



**Report to Creditors of
Nabis Holdings Inc. by
KSV Restructuring Inc. as Proposal
Trustee**

December 1, 2020

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COURT FILE NO.: 31-2691184

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
NABIS HOLDINGS INC., OF THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO

PROPOSAL TRUSTEE'S PRELIMINARY REPORT TO CREDITORS

DECEMBER 1, 2020

1.0 Introduction

1. This report ("Report") has been prepared by KSV Restructuring Inc. ("KSV") in its capacity as proposal trustee (the "Proposal Trustee") in connection with a proposal (the "Proposal") filed with the Official Receiver on November 23, 2020 in accordance with Section 62(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA"), by Nabis Holdings Inc. (the "Company"). A Certificate of Filing a Proposal ("Certificate") was issued on that date by the Office of the Superintendent of Bankruptcy (Canada) (the "OSB"). Copies of the Proposal and the Certificate are attached as Appendices "A" and "B", respectively.
2. The principal purpose of this proceeding is to restructure the Company's financial affairs by completing and implementing the recapitalization transactions contemplated by the Proposal so that the Company can continue to operate as a going concern.

1.1 Meeting to Consider the Proposal

1. The details of the creditors' meeting to consider and vote on the Proposal to be held pursuant to Section 51(1) of the BIA (the "Meeting") are as follows:

Date: December 14, 2020

Time: 10:00 a.m. (EST)

Location: to be convened virtually via Zoom due to the Covid-19 pandemic:
<https://us02web.zoom.us/j/82452022771?pwd=UUFPaUFqV1o1a0sxc0thWVl4SVNtZz09>

2. Creditors can vote at the Meeting by attending in person (virtually) or by submitting proofs of claim and voting letters to the Proposal Trustee by no later than 5:00 p.m. (Toronto time) on December 11, 2020, being one business day prior to the Meeting, as follows:
 - a) beneficial holders of the Company's unsecured convertible debentures (the "Convertible Debentures") in the principal amount of approximately \$35 million (each a "Debentureholder" and collectively the "Debentureholders") are required to submit the proxy and voting forms provided in Appendix "C". Debentureholders are not required to submit a proof of claim as that will be submitted by the Debenture Trustee (as defined below); and
 - b) all creditors of the Company (other than a Debentureholder) are required to submit the proof of claim and voting forms provided in Appendix "D".
3. Creditors can also vote by way of proxy and can appoint the Proposal Trustee or any other person as their proxy.
4. Creditors are strongly encouraged to read the instruction letters included with the forms referenced above to understand the voting procedures and the procedure to register claims with the Proposal Trustee.
5. The Proposal Trustee's Notice of Proposal to Creditors, a summary of the Company's Statement of Affairs and a list of creditors are attached as Appendices "E", "F" and "G", respectively.

1.2 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the Company, including the Company's financial situation and the causes of its financial difficulties;
 - b) summarize the key terms of the Proposal;
 - c) summarize the key terms of a support agreement dated November 17, 2020 between the Company and certain of the Debentureholders (the "Support Agreement");
 - d) discuss the Company's ability to execute the terms of the Proposal;
 - e) summarize the result of the Proposal Trustee's review for preferences and transactions at undervalue pursuant to sections 95 to 101 of the BIA;
 - f) provide a comparison of the result for creditors under the Proposal to the result if the Proposal is not accepted and the Company is deemed to have made an assignment in bankruptcy; and
 - g) provide the Proposal Trustee's recommendation on the Proposal.

1.3 Currency

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

1.4 Restrictions

1. In preparing this Report, the Proposal Trustee has relied upon unaudited financial information prepared by the Company's representatives, the books and records of the Company and discussions with representatives of the Company. The Proposal Trustee has not audited, reviewed or otherwise verified the accuracy or completeness of the information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook*.
2. The Proposal Trustee expresses no opinion or other form of assurance with respect to the financial information presented in this Report or relied upon by the Proposal Trustee in preparing this Report. Any party wishing to place reliance on the Company's financial information should perform its own due diligence and any reliance placed by any party on the information presented herein shall not be considered sufficient for any purpose whatsoever. The Proposal Trustee accepts no responsibility for any reliance placed by any party based on the information in this Report.
3. Consumer, supply chain, governmental and other macro-economic factors related to Covid-19 may have a material affect on the Company's business and the businesses of its subsidiaries. The full impact of Covid-19 is unknown and cannot be determined at this time.

2.0 Background

2.1 Overview

1. The Company was formed by amalgamation under the *Canada Business Corporations Act* on October 31, 2002. It was continued into the province of British Columbia under the *Business Corporations Act* (British Columbia) effective May 29, 2019. The Company's shares are listed on the *Canadian Securities Exchange* under the symbol "CNSX:NAB" and the *OTCQX* under the symbol "OTC:NABIF".
2. The Company's primary focus has been raising capital in the public markets to finance its subsidiaries, a list of which is provided in Appendix "H" (collectively, the "Subsidiaries"). The Company, through the Subsidiaries, has invested over \$30 million in the cannabis sector, including licensed cannabis retail and production operations in Canada, the United States and elsewhere.
3. The Company's head office is located in Toronto, Ontario. The Company presently has three full-time employees.

4. The Company's most significant asset is its indirect interest in Perpetual Healthcare Inc. ("Perpetual"). Perpetual is a not-for-profit entity licensed to operate Emerald Medical Marijuana Dispensary (d/b/a Emerald Phoenix) ("Emerald"), a medical cannabis dispensary located in Phoenix, Arizona. Pursuant to a Management Services Agreement dated September 2019 between Perpetual and Nabis AZ, LLC ("Nabis AZ"), a subsidiary of the Company, Nabis AZ was appointed the manager of Perpetual and is entitled to a management fee based on the services it performs, including the development, administration, operation and management of Emerald (the "Perpetual Management Agreement"). Perpetual is discussed further in Section 2.3 below.
5. Other than Perpetual, none of the Company's other Subsidiaries are operating. The Company's only other investment that may have some nominal value is its wholly-owned subsidiary based in Port Townsend, Washington, Nabis Holdings Washington, LLC ("Washington"). Washington's primary assets are its cannabis extraction and production equipment (the "Washington Assets"). The Company has advised that it expects to complete a sale of the Washington Assets in the first quarter of 2021. The proceeds are not expected to be material.
6. The Proposal Trustee understands the equity value of the other Subsidiaries is expected to be immaterial and possibly nil.

2.2 Historical Operating Results

1. The Company has incurred losses and generated negative cash flow from operations since inception¹.
2. The Company's consolidated financial results for the six-month period ending June 30, 2020, the year ended October 31, 2018 and the year ended December 31, 2019² are summarized in the table below:

(\$000s)	(6 Months) June 30, 2020 (unaudited)	Year Ended Dec. 31, 2019 (audited)	Year Ended Oct. 31, 2018 (audited)
Revenue	6,295	2,232	-
Gross profit	2,819	821	-
Operating costs			
Selling, general and administrative	3,680	12,765	1,259
Share-based compensation	154	1,844	-
Depreciation and amortization	774	468	1
Loss from operations	(1,789)	(14,256)	(1,260)
Net other income/(costs)	(4,103)	(12,035)	(3,894)
Income tax expense	-	-	-
Net income/(loss) for the period	(5,892)	(26,291)	(5,154)

¹ Per the Company's Management Discussion & Analysis for the six-month period ended June 30, 2020.

² Year-ended December 31, 2019 financial results are for a 14-month period due to a change in the Company's year-end from October 31 to December 31 effective in 2019.

3. As presented above, on a consolidated basis the Company has generated:
 - a) operating losses of \$17.3 million since January 1, 2018; and
 - b) net losses of \$37.3 million over the same period.
4. The Company's losses have been funded primarily through debt and equity offerings, including the Convertible Debentures and other private placements. The losses have resulted in the Company generating accumulated non-capital loss carry-forwards of approximately \$22 million³ as of June 30, 2020 (the "Tax Losses").

2.3 Perpetual

1. On October 10, 2019, the Company acquired its indirect interest in Perpetual through Nabis AZ, which holds the exclusive rights to operate the Emerald dispensary. Emerald is a licensed medical cannabis dispensary in Phoenix, Arizona, with more than 12,000 registered patients. Perpetual also owns Infusion Edibles, a cannabis infused snack and beverage brand.
2. Pursuant to the Perpetual Management Agreement, Nabis AZ is responsible for, among other things, the development, administration, operation and management of all aspects of Emerald (the "Management Services"). As compensation for providing the Management Services, Nabis AZ is entitled to a management fee.
3. The interest in Perpetual, including the Perpetual Management Agreement, was acquired by Nabis AZ for US \$15 million, of which US \$7 million was paid in cash up-front, and US \$8 million was in the form of a note payable to PNTM Management Services, LLC, the vendor in the transaction (the "Vendor"). The note was payable to the Vendor 12-months after closing (October 2020) and bears interest at 5% per annum (the "Vendor Note").
4. All of the Company's revenues for the six months ended June 30, 2020 were generated from the Perpetual Management Agreement.
5. On October 28, 2020, the Company reported that Nabis AZ had failed to make the payment due on October 25, 2020 under the Vendor Note. Pursuant to the terms of the Vendor Note, a default on the Vendor Note would result in the following:
 - a) a representative of the Vendor being appointed to the board of directors of Perpetual; and

³ The tax losses would be reduced by the debt forgiven as part of the Proposal.

- b) an amended and restated operating agreement in respect of Nabis AZ would become effective, providing representatives of the Vendor with an aggregate 75% membership interest in Nabis AZ with limited governance rights, whereby such persons would be entitled to a monthly pro rata preferred distribution in respect of their 75% aggregate membership interest until obligations under the Vendor Note are fully satisfied. The remaining 25% would be paid to the Company in respect of the amount it funded to Nabis AZ (the US \$7 million referenced in paragraph 3 above) and any other balances due from Nabis AZ to the Company. The representative of the Vendor was added to Perpetual's Board effective November 19, 2020.
6. On November 3, 2020, Arizona voted to become the 13th state in the U.S. to legalize personal recreational use of cannabis products for adults 21 years of age and older. As a result, the Company is of the view that the value of its interest in Perpetual has increased.
7. The Company's management has advised that Perpetual generates sufficient cash flow to continue to operate without the need for further capitalization.

2.4 Resolution of Legal Actions

1. On October 16, 2020 and November 5, 2020, the Company issued press releases related to civil proceedings it commenced in the Arizona Superior Court and the Ontario Superior Court of Justice against Mark Krytiuk, the Company's former President and Chief Operating Officer, and one of its former Directors⁴ (collectively, the "Legal Actions").
2. The Legal Actions sought injunctive relief against Mr. Krytiuk in respect of, among other things, his failure to transition control of material assets of the Company following his resignation announced on October 7, 2020. The Company alleged that Mr. Krytiuk, as the sole director of Perpetual, refused to transfer the directorship of Perpetual as instructed by the Company, and failed to return other Company property following his resignation. In addition, there was a dispute between the Company and Mr. Krytiuk regarding Mr. Krytiuk's employment entitlements following his resignation.
3. On November 23, 2020, the Company issued a press release ("November 23rd Press Release") regarding, among other things, its settlement of the Legal Actions, whereby Mr. Krytiuk agreed to an orderly transition of his directorship of Perpetual and other interests and positions in Perpetual to a nominee of the Company. As part of the settlement, on November 23, 2020, Mr. Krytiuk received \$267,000, before tax deductions, from the Company. The settlement resolved all matters between the Company and Mr. Krytiuk, including his employment entitlements. A copy of the November 23rd Press Release is provided in Appendix "I".

