	Prime plus 3.75%	Facility fee of \$112,500
TGF Acquisition Parent Ltd., Sun Rich Fresh Foods Inc. and Tiffany Gate Foods Inc.	Cortland Capital Market Services Ltd.	CCAA	EY Dodick & Associates	17-Feb-21	British Columbia	Food & Accommodation	13.40	Either 15% or 12.5%, pursuant to the terms of the Term Sheet	Commitment fee of \$516,000.
Rockshield Engineered Wood Products	Hillmount Capital Inc.	NOI		8-Feb-21	Ontario	Manufacturing	1.50	11%	Commitment fee of \$30,000.
Laurentian University	Firm Capital Corporation	CCAA	EY	1-Feb-21	Ontario	Education	25.00	Floating at the greater of 8.50% Per Annum or the TD Canada Trust Posted Bank Prime Rate of Interest from time to time plus 6.05% Per Annum	Commitment fee of \$500,000. The Borrower will be responsible for all of the DIP Lender's reasonable legal fees incurred in respect of the DIP Financing.
Tradesmen Enterprises Limited Partnership	BMO	NOI	KSV	1-Feb-21	Alberta	Professional Services	1.90	12%	Closing fee of \$65,000. The Borrower and Guarantor must pay the Lender's fees and expenses incurred in connection with the loan and the NOI proceedings.
Yatsen Group of Companies	1699803 Ontario Inc.	CCAA	A&M	25-Jan-21	Ontario	Food & Accommodation	5.00	3%	The Borrower and Guarantors must pay the Lender's fees and expenses incurred in connection with the DIP loan and the CCAA proceedings.
Algold Resources Ltd. (TSX: ALG)	Aya Gold & Silver Inc.	NOI	Raymond Chabot	15-Jan-21	Quebec	Mining	2.40	20%	Commitment fee of \$15,000 and monthly monitoring fee of \$5,000
FIGR Brands, Inc.	Alliance One Tobacco Canada, Inc.	CCAA	FTI	21-Jan-21	Ontario	Cannabis	16.00	8%	The Borrower and Guarantors must pay the Lender's fees and expenses incurred in connection with the DIP loan and the CCAA proceedings.
Greenfire Hangingstone Operating Corporation	Trafigura Canada General Partnership An Affiliate of Beaux Properties International Inc.	NOI	A&M	8-Oct-20	Alberta	Technology	20.00	LIBOR plus 8%	The Borrower must pay the Lender's reasonable fees and expenses in connection with the DIP Financing term sheet and monitoring thereof and the BIA proceedings.
33 Laird Inc. et al.		NOI	MNP	3-Dec-20	Ontario	Real Estate	0.25	10%	
King Street Restaurant Group	Third Eye Capital	CCAA	MNP	6-Nov-20	Ontario	Food & Accommodation	3.20	12%	3% closing fee
2505243 Ontario Limited	Peter and Paul's Gifts Limited	NOI	KSV	16-Oct-20	Ontario	Food & Accommodation	1.50	5%	
Creditloans Canada Financing Inc. (o/a Progressa) and Creditloans Canada Capital Inc.	JWC Opportunities Fund Inc.	CCAA	BDO	30-Sep-20	British Columbia	Financial Services	3	12%	
Hematite Group	Woodbridge Foam Corporation	CCAA	KPMG	18-Sep-20	Ontario	Automotive	6	15%	The Borrowers must pay the Lender's reasonable fees and expenses in connection with the CCAA proceedings.
UrtheCast Corp.	1) 1262743 B.C. Ltd. 2) HCP-FVL, LLC	CCAA	EY	4-Sep-20	British Columbia	Technology	USD \$3mm term loan facility and USD \$2mm revolving credit facility.	18%	1) The Borrowers must pay the Lender's reasonable fees and expenses in connection with the CCAA proceedings. 2) Standby fee of 2% on any undrawn portion; 3% commitment fee; exit fee of \$160,000-\$400,000, calculated on the basis of how much is drawn down. The Borrower must also pay the Lender's reasonable expenses in connection with the DIP loan.
PharmHouse Inc.	Canopy Rivers Corporation	CCAA	EY	15-Sep-20	Ontario	Cannabis	10.74	8%	The Borrower must pay the Lender's reasonable costs and expenses (including legal) incurred by or on behalf of the Lender in respect of the Facility or any loan documents and in connection with the enforcement of the Lender's rights thereunder.
Mountain Equipment Co-operative Groupe Dynamite	Toronto-Dominion Bank, Royal Bank of Canada and Canadian Imperial Bank of Commerce 10644579 Canada Inc.	CCAA CCAA	Alvarez & Marsal Deloitte	14-Sep-20 4-Sep-20	British Columbia Quebec	Retail Retail	100 10	Date 11%	The Interim Lenders also provided the petitioners' pre-filing credit facilities, so an "amendment fee" of \$250,000 is payable on the execution of the Interim Financing Credit Agreement. The petitioners are also required to reimburse the Interim Lenders for all reasonable and documented expenses in connection with the Interim Financing Facility and Interim Financing Credit Agreement.