⁴ Mr. Krytiuk was also the sole Director of Perpetual.

4. The Proposal Trustee understands that subsequent to the settlement, the Company learned of certain payments made by Perpetual to Mr. Krytiuk which the Company is reviewing.

3.0 Creditors

3.1 Convertible Debentures

1. Pursuant to an indenture between the Company and Odyssey Trust Company (the “Debenture Trustee”) dated March 26, 2019 (the “Indenture”), the Company owes approximately \$36.5 million (inclusive of interest, but excluding costs) to the Debentureholders. The Convertible Debentures bear interest at 8% per annum and have a maturity date of March 26, 2022.
2. On June 29, 2020, the Company announced that it would not be making the quarterly interest payment due under the Convertible Debentures on June 30, 2020. The Company took the position that the non-payment was excusable under Section 13.19 of the Indenture (the force majeure provision of the Indenture).
3. On July 13, 2020, the Company received notice from the Debenture Trustee of its position that the missed interest payment constituted an event of default under the Indenture. As a result, the Debenture Trustee declared all outstanding principal and accrued interest due and payable on July 23, 2020. The Debenture Trustee then brought an application seeking declaratory relief in respect of the defaults.
4. The Company also failed to make the interest payment due in September 2020.
5. On August 17, 2020, the board of directors of the Company (the “Board”) formed a special committee (the “Special Committee”) to deal with, *inter alia*, the Company’s liquidity constraints. On September 20, 2020, the Special Committee was given an expanded mandate which included, among other things, reviewing and overseeing the Company’s engagement with the Debentureholders and other strategic alternatives available to the Company.
6. The Proposal Trustee understands that the Special Committee and representatives of the Debentureholders have been engaged in ongoing discussions to address the defaults under the Convertible Debentures and to restructure the Company. These discussions ultimately led to the Proposal and the Support Agreement, as discussed further below.

3.2 Other Creditors

1. Pursuant to the Company’s creditor listing provided in Appendix “G”, the Company’s non-Debentureholder unsecured claims total approximately \$112,000. These claims primarily represent vendor claims and amounts due to professional advisors.

4.0 The Proposal

1. This section provides an overview of the terms of the Proposal. Review of this section is not a substitute for reading the Proposal. Creditors are strongly encouraged to read the Proposal in its entirety prior to voting on the Proposal. Creditors are encouraged to discuss the terms of the Proposal with their legal counsel. A copy of the Proposal is provided in Appendix “A”.
2. Capitalized terms used in this section of the Report have the meanings provided to them in the Proposal.

4.1 Reorganization

1. The purpose of the Proposal is to restructure the Company’s share capital principally on the basis that:
 - a) the existing Convertible Debentures, the Indenture, and any and all other Debenture Documents would be cancelled, provided that the Indenture shall remain in effect solely to allow the Debenture Trustee to make the distributions set forth in the Proposal;
 - b) the Existing Equity would be cancelled for no consideration; and
 - c) New Secured Notes and New Common Shares would be issued to each Affected Creditor (other than a Convenience Creditor), based on such Affected Creditor’s Affected Creditor Pro Rata Share.

4.2 Classes of Creditors

1. There will be one class of creditors, namely the Affected Creditors, for the purposes of considering and voting on the Proposal comprised of all creditors with a Proven Claim, being the amount of a Claim as finally determined in accordance with the provisions of the BIA.

4.3 Treatment of Affected Creditors

1. The Proposal is only being made to Affected Creditors, being creditors with a Proven Claim. Unaffected Creditors include claims of:
 - a) the Proposal Trustee, counsel for the Proposal Trustee, counsel to the Company, and counsel to the Special Committee for Administrative Fees and Expenses; and
 - b) such other Claims as the Company and the Consenting Debentureholders may agree with the consent of the Proposal Trustee.

2. On the Proposal Implementation Date,⁵ in exchange for the release of each Released Claim (other than Unaffected Claims), each Affected Creditor (other than a Convenience Creditor) shall receive its Affected Creditor Pro Rata Share of:
 - a) New Secured Notes: being new first lien secured notes in the aggregate amount of \$23 million on the terms set out in Schedule “A” of the Proposal. These terms include, among others: (i) a maturity date of two years from the date of issuance; (ii) quarterly interest payments based on an annual interest rate of 5.3%; and (iii) a first-ranking security interest in all assets of the Company and the Guarantors, being all present and future direct and indirect subsidiaries of the Company. As reflected in Schedule “A” of the Proposal, no payments of principal or interest or otherwise shall be made under the New Senior Secured Notes until all payments contemplated by Section 6.02 (h) and (i) have been paid in full⁶ (as discussed further in Section 4.5 of this Report); and
 - b) New Common Shares: being 3.7 million newly-issued Common Shares, which will represent 100% of the aggregate Common Shares issued and outstanding immediately following the implementation of the Proposal.
3. The following table summarizes the recapitalization based on the creditor balances summarized in Section 3 of this Report. This assumes that none of the "Other Creditors" elect to become Convenience Creditors.

	Claims (\$000s)	Recapitalized Amounts	
		New Secured Notes (\$000s) ⁷	New Common Shares (000s)
Debentureholders	36,506	22,930	3,689
Other Creditors	112	70	11
Total	36,617	23,000	3,700

4. As reflected in the table above, Affected Creditors with Proven Claims totaling approximately \$36.6 million would be repaid with New Secured Notes totaling \$23 million and 3,700,000 New Common Shares.

4.4 Convenience Creditor

1. A Convenience Creditor is an Affected Creditor with a Convenience Creditor Claim, being:
 - a) any Proven Claims of an Affected Creditor in an amount less than or equal to \$500; and

⁵ This assumes that the statutory majority of Affected Creditors votes to accept the Proposal and it is approved by the Court.

⁶ These relate to the fees of the Consenting Debentureholder Advisor and the Other Debentureholder Advisors.

⁷ Before payment of the Superintendent's Levy.

- b) any Proven Claim of an Affected Creditor in an amount greater than \$500 if the relevant Creditor has submitted a valid Convenience Creditor Election Form prior to 5:00 p.m. (Toronto time) on December 11, 2020 (the Convenience Creditor Election Deadline). A copy of the Convenience Creditor Election Form is provided in Appendix “J”.
2. A Convenience Creditor is deemed to have voted the full amount of its Proven Claim in favour of the approval of the Proposal without a requirement to file a proxy to vote in favour of the Proposal. The Proposal provides for payments on a pro rata basis of Convenience Creditor Claims up to a maximum aggregate amount of \$25,000.
3. On the Proposal Implementation Date, in exchange for the release of each Released Claim, a Convenience Creditor shall receive its Convenience Creditor Consideration.

4.5 Proposal Conditions

1. The Proposal is conditional upon, among other things:
 - a) approval of the Proposal by the statutory majority of the creditors as required under the BIA (described in Section 4.7 below);
 - b) the Approval Order being issued in a form and substance satisfactory to the Company and the Majority Initial Consenting Debentureholders;
 - c) the Proposal Implementation Date occurring on or before December 31, 2020, or such later date as may be agreed to by the Majority Initial Consenting Debentureholders;
 - d) payment in full of all reasonable documented fees and expenses of the Debenture Trustee;
 - e) subject to the maintenance of a minimum cash balance, the Company shall have used its best efforts to pay the fees and expenses of the Consenting Debentureholder Advisor⁸ and the Other Debentureholder Advisors in full in cash, on the terms set out in Section 6.02 (h) and (i) of the Proposal;
 - f) the Company’s shares shall continue to be listed on a Canadian securities exchange acceptable to the Majority Initial Consenting Debentureholders;
 - g) the Support Agreement shall not have been terminated by the Majority Initial Consenting Debentureholders; and
 - h) the Company shall have delivered a certificate to the Proposal Trustee that the conditions precedent to the Implementation of the Proposal have been satisfied or waived (the “Implementation Certificate”).

⁸ Being Bennett Jones LLP, in its capacity as legal counsel to the Consenting Debentureholders.

2. Upon written confirmation of receipt by the Proposal Trustee of the Implementation Certificate, the Implementation of the Proposal shall have been deemed to have occurred.
3. Should any of the above conditions not be met and/or be waived, the Proposal will not be implemented by the Company.
4. If the Proposal is not accepted by the creditors at the Creditors' Meeting, the Company would be deemed to have made an assignment in bankruptcy in accordance with the provisions of the BIA.

4.6 Other Proposal Terms

1. Upon Implementation, the Affected Creditors will be deemed to have released and discharged all claims that arose prior to the Proposal Implementation Date against the Released Parties, being the Company, each affiliate and subsidiary, the Consenting Debentureholders, the Proposal Trustee, and each of their former and current officers, directors, principals, members, affiliates, limited partners, general partners, managed accounts or funds, fund advisors, employees, financial and other advisors, legal counsel, including legal counsel to the Special Committee and agents, each in their capacity as such.
2. Pursuant to Section 147 of the BIA, distributions of New Secured Notes, New Common Shares and other payments under the Proposal are subject to a levy payable to the Superintendent of Bankruptcy (the "Levy")⁹.
3. All Administrative Fees and Expenses will be paid in cash by the Company on the Proposal Implementation Date.
4. Upon Implementation, all Equity Claims shall, and shall be deemed to be, irrevocably and finally extinguished and all Existing Equityholders shall have no further right, title or interest in and to their respective Equity Claims.
5. The Proposal Trustee shall be entitled to apply for its discharge upon the Company making the Distributions and paying any other amounts provided for in the Proposal.
6. The Company shall continue to pay in the ordinary course of business the following amounts prior to and after the Court Approval Date:
 - a) all Persons who advance monies, or provide goods and services to the Company after the Filing Date;
 - b) any outstanding or current source deductions, and other amounts payable pursuant to Section 60(1.2) of the BIA; and

⁹ The rate of the Levy is 5% of the first \$1 million of distributions and 1.25% of the second \$1 million. No Levy is payable on amounts in excess of \$2 million. The Levy is paid in the same form of consideration as distributions under the Proposal.

- c) any outstanding or current goods and services tax, and all amounts owing on account of provincial sales tax.

4.7 Acceptance and Approval of the Proposal

1. In order for the Proposal to be accepted, two-thirds in dollar value and over 50% in number of the Affected Creditors present and voting, in person or by proxy, must vote in favour of the Proposal.
2. Rejection of the Proposal by the creditors would result in the Company being deemed to have made an assignment in bankruptcy.
3. Upon being accepted by creditors, the Proposal must be approved by the Court. If the Court fails to approve the Proposal, the Company is deemed to have made an assignment in bankruptcy.

5.0 Support Agreement¹⁰

1. Pursuant to the Support Agreement, the Consenting Debentureholders, being the Convertible Debentureholders that executed and remain subject to the Support Agreement or Debentureholders who have executed the Joinder Agreement (thereby becoming a party to the Support Agreement) agreed to vote all of their Relevant Debt in favour of the approval, consent, ratification and adoption of the Proposal. A copy of the Support Agreement is provided in Appendix "K".
2. The Support Agreement was made following diligence performed by the Consenting Debentureholders and in reliance on numerous representations and warranties made by the Company as detailed in Section 3 of the Support Agreement, including in respect of its historical financial statements, tax information and Material Contracts.
3. As of the date of this Report, the Consenting Debentureholders represent approximately \$15.9 million in value or approximately 45% of the total Convertible Debentures.
4. The Support Agreement is subject to several milestones which may be waived by the Company and the Majority Initial Consenting Debentureholders, including the following:
 - i. filing the Proposal by no later than November 24, 2020;¹¹
 - ii. obtaining approval of the Proposal by creditors entitled to vote on the Proposal by no later than December 15, 2020;
 - iii. subject to Court availability, the Proposal shall have been approved by the Court by no later than December 23, 2020; and
 - iv. subject to completion of (iii) above, the Proposal shall have been implemented on or prior to the Outside Date, being December 31, 2020.

¹⁰ Defined terms in this section of the Report have the meanings provided to them in the Support Agreement.

¹¹ The Proposal was filed on November 23, 2020.

6.0 Preferences and Transfers at Undervalue

1. As part of its statutory duties under the BIA, the Proposal Trustee conducted a review of the Company's bank statements and cancelled cheques for the twelve-month period (the "Review Period") immediately preceding the commencement of the Proposal proceeding to identify transactions that could be considered preferences or transfers at undervalue. The focus of the Review Period was transactions above \$25,000.
2. The Proposal Trustee's review did not identify any transaction that could be considered a preference or transfer at undervalue.
3. As discussed in Section 4.6 above, the Proposal provides for releases against the Released Parties. The implications of this provision are that to the extent that there are potentially reversible or reviewable transactions as defined by bankruptcy legislation, such transactions could not be pursued against the Released Parties (as defined in the Proposal) to the extent that they were party to such transactions. As no such transactions were identified as a result of the Proposal Trustee's review, there is no prejudice to creditors in providing the release as it relates to these transactions.
4. The Proposal Trustee is not aware of any other causes of actions against the Released Parties. Accordingly, the Proposal Trustee is not aware of any prejudice to creditors resulting from the releases.

7.0 Estimated Distribution in the Event of a Bankruptcy

1. A summary of the book value¹² and estimated realizable value of the Company's assets in a bankruptcy is included in the table below:

(\$000s)	As at November 22, 2020	
Assets	Book Value	Estimated Realizable Value
	1	
Cash	832	832
HST refund	56	56
Intercompany receivables	2 16,911	10,667
Prepays and deposits	3 310	Nil
Total current assets	18,109	11,555
Fixed assets		
Trade fixtures	4 62	Nil
Furniture	4 30	Nil
Computers and office equipment	4 12	Nil
Storage containers	5 587	350
	691	350
Total Assets before costs of realization	18,800	11,905
Creditor claims		36,617
Estimated recovery		33¢

¹² The book value of the assets is based on the values in the Statement of Affairs sworn on November 22, 2020 by a representative of the Company.

Notes

1 – Unless otherwise noted, the book value is assumed to equal the estimated realizable value.

2 – The Company's primary asset is its intercompany receivables which have a book value of approximately \$16.9 million. The receivables are comprised of the following:

- Perpetual (\$1 million), representing direct advances from the Company to Perpetual for working capital purposes. The Company estimates this amount is fully recoverable;
- Nabis AZ (\$9.4 million), representing advances by the Company to fund the transaction resulting in the Perpetual Management Agreement. The Company estimates this amount is fully recoverable; however, this recovery would follow repayment of the Vendor Note;
- Nabis Washington (\$425,000), representing advances by the Company to fund the purchase of the Washington Assets. The Company estimates that approximately \$164,000 is recoverable based on a transaction presently being negotiated; and
- Other Subsidiaries (\$5.8 million, in aggregate). As the Subsidiaries (other than Nabis AZ) have no assets and are not operating, the recovery from them is assumed to be nil.

3 – Represents retainers paid to the Company's legal and financial advisors as well as prepaid rent and a sundry deposit. For the purposes of this analysis, it is assumed that the professionals will have applied unpaid fees against these retainers and accordingly, no amounts will be collectible from these parties.

4 – Represents leasehold improvements at the Company's head office located in Toronto, as well as office furniture and equipment. These are assumed to have no value.

5 – Represents seven storage containers that the Company purchased and subsequently converted for the purpose of growing and storing cannabis. The Company estimates that the realizable value of each storage container is \$50,000.

2. As reflected in the table above, the estimated gross realizable value of the assets in a bankruptcy is approximately \$11.9 million, before costs of realization (selling and other professional costs). This represents an estimated recovery of up to 33¢ on the dollar, before attributing any residual value, if any, in the Company's equity interest in Nabis AZ and costs of realization, including professional fees.

7.1 Reasons to Support the Proposal

1. It is the Proposal Trustee's view that there is greater value to the Company's creditors in the Proposal versus a bankruptcy for the following reasons:
 - a) Nabis AZ is the Company's only operating Subsidiary. As a result of the recent regulatory changes in Arizona which legalized the recreational use of cannabis, Nabis AZ may have considerable value that is best realized through a continuation of the business and operations of Nabis AZ. If creditors vote against the Proposal or if the Court does not approve it, the Company will immediately be deemed to have made an assignment in bankruptcy and a Licensed Insolvency Trustee ("Trustee") will be appointed.
 - b) In the event of a bankruptcy, the equity interest in Nabis AZ is likely to be monetized in short order by the Trustee. A sale by the Trustee is likely to be on an expedited basis as directed by the inspectors appointed in the bankruptcy estate (a Trustee is statutorily obligated to take instructions from these parties). A bankruptcy would remove control of the business from the Company's management, whereas acceptance of the Proposal will allow the Company to undertake value maximization initiatives on an orderly basis under the control of the board of directors to be appointed pursuant to the terms of the Proposal and the Support Agreement.
 - c) In addition to the likely forced sale of the equity interest in Nabis AZ in a bankruptcy, a bankruptcy would eliminate the value of the Tax Losses, which could otherwise be used to shelter any future income or capital gains earned by the Company (to the extent permissible), and may also be an asset which is attractive to a purchaser of the Company. Additionally, the Company would lose the ability to use the Company's public listing to raise any further capital that the Company may require to grow or fund its business, as well as the public listing itself, which may have considerable value.
 - d) Approval of the Proposal will result in new management and a new Board of Directors being appointed. These individuals will have the opportunity to consider the best options to maximize the value of the Company's business, including the Nabis AZ business. The opportunity to consider multiple realization avenues for the benefit of the Company's creditors only exists in a Proposal. In a bankruptcy, those opportunities are lost and liquidation of the Nabis AZ interest is likely.
 - e) A liquidation of the Company in a bankruptcy is the floor for recoveries in this proceeding, and the identical value could be realized if the Company is restructured through the Proposal process. However, approval of the Proposal provides creditors with significant upside, including the opportunity to grow and/or realize on the assets of the Company on an orderly basis over time, plus the opportunity to take advantage of the Tax Losses and the public listing.

8.0 Conclusion and Recommendation

1. For the reasons noted in Section 7 above, the Company and the Special Committee recommend that creditors vote in favour of the Proposal. The Proposal Trustee is also strongly of the view that approval of the Proposal is likely to result in a superior result for creditors than a bankruptcy of the Company and that creditors should vote to accept the Proposal.
2. If the Proposal is accepted by the Affected Creditors at the Meeting, the Proposal Trustee will seek the Court's approval at 10:00 a.m. on December 21, 2020.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE OF
NABIS HOLDINGS INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

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

**IN THE MATTER OF THE PROPOSAL OF NABIS HOLDINGS INC.
PURSUANT TO THE *BANKRUPTCY AND INSOLVENCY ACT***

PROPOSAL

WHEREAS, upon delivery hereof, Nabis Holdings Inc. ("**Nabis**" or the "**Company**") has initiated proceedings under the *Bankruptcy and Insolvency Act* (Canada) R.S.C. 1985, B-3 as amended (the "**BIA**"), pursuant to Section 50(1) thereof;

NOW THEREFORE the Company hereby submits the following proposal under the BIA to its creditors (the "**Proposal**").

**ARTICLE I
DEFINITIONS**

1.01 Definitions

In this Proposal:

"**Administrative Fees and Expenses**" means the fees, expenses and disbursements incurred by or on behalf of the Proposal Trustee, the solicitors for the Proposal Trustee, the solicitors of the Company and the solicitors to the special committee of the board of the Company both before and after the filing by the Company of the Proposal, relating to this Proposal;

"**Affected Creditor Claim**" means a Proven Claim, other than an Unaffected Claim;

"**Affected Creditor Pro Rata Share**" means, in respect of an Affected Creditor, (i) the face value of the Affected Creditor Claim held by that Affected Creditor as at the Record Date, divided by (ii) the aggregate principal amount of all Affected Creditor Claims as at the Record Date;

"**Affected Creditors**" means all Persons having Affected Creditor Claims, but only with respect to and to the extent of such Affected Creditor Claims;

"**Affected Creditors Class**" means the class consisting of the Affected Creditors established under and for the purposes of this Proposal, including voting in respect thereof;

"**Approval Order**" means an order of the Court approving this Proposal;

"**BIA**" has the meaning ascribed to it in the recitals;

"**BIA Proceeding**" means the proceeding commenced by the Company under the BIA;

"Business Day" means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;

"CDS" means CDS Clearing and Depository Services Inc. and its successors and assigns;

"Claim" means any right or claim of any Person against the Company in connection with any indebtedness, liability, or obligation of any kind whatsoever in existence on the Filing Date (or which has arisen after the Filing Date as a result of the termination or repudiation by the Company on or after the Filing Date of any lease or executory contract), and any interest accrued thereon to and including the Filing Date and costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not such indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against the Company with respect to any matter, cause or chose in action, but subject to any counterclaim, set-off or right of compensation in favour of the Company which may exist, whether existing at present or commenced in the future, which indebtedness, liability or obligation (A) is based in whole or in part on facts that existed prior to the Filing Date, (B) relates to a period of time prior to the Filing Date, or (C) is a right or claim of any kind that would be a claim provable in bankruptcy within the meaning of the BIA;

"Common Shares" means common shares in the capital of Nabis;

"Company" has the meaning ascribed to it in the recitals;

"Conditions Precedent" shall have the meaning given to such term in section 6.02 hereof;

"Consenting Debentureholder" means the Debentureholders party to the Debentureholder Support Agreement at the applicable time;