Comparative Summary of DIP Facilities

January 1, 2020 to July 22, 2022

(\$, millions)

Appendix "C"

Debtor	Lender	Proceeding Type	Trustee	Filing Date	Jurisdiction	Industry	Commitment (\$, million)	Interest Rate (%)	Fees
Port Capital Development (EV) Inc.	Desjardins Financial Security Life Assurance Company	CCAA	EY	29-May-20	British Columbia	Real Estate	1.80	The higher of (a) the prime rate posted by the Fédération des caisses Desjardins du Québec plus 9.55% per annum, or (b) 12% per annum, accruing daily in arrears on the outstanding amount of the DIP Facility from time to time	Commitment fee of \$25k. The Borrower will be responsible for all of the Interim Lender's reasonable legal fees incurred in respect of the Interim Financing and CCAA proceedings.
Reitmans (Canada) Limited	Bank of Montreal and Roynat Inc.	CCAA	EY	19-May-20	Quebec	Retail	60	Prime + 5%	The interim financing provides for: 1) a standby charge of 0.6% on amounts committed and not drawn; 2) a commitment fee of \$360k payable on court approval of the interim facility; and 3) reimbursement of the reasonable out-of-pocket expenses.
Tidal Health Solutions	Iostesso Holdings Inc. or an affiliate thereof	NOI	PwC	30-Jul-20	Quebec	Cannabis	1	11%	The Borrower shall pay all the Interim Lender's legal fees (on a solicitor-client, full indemnity basis) and out-of-pocket disbursements and any costs of realization and enforcement, in each case in connection with the facility.
Northern Pulp Nova Scotia Corporation	Paper Excellence Canada Holdings Corporation (in its capacity as Lender) together with one or more other financial institutions or investment funds	CCAA	EY	19-Jun-20	Nova Scotia	Agriculture	21	10%	Commitment fee of 2.5% on any advance and standby fee of 2.5% on any unadvanced portion.
Glenogle Energy Inc. and Glenogle Energy Limited Partnership	HSBC	NOI	EY	14-May-20	Alberta	Oil and Gas	2	Prime plus 4.75%	Agency fee of \$5,000 per annum.
Moores	JPMorgan Chase Bank, N.A., and a syndicate of lenders	CCAA (recognition of Texas proceeding as foreign main proceeding)	Grant Thornton	5-Aug-20	Ontario	Retail	US\$00, which includes a "creeping roll up" of the US Chapter 11 Debtors' obligations under Prepetition ABL Facility and includes a US\$0 million facility for the Foreign Representative	Interest calculated pursuant to a formula in the DIP agreement	Commitment fee and letter of credit fee calculated pursuant to a formula in the DIP agreement
Bow River Energy Ltd.	2270943 Alberta Ltd.	CCAA	BDO	1-Jun-20	Alberta	Oil and Gas	1.1	8%	The Borrower shall pay all of the Interim Lender's legal fees and out of pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the Interim Facility, the Interim Lender Charge, the other Interim Financing Credit Documentation or the CCAA Proceedings.
Korite International	5024639 Ontario Inc.	CCAA	BDO	30-Jun-20	Alberta	Manufacturing	0.702	Prime plus 3.5% per annum	The Borrower shall pay all of the Interim Lender's legal fees and out of pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the Interim Facility, the Interim Lender Charge, the other Interim Financing Credit Documentation or the CCAA Proceedings
GNC Holdings	GLAS Trust Company as agent and JP Morgan Chase Bank, N.A.	CCAA - Chapter 11 Recognition Order	FTI	24-Jun-20	Ontario	Retail	200 (GLAS) and 305 (JP Morgan Chase)		
Peraso Technologies Inc.	Roadmap Capital General Partner Ltd., Roadmap Peraso LP III (U.S. and Offshore) and XCOM Labs, Inc.	CCAA	EY	3-Jun-20	Ontario	Technology	Confidential	6% per annum and 8% per annum on overdue amounts	
Cequence Energy Ltd.	Confidential	CCAA	EY	29-May-20	Alberta	Oil and Gas	7.00	9% per annum on drawn funds and 1% per annum on undrawn funds. Default interest is an additional 3% on all amounts outstanding.	
Green Growth Brands Inc.	All Js Greenspace LLC	CCAA	EY	20-May-20	Ontario	Cannabis	US\$14.2	5% per annum	
Dominion Diamond Mines	Washington Diamond Lending, LLC and a syndicate of lenders	CCAA	FTI	23-Apr-20	Alberta	Mining	60.00	5.25% per annum, payable monthly, and increases to 7.25% in the event of a default	DMI shall pay all outstanding fees and expenses to date of the Existing Credit Facility Lenders, including legal and financial advisory expenses, via the initial draw under the Interim Facility
Beleave Inc.	Hegedus Consulting Services Inc.	CCAA	Grant Thornton	5-Jun-20	Ontario	Cannabis	0.50	Interest shall accrue upon the occurrence of any of the following events: (i) in accordance with the terms set out in Schedule "E" of the Stalking Horse APA; or (ii) upon the occurrence of an Event of Default hereunder	
Entrec Corporation	Wells Fargo Capital Finance Corporation Canada as Administrative Agent	CCAA	A&M	14-May-20	Alberta	Transportation	30.00	8%	Amendment fee of \$250,000 (interim facility is provided as amendment to existing credit facilities)
Redrock Camps Inc.	Invico Diversified Income Limited Partnership	CCAA	BDO	13-May-20	Alberta	Food & Accommodation	2.50	10%	Commitment fee of \$50,000
Quest University Canada	RCM Capital Management Limited	CCAA	PWC	16-Jan-20	British Columbia	Education	8.20	9% until the maturity rate; 15% thereafter	Commitment fee of \$35,000; structuring fee of 4% on each drawdown