"Consenting Debentureholder Advisor" means Bennett Jones LLP, in its capacity as legal counsel to the Consenting Debentureholders;

"Convenience Creditor" means an Affected Creditor with a Convenience Creditor Claim, provided that a Debentureholder may not be a Convenience Creditor;

"Convenience Creditor Claim" means (a) any Proven Claims of an Affected Creditor in an amount less than or equal to \$500.00, and (b) any Proven Claim of an Affected Creditor in an amount greater than \$500.00 if the relevant Creditor has made a valid election for the purposes of this Proposal in accordance with this Proposal prior to the Convenience Creditor Election Deadline;

"Convenience Creditor Consideration" has the meaning ascribed to it in section 3.04 hereof;

"Convenience Creditor Election Deadline" means 5:00 p.m. (Toronto time) on December 11, 2020;

"Convenience Creditor Election Form" means the form, substantially in the form attached hereto as Schedule "B", pursuant to which an Affected Creditor that is not a Convenience Creditor may elect to be treated as a Convenience Creditor, in accordance with Section 3.04 herein;

"Convertible Debentures" means the 8.00% convertible debentures due 2022 issued by Nabis pursuant to the Debenture Indenture;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"Court Approval Date" means the date upon which the Court makes the Approval Order;

"Creditors' Meeting" means the meeting of the Affected Creditors called for the purpose of considering and voting upon the Proposal;

"Creditors' Meeting Date" means such date and time for the Creditors' Meeting as may be called by the Proposal Trustee, but in any event shall be no later than twenty-one (21) days following the filing of this Proposal with the Official Receiver;

"Debentureholder" means a holder of the Convertible Debentures as of the Record Date;

"Debentureholder Claim" means all outstanding liabilities, duties and obligations, including without limitation principal and interest, any make whole payment, any prepayment, redemption or similar premiums, reimbursement obligations, fees, penalties, damages, guarantees, indemnities, costs, expenses or otherwise, and any other liabilities, duties or obligations, whether direct or indirect, absolute or contingent, known or unknown, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the Debenture Documents, owing by any Person (whether as issuer, guarantor or otherwise) as at the Plan Implementation Date;

"Debenture Documents" means (i) the Debenture Indenture, (ii) the Convertible Debentures, and (iii) all documentation relating to the foregoing.

"Debenture Indenture" means indenture dated as of March 26, 2019 among Nabis, as issuer, and the Debenture Trustee, pursuant to which the Convertible Debentures are governed, as amended, modified or supplemented from time to time;

"Debenture Trustee" means Odyssey Trust Company, in its capacity as trustee in respect of the Convertible Debentures;

"Debentureholder Support Agreement" means the support agreement (including all schedules thereto) among Nabis and the Debentureholders party thereto dated as of November 23, 2020, as it may be amended, modified and/or supplemented from time to time;

"**Disputed Claim**" means any Affected Creditor Claim which has not been finally resolved as a Proven Claim in accordance with the BIA as at the Proposal Implementation Date;

"**Distributions**" means the distributions to Affected Creditors contemplated by Section 2.02;

"**Effective Time**" means 12:00 p.m. (Toronto time) on the Proposal Implementation Date;

"**Equity Claim**" has the meaning ascribed to it in Section 2 of the BIA;

"**Existing Equity**" means the Common Shares, preferred shares, warrants (including the Warrants), stock options and any other similar equity-type securities in the capital of the Company;

"**Existing Equityholders**" means the holders of the Existing Equity immediately prior to the Effective Time;

"**Filing Date**" means November 23, 2020, being the date upon which this Proposal was filed by the Company with the Official Receiver;

"**Governmental Authority**" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"**Guarantors**" means, collectively, Nabis (CAN) Holdings Corp., Nabis Technologies Corp., and all other present and future direct and indirect subsidiaries of Nabis;

"**Implementation**" means the completion and implementation of the transactions contemplated by this Proposal;

"**Implementation Certificate**" has the meaning ascribed to it in Section 6.02(k);

"**Intermediary**" means a broker, custodian, investment dealer, nominee, bank, trust company or other intermediary;

"**Nabis**" has the meaning ascribed thereto in the recitals;

"**New Common Shares**" means 3,700,000 of newly-issued Common Shares issued on the Proposal Implementation Date pursuant to this Proposal, which will represent 100% of the aggregate Common Shares issued and outstanding immediately following the implementation of this Proposal;

"**New Directors**" means such individuals to be appointed to the board of directors of Nabis on the Proposal Implementation Date as determined by the Consenting Debentureholders;

"New Secured Notes" means new first lien secured notes in aggregate amount of \$23,000,000 due 2022 to be issued by Nabis on the Proposal Implementation Date substantially on the terms set out in Schedule A hereto, including (i) a maturity date of two years from the date of issuance, (ii) quarterly interest payments on February 15, May 15, August 15 and November 15 at an annual interest rate of 5.3%; (iii) a first-ranking security interest in all assets of Nabis and the Guarantors, and (iv) such other terms and conditions as agreed to by Nabis and the Consenting Debentureholders, each acting reasonably;

"New Secured Notes Indenture" means the indenture to be entered into among Nabis, as issuer, and the New Secured Notes Trustee, substantially on the terms set out in Schedule A hereto (or such other terms and conditions as agreed to by Nabis and the Consenting Debentureholders, each acting reasonably), pursuant to which the New Secured Notes will be governed;

"New Secured Notes Trustee" means Odyssey Trust Company, or such indenture trustee as may be appointed in respect of the New Secured Notes with the consent of the Consenting Debentureholders;

"Official Receiver" shall have the meaning ascribed thereto in the BIA;

"Other Debentureholder Advisors" means, collectively, Groia & Company LLP, Dickinson Wright LLP, Conant Law Firm, PLC, Langstaff & Company Ltd., Torkin Manes LLP and such other advisors as were engaged by Caravel Capital Investments Inc. in connection with the Debentures;

"Participant Holder" has the meaning ascribed to it in Section 3.04 herein;

"Person" means any individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority and a natural person in such person's capacity as trustee, executor, administrator or other legal representative;

"Preferred Claim" means a Claim enumerated in Section 136(1) of the BIA;

"Preferred Creditor" means the Person holding a Preferred Claim, with respect to and to the extent of such Preferred Claim;

"Proposal" means this Proposal of the Company, and any amendments, modifications and/or supplements hereto made in accordance with the terms hereof;

"Proposal Implementation Date" means the date on which Implementation occurs;

"Proposal Resolution" means the resolution to be considered at the Creditors' Meeting authorizing, adopting and approving, with or without variation, the Proposal;

"Proposal Trustee" means KSV Restructuring Inc. in its capacity as trustee in respect of this Proposal, or its duly appointed successor;

"Proposal Trustee's Website" means the following website: www.ksvadvisory.com/insolvency-cases/case/nabis-holdings;

"Proven Claim" means in respect of a creditor, the amount of a Claim as finally determined in accordance with the provisions of the BIA;

"Record Date" means 5:00 p.m. on the date that is five (5) Business Days prior to the Proposal Implementation Date;

"Released Claims" means, collectively, the matters that are subject to release and discharge pursuant to Section 5.01;

"Released Parties" means, collectively, (i) the Company, (ii) each affiliate or subsidiary of the Company; (iii) the Consenting Debentureholders, (iv) the Proposal Trustee, and (v) each of the foregoing Persons' respective former and current officers, directors, principals, members, affiliates, limited partners, general partners, managed accounts or funds, fund advisors, employees, financial and other advisors, legal counsel, including legal counsel to the special committee of the Company's board and agents, each in their capacity as such;

"Required Majority" means an affirmative vote of a majority in number and two-thirds in value of all Proven Claims in the Affected Creditors Class entitled to vote, who are present and voting at the Creditors' Meeting (whether online, in-person, by proxy or by voting letter) in accordance with the voting procedures established by this Proposal and the BIA;

"Superintendent's Levy" means the levy payable to the Superintendent of Bankruptcy pursuant to sections 60(4) and 147 of the BIA;

"Unaffected Claim" means:

- (a) the Administrative Fees and Expenses; and
- (b) such other Claims as the Company and Consenting Debentureholders may agree with the consent of the Proposal Trustee;

"Unaffected Creditor" means a creditor holding an Unaffected Claim, with respect to and to the extent of such Unaffected Claim;

"Undeliverable Distributions" means distributions to Proven Creditors that are returned as undeliverable;

"Warrants" means warrants to acquire common shares of the Company issued pursuant to a warrant indenture dated March 26, 2019.

1.02 Date for Any Action

In the event that any date on which any action is required to be taken under this Proposal by any of the parties is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day.

1.03 Time

All times expressed in this Proposal are local time in Toronto, Ontario, Canada unless otherwise stipulated. Time is of the essence in this Proposal.

1.04 Statutory References

Except as otherwise provided herein, any reference in this Proposal to a statute includes all regulations made thereunder, all amendments to such statute or regulation(s) in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulation(s).

1.05 Successors and Assigns

The Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors, and assigns of any Person named or referred to in the Proposal.

1.06 Currency

Unless otherwise stated herein, all references to currency and to "\$" in the Proposal are to lawful money of Canada.

1.07 Articles of Reference

The terms "hereof", "hereunder", "herein" and similar expressions refer to the Proposal and not to any particular article, section, subsection, clause or paragraph of the Proposal and include any agreements supplemental hereto. In the Proposal, a reference to an article, section, subsection, clause or paragraph will, unless otherwise stated, refer to an article, section, subsection, clause or paragraph of the Proposal.

1.08 Interpretation Not Affected by Headings

The division of the Proposal into articles, sections, subsections, clauses or paragraphs and the insertion of a table of contents and headings are for convenience of reference only and will not affect the construction or interpretation of this Proposal.

1.09 Numbers

In this Proposal, where the context requires, a word importing the singular number will include the plural and *vice versa* and a word or words importing gender will include all genders.

ARTICLE II
CLASSIFICATION AND TREATMENT OF AFFECTED PARTIES

2.01 Classes of Creditors

For the purposes of voting on the Proposal, there will only be one class of creditors, being the Affected Creditors Class. For the purposes of voting on the Proposal, each Convenience Creditor shall be deemed to be in and shall be deemed to vote in and as part of, the Affected Creditors Class.

2.02 Treatment of Affected Creditors

- (a) On the Proposal Implementation Date, and in accordance with the times, steps and in the sequence set forth in Section 4.03, each Affected Creditor shall receive either:
 - (i) its Affected Creditor Pro Rata Share of the New Secured Notes and the New Common Shares or
 - (ii) its Convenience Creditor Consideration, as applicable.

- (b) On the Proposal Implementation Date, each Affected Creditor Claim shall, and shall be deemed to have been irrevocably and finally extinguished, discharged and released, and each Affected Creditor shall have no further right, title or interest in or to its Affected Creditor Claim. For greater certainty, the Convertible Debentures shall be cancelled and terminated pursuant to this Proposal.

2.03 Existing Equityholders and Holders of Equity Claims

Existing Equityholders and holders of Equity Claims shall not be entitled to vote in respect of their Existing Equity and/or Equity Claims at the Creditors Meeting and shall not receive any distribution under this Proposal on account of their Existing Equity or Equity Claims. All Existing Equity and Equity Claims shall be fully, finally and irrevocably and forever compromised, released, discharged, cancelled, extinguished and barred for no consideration on the Proposal Implementation Date in accordance with Section 4.03(b)(iii) and (iv).

2.04 Superintendent's Levy

All New Secured Notes and New Common Shares to be distributed under this Proposal shall be delivered by the Company to the Proposal Trustee for distribution by the Proposal Trustee in accordance with this Proposal and, notwithstanding any other provisions hereunder, any distributions made pursuant to the terms hereof shall be made net of the Superintendent's Levy required to be made pursuant to the BIA, such Superintendent's Levy to be paid in New Secured Notes and New Common Shares.

2.05 Delivery of New Common Shares

After the Proposal Implementation Date, each Affected Creditor shall be entitled to receive direct registration statement advices evidencing the New Common Shares, or certificated New Common Shares which have been issued to such Affected Creditor, in the amounts provided for in Section 2.02.

2.06 Application of Proposal Distributions

All amounts paid or payable hereunder on account of the Affected Creditor Claims (including, for greater certainty, any securities received hereunder) shall be applied as follows: (i) first, in respect of the principal amount of the Affected Creditor Claim, and (ii) second, in respect of the accrued but unpaid interest on the Affected Creditor Claim.

2.07 No Liability in respect of Deliveries

- (a) None of the Company, nor its directors or officers, shall have any liability or obligation in respect of any deliveries, directly or indirectly, from, as applicable, (i) the Proposal Trustee, (ii) the New Secured Notes Trustee, (iii) CDS, or (iv) the Intermediaries, in each case to the ultimate beneficial recipients of any consideration payable or deliverable by the Company pursuant to this Proposal.
- (b) The Proposal Trustee shall not incur, and is hereby released from, any liability as a result of carrying out any provisions of this Proposal and any actions related or incidental thereto, save and except for any gross negligence or willful misconduct on its part (as determined by a final, non-appealable judgment of the Court).
- (c) On the Proposal Implementation Date, after the completion of the transactions set forth in Section 4.03, all duties and responsibilities of the Debenture Trustee arising under or related to the Convertible Debentures shall be discharged except to the extent required in order to effectuate distributions under this Proposal.

2.08 Full Satisfaction of All Affected Creditor Claims

All Affected Creditors shall accept the consideration set out in Section 2.02 hereof in full and complete satisfaction of their Affected Creditor Claims, and all liens, certificates of pending litigation, executions, or other similar charges or actions or proceedings in respect of such Affected Creditor Claims will have no effect in law or in equity against the property, assets and undertaking of the Company. Upon the implementation of the Proposal, any and all such registered liens, certificates of pending litigation, executions or other similar charges or actions brought, made or claimed by Affected Creditors will be and will be deemed to have been discharged, dismissed or vacated without cost to the Company and the Company will be released from any and all Affected Creditor Claims of Affected Creditors, subject only to the right of Affected Creditors to receive Distributions as and when made pursuant to this Proposal.

2.09 Undeliverable Distributions

Undeliverable Distributions shall be dealt with and treated in the manner provided for the in the BIA and the directives promulgated pursuant thereto.

ARTICLE III
MEETING OF AFFECTED CREDITORS

3.01 Meeting of Affected Creditors

On the Creditors' Meeting Date, the Company shall hold the Creditors' Meeting in order for the Affected Creditors to consider and vote upon the Proposal Resolution.

3.02 Time and Means of Creditors' Meeting

The Creditors' Meeting shall take place at 10 a.m. (Toronto time) on December 14, 2020. Due to COVID-19, the Creditors' Meeting shall be held online at the following website: <https://us02web.zoom.us/j/82452022771?pwd=UUFPaUFqV1o1a0sxc0thWVI4SVNtZz09>.

3.03 Quorum and Conduct of Creditors' Meeting

A quorum shall be constituted for the Creditors' Meeting or any adjournment thereof if there is one Affected Creditor, entitled to vote, present in person (virtually) or by proxy, or if one Affected Creditor, entitled to vote, has submitted a voting letter in accordance with the provisions of the BIA and this Proposal. If the requisite quorum is not present at the Creditors' Meeting or if the Creditors' Meeting has to be postponed for any reason, then the Creditors' Meeting shall be adjourned by the Proposal Trustee to such date, time and place or online meeting platform as determined by the Proposal Trustee. For greater certainty, the Creditors' Meeting may be adjourned one or more times.

3.04 Voting at the Meeting

In order to vote on the Proposal, each beneficial Debentureholder will be required to submit a completed proxy and voting letter which must be received by the Proposal Trustee by no later than 5:00 p.m. (Toronto time) on the day that is one Business Day prior to the Creditors' Meeting.

Holders or custodians ("**Participant Holders**") of Convertible Debentures on behalf of beneficial Debentureholders will be provided with Proposal materials for distribution to their corresponding beneficial Debentureholders. The Proposal Trustee will require that Participant Holders complete and sign the applicable part of the voting and proxy letter for Debentureholders and to transmit it along with the other Proposal materials to each applicable beneficial Debentureholder. The beneficial Debentureholder will be responsible to complete the balance of the proxy and voting letter and submit it directly to the Proposal Trustee. Each beneficial Debentureholder will be entitled to a single vote at the Creditors' Meeting in the full amount of its Debentureholder Claim.

Each Affected Creditor other than a Debentureholder in respect of its Debentureholder Claim will be required to submit a proof of claim to the Proposal Trustee. Each Affected Creditor other than a Debentureholder in respect of its Debentureholder Claim shall be entitled to a single vote valued in the full amount of its Proven Claim. In order to vote at the Creditors' Meeting, the proof of claim must be submitted to the Proposal Trustee no later than 5:00 p.m. (Toronto time) on the day that is one (1) Business Day prior to the commencement of the Creditors' Meeting.

The only Persons entitled to attend and speak at the Creditors' Meeting are representatives of the Company and the Consenting Debentureholders and their respective legal counsel and advisors, the Proposal Trustee and its legal counsel and advisors, and all other Persons entitled to vote at the Creditors' Meeting and their respective legal counsel and advisors. Any other Person may be admitted to the Creditors' Meeting on invitation of the Proposal Trustee.

The provisions of section 135 of the BIA will apply to all Proofs of Claim submitted by Affected Creditors, including in respect of Disputed Claims. In the event that a duly submitted Proof of Claim has been disallowed by the Proposal Trustee, and such disallowance has been disputed by the applicable Affected Creditor in accordance with Section 135(4) of the BIA, then the dollar value for voting purposes at the Creditors' Meeting shall be the dollar amount of such disputed claim set out in the Proof of Claim submitted by such Affected Creditor, without prejudice to the determination of the dollar value of such Affected Creditor's disputed claim for distribution purposes.

Notwithstanding the foregoing, each Convenience Creditor with a Proven Claim of \$500.00 or less is irrevocably deemed to have voted the full amount of its Proven Claims in favour of the approval of the Proposal without requirement for such Convenience Creditor to file a proxy to vote in favour of the Proposal, in consideration for the Proposal providing for the full payment of their Proven Claim. An Affected Creditor with a Proven Claim in excess of \$500.00 that wishes to be treated as a Convenience Creditor under the Proposal must deliver a duly completed and executed Convenience Creditor Election Form to the Proposal Trustee by no later than the Convenience Creditor Election Deadline, and upon doing so such Affected Creditor: (i) is irrevocably deemed to have voted the full amount of its Proven Claim in favour of the Proposal as a member of the Affected Creditors Class; and (ii) shall be treated as a Convenience Creditor for all purposes and shall receive the lesser of (x) \$500.00, and (y) the amount of its Proven Claim, up to a maximum aggregate amount of \$25,000.00 (either (x) or (y), being the applicable “**Convenience Creditor Consideration**”).

3.05 Approval by Affected Creditors

In order to be approved, this Proposal must receive the affirmative votes of the Required Majority.

3.06 Modification to Proposal

Subject to the consent of the Proposal Trustee and the terms of the Debentureholder Support Agreement, the Company reserves the right at any time prior to the Creditors' Meeting to file any modification of, amendment or supplement to the Proposal by way of supplementary proposal. Any such amended or supplementary proposal shall forthwith be posted on the Proposal Trustee's Website and filed with the Official Receiver as soon as practicable, in which case any such amended or supplementary proposal or proposals shall, for all purposes, be and be deemed to be a part of and incorporated in to this Proposal. At the Creditors' Meeting, the Company and/or the Proposal Trustee shall provide all Affected Creditors in attendance with details of any modifications or amendments prior to the vote being taken to approve the Proposal. Subject to the provisions of the BIA, after the Creditors' Meeting (and both prior to and subsequent to the Approval Order) and subject to the consent of the Proposal Trustee and the terms of the

Debentureholder Support Agreement, the Company may at any time and from time to time vary, amend, modify or supplement the Proposal.

ARTICLE IV **IMPLEMENTATION**

4.01 Corporate Authorizations

The adoption, execution, delivery, implementation and consummation of all matters contemplated under this Proposal involving corporate action of the Company will occur and be effective as of the Proposal Implementation Date (or such other date as may be expressly set forth in this Proposal or as the Company and the Consenting Debentureholders may agree, each acting reasonably), and will be authorized and approved under this Proposal and by the Court, where appropriate, as part of the Approval Order, in all respects and for all purposes without any requirement of further action by shareholders, directors or officers of the Company. All necessary approvals to take actions shall be deemed to have been obtained from the directors or the shareholders of the Company, as applicable.

4.02 Fractional Interests

- (a) No fractional New Common Shares shall be issued under this Proposal, and fractional share interests shall not entitle the owner thereof to any rights of a holder of New Common Shares. Any legal, equitable, contractual or any other rights or claims (whether actual or contingent, and whether or not previously asserted) of any Person with respect to fractional New Common Shares pursuant to this Proposal shall be rounded down to the nearest whole number of Common Shares without compensation therefor.
- (b) The New Secured Notes issued pursuant to this Proposal shall each be issued in minimum increments of \$1.00, and the amount of New Secured Notes that each Affected Creditor shall be entitled to under this Proposal shall in each case be rounded down to the nearest multiple of \$1.00 without compensation therefor.