Comparative Summary of DIP Facilities

January 1, 2020 to July 22, 2022

(\$, millions)

Appendix "C"

Debtor	Lender	Proceeding Type	Trustee	Filing Date	Jurisdiction	Industry	Commitment (\$, million)	Interest Rate (%)	Fees
JMB Crushing Systems	ATB Financial / Canadian Aggregate Resource Corporation	CCAA	FTI	1-May-20	Alberta	Manufacturing	0.9 / 0.5	10% / 10% LIBOR + 5.5% for the first 9 months and LIBOR + 6.5% thereafter. An additional 2% applies where there is a default.	
Aldo Group	National Bank of Canada	CCAA	EY	7-May-20	Quebec	Retail	60.00		Standby charge of 1.25% on amounts committed and not drawn and commitment fee of \$600,000
True Leaf Brands	Lind Asset Management XV, LLC	NOI	FTI	3-Apr-20	British Columbia	Manufacturing	0.70	10.00%	Facility fee of \$14,000 and diligence fee of \$5,000
HealthChain	REDDS Technology Fund I LP	NOI	Dodick & Associates	28-Feb-20	Ontario	Technology	0.20	10.00%	Commitment fee of \$4,000
1348441 Ontario Inc. o/a Solutions Your Organized Living Store	Gurmej Walia	NOI	Dodick Landau	26-Mar-20	Ontario	Retail	0.50		0.00%
Kahunaverse Sports Group	Grayrock Capital Incorporated	NOI	PwC	11-Mar-20	British Columbia	Retail	1.40		8.00% \$150,000 retainer deemed to be initial drawdown; structuring fee of 2% of principal to be paid to lender and deducted from initial drawdown on closing
James E. Wagner Cultivation Corporation	Trichome Financial Corp.	CCAA	KSV	01-Apr-20	Ontario	Cannabis	8.20		10.00% Commitment fee of \$120,000
Green Relief	1) Antonio Battaglia / Dr. Neilank Jha; 2) 2650064 Ontario Inc.	CCAA	PwC	08-Apr-20	Ontario	Cannabis	1) 0.25 / 0.5; 2) 1.5		1) 5%; 2) 5% 2) The Company must pay the DIP Lender's reasonable costs and expenses to a maximum of \$100,000
Pure Global Cannabis Inc. et al.		CCAA	EY	19-Mar-20	Ontario	Cannabis	4.00		9.25% 2.25% of DIP facility
Lydian International Limited	Orion Co IV (ED) Limited, Resource Capital Fund VI L.P. and Osisko Bermuda Limited	CCAA	Alvarez & Marsal	23-Dec-19	Ontario	Mining	Confidential		Confidential
Eureka 93 Inc.	Spouter Corporation Inc., David and Donna VanSegbroek	NOI	Deloitte	14-Feb-20	Ontario	Cannabis	2.30		15.00% Commitment fee of \$320,000
2607380 Ontario Inc.	Meridian	CCAA	Richter	26-Feb-20	Ontario	Real Estate	7.18		9.25% Commitment fee of \$107,000, availability fee of \$2,000 per month.
Air Georgian Limited	2229275 Alberta Ltd.	NOI	KPMG	31-Jan-20	Ontario	Aviation	0.80		12%
Pier 1 Imports (U.S.), Inc.	Various pre-petition lenders	Foreign order recognition	Alvarez & Marsal	18-Feb-20	Ontario	Retail	USD \$256.0		Revolving loans: LIBOR + 3% FILO Loans: LIBOR + 4.5% ABL Term Loan: LIBOR + 8% \$2.4 million in aggregate fees (equal to 0.9% of the total financing)
Ontario Graphite	Orion Corporation	CCAA	Deloitte	12-Feb-20	Ontario	Mining	2.75		15.0%
Invictus MD Strategies	ATB Financial	CCAA	PwC	13-Feb-20	British Columbia	Cannabis	3.00		10.0% \$60,000 upfront fee (2% of total commitment, \$500/mo. monitoring fee.
Rebuts Solides Canadiens inc. et al	RECYC-QUÉBEC and le Ministre de l'Environnement de la Lutte contre les changements climatiques	CCAA	PwC	03-Feb-20	Quebec	Recycling	9.00		5.0%