4.03 Proposal Implementation Date Transactions

Commencing at the Effective Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected, in the following order in five minute increments (unless otherwise indicated) and at the times and in the order set out in this Section 4.03 (or in such other manner or order or at such other time or times as the Company and the Consenting Debentureholders may agree, each acting reasonably), without any further act or formality required on the part of any Person, except as may be expressly provided herein:

- (a) The following shall occur concurrently:
 - (i) Nabis and the New Secured Notes Trustee shall enter into the New Secured Notes Indenture together with all related documentation (including

applicable security documentation) as agreed by the Company and the Consenting Debentureholders, each acting reasonably;

- (ii) in full and final settlement of all Affected Creditor Claims:
 - (A) Nabis shall issue and pay to each Affected Creditor (other than Convenience Creditors) such Affected Creditor's Affected Creditor Pro Rata Share of the New Common Shares;
 - (B) Nabis shall issue and pay to each Affected Creditor (other than Convenience Creditors) such Affected Creditor's Affected Creditor Pro Rata Share of the New Secured Notes;
 - (C) Nabis shall pay by cheque to each Convenience Creditor such Convenience Creditor's applicable entitlement in respect of its Proven Claim in accordance with Section 3.04;
- (b) Concurrently with the transactions contemplated by Section 4.03(a):
 - (i) all Affected Creditor Claims (including without limitation all Debentureholder Claims and Convenience Creditor Claims) shall, and shall be deemed to be, irrevocably and finally extinguished and the Affected Creditors shall have no further right, title or interest in and to their respective Affected Creditor Claims;
 - (ii) the Convertible Debentures, the Debenture Indenture, and any and all other Debenture Documents shall be cancelled, provided that the Debenture Indenture shall remain in effect solely to allow the Debenture Trustee to make the distributions set forth in this Proposal;
 - (iii) all Existing Equity shall be cancelled for no consideration; and
 - (iv) all Equity Claims shall, and shall be deemed to be, irrevocably and finally extinguished and all Existing Equityholders shall have no further right, title or interest in and to their respective Equity Claims.

- (c) The releases referred to in Section 5.01 shall become effective.
- (d) Each of the directors of the Company immediately before the Effective Time shall be deemed to have resigned and the New Directors shall be deemed to have been appointed.

ARTICLE V **RELEASES**

5.01 Release of Released Parties

At the applicable time pursuant to Section 4.03, each of the Released Parties shall be released and discharged from all present and future actions, causes of action, damages, judgments, executions, obligations, liabilities and Claims of any kind or nature whatsoever arising on or prior to the Proposal Implementation Date, including without limitation in connection with the Convertible Debentures, the Debenture Indenture, the Debenture Documents, this Proposal and any proceedings commenced with respect to or in connection with this Proposal, the transactions contemplated hereunder, and any other actions or matters related directly or indirectly to the foregoing, provided that nothing in this paragraph shall release or discharge (i) any of the Released Parties from or in respect of their respective obligations under this Proposal, the New Secured Notes or any order or document ancillary to any of the foregoing, or (ii) any Released Party from liabilities or claims which cannot be released pursuant to s. 50(14) of the BIA, as determined by the final, non-appealable judgment of the Court. The foregoing release shall not be construed to prohibit a party in interest from seeking to enforce the terms of this Proposal or any contract or agreement entered into pursuant to, in connection with or contemplated by this Proposal.

5.02 Injunctions

All Persons are permanently and forever barred, estopped, stayed and enjoined, on and after the Proposal Implementation Date, with respect to any and all Released Claims, from (i) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever of any Person against the Released Parties, as applicable; (ii) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, guarantee, decree or order against the Released Parties; (iii) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind against the Released Parties or their property; or (iv) taking any actions to interfere with the implementation or consummation of this Proposal or the transactions contemplated hereunder; provided, however, that the foregoing shall not apply to the enforcement of any obligations under this Proposal or any document, instrument or agreement executed to implement this Proposal.

ARTICLE VI
CONDITIONS PRECEDENT

6.01 Confirmation of Proposal

Provided that the Proposal is approved by the Required Majority, the Proposal Trustee shall apply for the Approval Order no later than five (5) days following the Creditors' Meeting.

6.02 Conditions Precedent

This Proposal will take effect on the Proposal Implementation Date. The Implementation of this Proposal on the Proposal Implementation Date is subject to the satisfaction of the following conditions precedent (collectively, the “**Conditions Precedent**”):

- (a) the Proposal is approved by the Required Majority;
- (b) the Approval Order, in form and substance satisfactory to the Consenting Debentureholders, has been issued, has not been stayed and no appeal therefrom is outstanding;
- (c) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Authority, no application shall have been made to any Governmental Authority, and no action or investigation shall have been announced, threatened or commenced by any Governmental Authority, in consequence or in connection with the Proposal that restrains, impedes or prohibits (or if granted could reasonably be expected to restrain, impede or inhibit), the Proposal or any part thereof or requires or purports to require a variation of the Proposal;
- (d) the Proposal Implementation Date shall occur on or before December 31, 2020 or such later date as may be agreed to by the Consenting Debentureholders;
- (e) payment in full of all reasonable documented fees and expenses of the Debenture Trustee;
- (f) any required resolutions authorizing Nabis to file this Proposal will have been approved by the board of directors of the Company;
- (g) Nabis shall continue to be listed on a Canadian securities exchange acceptable to the Consenting Debentureholders, acting reasonably;
- (h) Nabis shall have used its best efforts to pay all reasonable documented fees and expenses of the Consenting Debentureholder Advisor in full in cash, provided that the Consenting Debentureholder Advisor shall have provided Nabis with invoices for all such fees and expenses at least five (5) Business Days prior to the Proposal Implementation Date, and further provided that Nabis will have a cash balance of at least Cdn. \$350,000 following such payment;

- (i) provided that the payment contemplated by Section 6.02(h) is made in full, the Company shall have used its best efforts to pay the reasonable documented fees and expenses of the Other Debentureholder Advisors in full in cash, up to Cdn. \$400,000 in the aggregate (the "**Other Advisor Closing Cap**"), provided that such Other Debentureholder Advisors shall have provided the Company with invoices for all such fees and expenses at least five (5) Business Day prior to the Proposal Implementation Date, and further provided that Nabis will have a cash balance of at least Cdn. \$350,000 following such payment;
- (j) the Debenture Support Agreement shall not have been terminated by the Consenting Debentureholders; and
- (k) the Company shall have delivered a certificate to the Proposal Trustee that the conditions precedent to the Implementation of the Proposal have been satisfied or waived (the "**Implementation Certificate**").

Upon written confirmation of receipt from the Proposal Trustee of the Implementation Certificate, the Implementation of the Proposal shall have been deemed to have occurred and all actions deemed to occur upon Implementation of the Proposal shall occur without the delivery or execution of any further documentation, agreement or instrument.

ARTICLE VII

EFFECT OF PROPOSAL

7.01 Binding Effect of Proposal

After the issuance of the Approval Order by the Court, subject to satisfaction of the Conditions Precedent, the Proposal shall be implemented by the Company and shall be fully effective and binding on the Company and all Persons affected by the Proposal. Without limitation, the treatment of Affected Creditor Claims under the Proposal shall be final and binding on the Company, the Affected Creditors, and all Persons affected by the Proposal and their respective heirs, executors, administrators, legal representatives, successors, and assigns. For greater certainty, this Proposal shall have no effect upon Unaffected Creditors.

7.02 Amendments to Agreements and Paramountcy of Proposal

Notwithstanding the terms and conditions of all agreements or other arrangements with Affected Creditors entered into before the Filing Date, for so long as an event of default under this Proposal has not occurred, all such agreements or other arrangements will be deemed to be amended to the extent necessary to give effect to all the terms and conditions of this Proposal. In the event of any conflict or inconsistency between the terms of such agreements or arrangements and the terms of this Proposal, the terms of this Proposal will govern and be paramount.

7.03 Deemed Consents and Authorizations of Affected Creditors

At the Effective Time each Affected Creditor shall be deemed to have:

- (a) executed and delivered to the Company all consents, releases, assignments, and waivers, statutory or otherwise, required to implement and carry out this Proposal in its entirety;
- (b) waived any default by the Company in any provision, express or implied, in any agreement or other arrangement, written or oral, existing between such Affected Creditor and the Company that has occurred on or prior to the Proposal Implementation Date; and
- (c) agreed, in the event that there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Affected Creditor and the Company as at the date and time of Court approval of the Proposal (other than those entered into by the Company on, or with effect from, such date and time) and the provisions of this Proposal, that the provisions of this Proposal shall take precedence and priority and the provisions of such agreement or other arrangement shall be amended accordingly.

7.04 Continuing Obligation to Pay

- (a) To the extent Nabis does not pay any or all of the amounts contemplated by Sections 6.02(h) or 6.02(i) because it does not have sufficient cash to do so, any amounts not paid, together with any reasonable documented fees and expenses of the Other Debentureholder Advisors in excess of the Other Advisor Closing Cap, shall continue to be an obligation of Nabis following the Effective Time.
- (b) Amounts payable pursuant to Section 60(1.1) of the BIA, if any, shall continue to be an obligation of Nabis following the Effective Time.

**ARTICLE VIII
ADMINISTRATIVE FEES AND EXPENSES**

8.01 Administrative Fees and Expenses

Administrative Fees and Expenses will be paid in cash by the Company on the Proposal Implementation Date.

**ARTICLE IX
INDEMNIFICATION**

9.01 Indemnification of Proposal Trustee

The Proposal Trustee shall be indemnified in full by the Company for all personal liability arising from fulfilling any duties or exercising any powers or duties conferred upon it by this Proposal or under the BIA, except for any willful misconduct or gross negligence.

ARTICLE X
POST FILING GOODS AND SERVICES

10.01 Payment of Payroll Deductions and Post Filing Claims

The following shall continue to be paid in the ordinary course by the Company prior to and after the Court Approval Date and shall not constitute Distributions or dividends under this Proposal:

- (a) all Persons, who may advance monies, or provide goods or services to the Company after the Filing Date shall be paid by the Company in the ordinary course of business;
- (b) current source deductions and other amounts payable pursuant to Section 60(1.2) of the BIA, if applicable, shall be paid to Her Majesty in Right of Canada in full by the Company as and when due; and
- (c) current goods and services tax (GST), and all amounts owing on account of provincial sales taxes, if applicable, shall be paid in full by the Company as and when due.

ARTICLE XI
TRUSTEE, CERTIFICATE OF COMPLETION, AND DISCHARGE OF TRUSTEE

11.01 Proposal Trustee

KSV Restructuring Inc. shall be the Proposal Trustee pursuant to this Proposal and upon the making of the Distributions and the payment of any other amounts provided for in this Proposal, the Proposal Trustee will be entitled to be discharged from its obligations under the terms of this Proposal. The Proposal Trustee is acting in its capacity as Proposal Trustee under this Proposal, and not in its personal capacity and shall not incur any liabilities or obligations in connection with this Proposal or in respect of the business, liabilities or obligations of the Company, whether existing as at the Filing Date or incurred subsequent thereto.

11.02 Certificate of Completion and Discharge of Proposal Trustee

Upon the Proposal Trustee receiving confirmation in writing from the Company that the transactions contemplated in Section 4.03 have been completed in the order and manner contemplated therein, the terms of the Proposal shall be deemed to be fully performed and the Proposal Trustee shall provide a certificate to the Company and to the Official Receiver pursuant to Section 65.3 of the BIA and the Proposal Trustee shall be entitled to be discharged.

ARTICLE XII
GENERAL

12.01 Valuation

For purposes of proofs of claim for voting and Distributions, all Claims shall be valued as at the Filing Date.

12.02 Governing Law

The Proposal shall be governed by and construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein. Any disputes as to the interpretation or application of the Proposal and all proceedings taken in connection with the Proposal shall be subject to the exclusive jurisdiction of the Court.

Dated at Toronto, this 23rd day of November, 2020.

NABIS HOLDINGS INC.

Per: 

Name: Emmanuel Paul

Title: Chair of the Board of Directors

I have the authority to bind the Corporation.

Schedule A

New Secured Notes Terms	
Issuer:	Nabis Holdings Inc.
Guarantors:	Nabis (CAN) Holdings Corp., Nabis Technologies Corp. and all other present and future direct and indirect subsidiaries of Nabis.
Principal Amount:	CAD\$23 million.
Interest Rate:	5.3%, payable quarterly in arrears.
Maturity:	2 years from the date of issuance.
Change of Control	Company required to make an offer to purchase at 105% of the principal amount plus accrued and unpaid interest.
Collateral:	First-ranking priority in all assets of the Issuer and the Guarantors.
Restrictive Covenants:	<p>Customary restrictive covenants for first-ranking senior secured debt, including:</p> <p>(a) the Nabis Entities may not commit or make any commitment to acquire any shares or material assets unless otherwise agreed by holders of 66.7% of the principal amount of the New Senior Secured Notes; and</p> <p>(b) Nabis may not, in a single transaction or series of transactions, issue equity securities or rights, options or other entitlements to acquire equity securities that in the aggregate would exceed (assuming the exercise or conversion of any convertible securities so issued) more than 20% of the outstanding equity securities of Nabis without the consent holders of 66.7% of the principal amount of the New Senior Secured Notes.</p>
Mandatory Prepayments:	Customary mandatory prepayment provisions for first-ranking senior secured debt, including 100% of the cash proceeds of any sale or disposition of assets (above a threshold to be agreed).
Other Terms:	No payments of principal or interest or otherwise shall be made under the New Senior Secured Notes until all payments

	<p>contemplated by Section 6.02 (h) and (i) have been paid in full.</p> <p>Customary provisions for first-ranking senior secured debt to be agreed to by Nabis and the Required Consenting Debentureholders.</p>
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Schedule B

CONVENIENCE CREDITOR ELECTION FORM

TO: KSV RESTRUCTURING INC., in its capacity as Proposal Trustee of Nabis Holdings Inc. ("Nabis")

In connection with the Proposal of Nabis pursuant to the *Bankruptcy and Insolvency Act* (Canada) dated November 23, 2020 (as amended, restated, modified and/or supplemented from time to time, the "**Proposal**"), the undersigned hereby irrevocably elects to be treated for all purposes under the Proposal as a Convenience Creditor and thereby to receive the lesser of (i) \$500.00, and (ii) the amount of its Proven Claim, provided that the maximum amount available for all Convenience Class Creditors is \$25,000.00 in full and final satisfaction of the Proven Claim(s) of the undersigned, and hereby acknowledges that the undersigned shall be deemed to vote the full amount of its Proven Claim(s) in favour of the Proposal at the Creditors' Meeting.

For the purposes of this election, capitalized terms not defined herein shall have the meanings ascribed thereto in the Proposal.

DATED at _____ this ____ day of _____, 2020.

AFFECTED CREDITOR'S SIGNATURE:

(Print Legal Name of Affected Creditor)

(Print Legal Name of Assignee, if applicable)

(Signature of the Affected Creditor/Assignee or an
Authorized Signing Officer of the Affected
Creditor/Assignee)

(Print Name and Title of Authorized Signing Officer of
the Affected Creditor/Assignee, if applicable)

(Mailing Address of the Affected Creditor/Assignee)

(Telephone Number and E-mail of the Affected
Creditor/Assignee or Authorized Signing Officer of the
Affected Creditor/Assignee)

Appendix “B”



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2691184
Estate No. 31-2691184

In the Matter of the Proposal of:

Nabis Holdings Inc.
Debtor

KSV RESTRUCTURING INC.
Licensed Insolvency Trustee

Date of Proposal:	November 23, 2020	Security:	\$
Meeting of Creditors:	December 14, 2020, 10:00 Meeting to be held by teleconference https://us02web.zoom.us/j/82452022771?pw Passcode: 028122, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF FILING OF A PROPOSAL - Section 62

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that:

- a proposal in respect of the aforementioned debtor was filed under section 62 of the *Bankruptcy and Insolvency Act*.

The aforementioned trustee is required:

- to provide to me, without delay, security in the aforementioned amount; and
- to send to all creditors, at least ten days prior to the meeting, a notice of a meeting of creditors, which will be held at the aforementioned time and place.

Date: November 23, 2020, 16:18

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

Appendix “C”

**IN THE MATTER OF THE PROPOSAL OF NABIS HOLDINGS INC.
PURSUANT TO THE *BANKRUPTCY AND INSOLVENCY ACT***

**INSTRUCTIONS TO HOLDERS OF THE
8.00% CONVERTIBLE DEBENTURES DUE 2022 ISSUED BY NABIS HOLDINGS INC.
FOR COMPLETION OF PROXY AND VOTING LETTER**

This instruction form should be read in conjunction with the proposal and plan of reorganization (as amended, restated, modified and/or supplemented from time to time, the “**Proposal**”) filed by Nabis Holdings Inc. (the “**Company**”) pursuant to the *Bankruptcy and Insolvency Act* (the “**BIA**”), and the accompanying Report of KSV Restructuring Inc., in its capacity as proposal trustee (the “**Proposal Trustee**”), filed pursuant to the BIA. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Proposal.

Each beneficial holder (each a “**Debentureholder**”) of 8.00% convertible debentures due 2022 (the “**Convertible Debentures**”) issued by the Company pursuant to an indenture dated as of March 26, 2019 among the Company, as issuer, and Odyssey Trust Company, as trustee (the “**Debenture Trustee**”), has the right to appoint a person (described herein as a proxy) to attend, act and vote for and on behalf of the Debentureholder at the meeting to consider and vote on the Proposal. The enclosed Proxy and Voting Letter lists as the designated proxy a representative of Bennett Jones LLP, but a Debentureholder may designate a proxy of his/her/its choice by filling out the form where so indicated.

The Proxy and Voting Letter must be signed by the Debentureholder or by a person duly authorized (by power of attorney) to sign on the Debentureholder's behalf or, if the Debentureholder is a corporation, partnership or trust, by a duly authorized officer or attorney of the corporation, partnership or trust.

A Debentureholder must have the form executed by his/her/its respective intermediary and nominee (“**Participant Holder**”) to verify his/her/its holdings of the Convertible Debentures. For greater certainty, Participant Holder includes any entity holding legal title to the Convertible Debentures for the benefit of the beneficial Debentureholder, including any intermediaries, banks or brokers. If you have received this form from your Participant Holder and Section D has not been completed and signed by your Participant Holder, please contact your Participant Holder immediately to arrange for it to be completed and signed.

The total amount of all Debentureholder claims will be determined based on a proof of claim form to be submitted by the Debenture Trustee. Therefore a proof of claim is not required to be submitted by any Debentureholders.

If this instruction form was delivered with a return envelope, the Proxy and Voting Letter should be returned in the envelope provided. The completed form must be sent to:

KSV Restructuring Inc.
150 King Street West, Suite 2308
Toronto, Ontario M5H 1J9
Attention: Murtaza Tallat

ALL PROXY AND VOTING LETTERS MUST BE RECEIVED BY THE PROPOSAL TRUSTEE BY NO LATER THAN 5:00 p.m. (Toronto Time) ON THE DAY THAT IS ONE BUSINESS DAY PRIOR TO THE CREDITORS MEETING.

Copies of documents related to the Proposal are also available from the Proposal Trustee's website (<http://www.ksvadvisory.com/insolvency-cases/case/nabis-holdings>). Any questions with respect to this process can be directed to Murtaza Tallat of KSV Restructuring Inc. at (416) 932-6031 or mtallat@ksvadvisory.com.

**IN THE MATTER OF THE PROPOSAL OF NABIS HOLDINGS INC.
PURSUANT TO THE *BANKRUPTCY AND INSOLVENCY ACT***

**PROXY AND VOTING LETTER FOR HOLDERS OF THE 8.00% CONVERTIBLE
DEBENTURES DUE 2022 ISSUED BY NABIS HOLDINGS INC.**

The undersigned holder (in such capacity, a “**Debentureholder**”) of 8.00% convertible debenture due 2022 (the “**Convertible Debentures**”) issued by the Nabis Holdings Inc. (the “**Company**”) pursuant to an indenture dated as of March 26, 2019 among the Company, as issuer, and Odyssey Trust Company, as trustee hereby revokes all proxies previously given and hereby appoints Sean Zweig of Bennett Jones LLP to be his/her/its proxyholder in the above-noted matter, with the power to appoint another proxyholder in his/her/its place, or instead of the foregoing, appoints _____ of _____ (name of town or city), with the power to appoint another proxyholder in his or her place.

The undersigned Debentureholder hereby requests that the proxyholder record his/her/its vote:

FOR THE ACCEPTANCE OF THE PROPOSAL

AGAINST THE ACCEPTANCE OF THE PROPOSAL

If neither box is marked, a vote in favour of the Proposal will be deemed to have been selected.

A. Amount of Convertible Debentures to be Voted

If the undersigned’s bank or broker has not affixed a label below listing the aggregate principal amount of Convertible Debentures held by the undersigned as of November 23, 2020, the undersigned certifies that he/she/it holds the aggregate principal amount of Convertible Debentures as of November 23, 2020.

Principal (Par) Amount of Convertible Debentures Held: \$ _____

B. Identification

If the undersigned holds Convertible Debentures through one or more intermediaries (each, a “**Participant Holder**”), the list below accurately describes the name of the Participant Holder(s), the undersigned’s account number with the Participant Holder and the principal amount of all Convertible Debentures held on behalf of the undersigned by the Participant Holder as of November 23, 2020.

Name & Phone # of Participant Holder	Account Number	Principal Amount of Convertible Debentures

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C. Certification

By signing and returning this form, the undersigned certifies that he/she/it was the beneficial holder of the Convertible Debentures described in this form as of November 23, 2020.

Dated at _____, this ____ day of _____, 2020.

Name of beneficial holder of
the Convertible Debentures
(print):

Authorized signature:

Title (if applicable):

Address:

Telephone:

Email:

D. Participant Holder

TO BE COMPLETED AND SIGNED BY THE PARTICIPANT HOLDER PRIOR TO SENDING THIS FORM TO THE BENEFICIAL OWNER OF THE CONVERTIBLE DEBENTURES.

Name of Unregistered
Debentureholder:

Name of Participant Holder:

Account Number:

Principal Amount of
Convertible Debentures:

Name of Authorized Signing
Officer at Participant Holder:

Title of Authorized Signing
Officer at Participant Holder:

Phone Number of Participant
Holder:

Email Address of Participant
Holder:

Participant Holder Signature:
(Signature of authorized
signing officer of Participant
Holder)

PARTICIPANT HOLDER'S MEDALLION GUARANTEE STAMP/SEAL:

Appendix “D”

Bankruptcy and Insolvency Act ("Act")

Proof of Claim

(Section 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

Creditor Name: _____ Telephone: _____
Address: _____ Fax: _____
_____ Email: _____
Account No.: _____

In the matter of the bankruptcy (or the proposal, or the receivership) of _____ (name of debtor) of _____ (city and province) and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor)).
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of bankruptcy, (or the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, if no notice of intention was filed), namely the _____ day of _____, _____, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)
4. (Check and complete appropriate category.)

- A. UNSECURED CLAIM OF \$ _____
(other than as a customer contemplated by Section 262 of the Act)
That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description.)
 - Regarding the amount of \$ _____ I do not claim a right to a priority.
 - Regarding the amount of \$ _____ I claim a right to a priority under Section 136 of the Act.
(Set out on an attached sheet details to support priority claim.)
- B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____
That I hereby make a claim under Subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)
- C. SECURED CLAIM OF \$ _____
That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____
That I hereby make a claim under Subsection 81.2(1) of the Act for the unpaid amount of \$ _____ (Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ _____

That I hereby make a claim under Subsection 81.3(8) of the Act in the amount of \$ _____

That I hereby make a claim under Subsection 81.4(8) of the Act in the amount of \$ _____

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____

That I hereby make a claim under Subsection 81.5 of the Act in the amount of \$ _____

That I hereby make a claim under Subsection 81.6 of the Act in the amount of \$ _____

G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under Subsection 50(13) of the Act, particulars of which are set out on the attached sheet(s). (Give full particulars of the claim, including the calculations upon which the claim is based.)

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by Section 262 of the Act, particulars of which are set out on the attached sheet(s).

(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of Section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of Subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of Section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Subsection 2(1) of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (Applicable only in the case of the bankruptcy of an individual.)

Whenever the trustee reviews the financial situation of a bankrupt to determine whether or not the bankrupt is required to make payments under Section 68 of the Act, I request to be informed, pursuant to Paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to Subsection 170(1) of the Act be sent to the above address.

Dated at _____, this ____ day of _____, ____.

Witness

Creditor

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to Subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

DIRECTIONS FOR COMPLETION OF THIS FORM ARE ON THE REVERSE SIDE

GENERAL PROXY

(Paragraphs 51(1)(e) and 66.15(3)(b) and Subsection 102(2))

In the matter of the bankruptcy) (or proposal) of _____ a bankrupt (or an insolvent)

I (or We), _____ (name of creditor), of _____. (name of city, town or village), a creditor in the above matter, hereby appoint _____, of _____, to be my (or our) general proxy in the above matter except as to the receipt of dividends, with (or without) power to appoint another general proxy in his or her place.

DATED AT _____ this ____ day of _____, _____.

Witness

Individual Creditor OR Name of Corporate Creditor

Witness

Per:
Name and Title of Signing Officer

CHECKLIST FOR PROOF OF CLAIM

This checklist is provided to assist you in preparing the accompanying proof of claim form and, where required, proxy form in a complete and accurate manner. Please specifically check each requirement.

Under Section 109 of the Bankruptcy and Insolvency Act only those creditors who have filed their claims in the proper form with the trustee, before the time appointed for the meeting, are entitled to vote at the meeting.

Section 124 states that every creditor shall prove his claim and the creditor who does not prove his claim is not entitled to share in any distribution that may be made.

General

- The signature of a witness is required;
- The claim must be signed personally by the individual completing this declaration;
- Provide the complete address where all notices or correspondence are to be forwarded;
- The amount of the statement of account must correspond to the amount indicated on the proof of claim.

Notes:

- It is permissible to file a proof of claim by fax or email.
- A creditor may vote either in person or by proxy at any meeting of creditors if the proof of claim is filed with the trustee prior to the time appointed for the meeting.
- A quorum at any meeting of creditors consists of at least one creditor with a valid proof of claim in attendance in person or by proxy.
- A corporation may vote through an authorized agent or mandatary at meetings of creditors.
- In order for a duly authorized person to have a right to vote, they must be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.
- A creditor who is participating in any distribution from an estate must have filed a proof of claim prior to the distribution being declared.
- In the case of an individual bankrupt, by checking the appropriate box or boxes at the bottom of the proof of claim form, you may request that the trustee advise you of any material change in the financial situation of the bankrupt or the amount the bankrupt is required to pay into the bankruptcy, and a copy of the trustee's report on the discharge of the bankrupt.

Paragraph 1

- Creditor must state full and complete legal name of company or firm;
- If the individual completing the proof of claim is not the creditor himself, he/she must state his/her position or title.

Paragraph 3

- The amount owing must be set out in paragraph 3.
- A detailed statement of account must be attached to the proof of claim and must show the date, the number and the amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward.

Paragraph 4

- **Paragraph A** applies to ordinary unsecured claims. In addition to recording the amount of the claim, please indicate whether the claim has a priority pursuant to Section 136 of the Act.

- **Paragraph B** applies to lessor claims in a commercial proposal. Please ensure that the claim applies to a commercial proposal and, if so, include the full particulars of the claim.
- **Paragraph C** applies to secured claims. Please indicate the dollar value of the security and attach copies of the security document. In addition, please attach copies of the security registration documents, where appropriate.
- **Paragraph D** applies to inventory claims of farmers, fishermen and aquaculturists. Please note that such claims apply only to inventory supplied from farmers, fishermen and aquaculturists within 15 (fifteen) days of the date of bankruptcy. In addition, please attach copies of any applicable sales agreements and delivery slips.
- **Paragraph E** applies to claims by wage earners. Please note that such claims apply only for unpaid wages owed upon the bankruptcy of an employer or when the employer becomes subject to a receivership.
- **Paragraph F** applies to claims by employees for unpaid amounts regarding pension plans. Please note that such claims apply only to unremitted pension contributions outstanding when the sponsoring employer becomes bankrupt or is subject to a receivership.
- **Paragraph G** applies to claims against directors. Please note that such claims apply only to directors of corporations that have filed a commercial proposal to creditors that includes a compromise of statutory claims against directors.
- **Paragraph H** applies to claims of customers of a bankrupt securities firm. Please ensure that the claim of the customer is for net equity and, if so, include the full particulars of the claim, including the calculations upon which the claim is based.

Paragraph 5

- All claimants must indicate whether or not they are related to the debtor, as defined in Section 4 of the Act, or dealt with the debtor in a non-arm's-length manner.

Paragraph 6

- All claimants must attach a detailed list of all payments or credits received or granted, as follows:
 - a) Within the three (3) months preceding the initial bankruptcy event (including the bankruptcy or the proposal), in the case where the claimant and the debtor are not related;
 - b) Within the twelve (12) months preceding the initial bankruptcy event (including the bankruptcy or the proposal), in the case where the claimant and the debtor were not dealing at arm's length.

APPOINTING PROXY

Note: The Act permits a proof of claim to be made by a duly authorized representative of a creditor but, in the absence of a properly executed proxy, does not give such an individual the power to vote at the first meeting of creditors nor to act as the proxyholder of the creditors.

General

- In order for duly authorized persons to have a right to vote, they must themselves be creditors or be the holders of a properly executed proxy. The name of the creditor must appear in the proxy.

Notes:

- A creditor may vote either in person or by proxyholder.
- A proxy may be filed by no later than one Business Day prior to the meeting of creditors.
- A proxy can be filed with the trustee in person, by mail or by any form of telecommunication.
- A proxy does not have to be under the seal of a corporation unless required by its incorporating documents or its bylaws.

- The individual designated in a proxy cannot be substituted unless the proxy provides for a power of substitution.
- Bankrupts/debtors may not be appointed as proxyholders to vote at any meeting of their creditors.
- The trustee may be appointed as a proxyholder for any creditor.
- A corporation cannot be designated as a proxyholder.

IN THE MATTER OF THE PROPOSAL OF NABIS HOLDINGS INC

**VOTING LETTER
Bankruptcy and Insolvency Act
(Section 51(1)(f))**

I/We, _____, creditor of Nabis Holdings Inc., a creditor in the above matter for the sum of \$ _____, hereby request the trustee acting with respect to the proposal of Nabis Holdings Inc., to record my vote as:

(PLEASE INDICATE YOUR VOTE BELOW, BY CHECK MARK)

- FOR the acceptance of the Proposal, as made on the 23rd day of November, 2020, as amended, restated, modified and/or supplemented from time to time.
- AGAINST the acceptance of the Proposal, as made on the 23rd day of November, 2020, as amended, restated, modified and/or supplemented from time to time.

DATED at _____, this ____ day of _____, 2020.

(Signature of Witness)

(Signature of individual creditor or person signing on behalf of corporate creditor)

(Signature of Witness)

(Print name of individual creditor and title of person signing on behalf of corporate creditor)

Appendix “E”



ksv advisory inc.

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

Estate File No: 31-2691184

**IN THE MATTER OF THE PROPOSAL OF
NABIS HOLDINGS INC.,
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**NOTICE OF PROPOSAL TO CREDITORS
(Subsection 51)**

Take notice that:

1. Nabis Holdings Inc. (the "Company") has lodged with KSV Restructuring Inc. (the "Proposal Trustee") a Proposal pursuant to the *Bankruptcy and Insolvency Act*.
2. A general meeting of creditors to consider the Proposal will be held on the 14th day of December, 2020 at 10 a.m., to be convened via Zoom at:
<https://us02web.zoom.us/j/82452022771?pwd=UUFPaUFqV1o1a0sxc0thWVl4SVNtZz09>
3. Enclosed are copies of, among other documents:
 - The Proposal;
 - A condensed statement of the Company's assets and liabilities;
 - A list of the creditors affected by the Proposal whose claims amount to \$250 or more;
 - Proof of Claim forms and proxies; and
 - Voting letters.
4. To be entitled to vote at the meeting, proofs of claim, proxies (where necessary) and voting letters intended to be used at the meeting must be lodged with the Proposal Trustee no later than 5:00 p.m. (Toronto time) on December 11, 2020, being one business day prior to the meeting.
5. Creditors must prove their claims against the Company in order to share in any distribution of the proceeds realized from the estate.

DATED at Toronto, Ontario, this 1st day of December, 2020.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
LICENSED INSOLVENCY TRUSTEE**

Appendix “F”

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

Original Amended

-- Form 78 --

Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the proposal of
 Nabis Holdings Inc.
 of the City of Toronto, in the Province of Ontario

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 23rd day of November 2020. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A"	1. Inventory
36,617,061.66	0.00
Balance of secured claims as per list "B"	2. Trade fixtures, etc.
0.00	62,050.00
Total unsecured creditors	3. Accounts receivable and other receivables, as per list "E"
36,617,061.66	Good
2. Secured creditors as per list "B"	10,723,078.96
0.00	Doubtful
3. Preferred creditors as per list "C"	0.00
0.00	Bad
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	6,244,763.37
0.00	Estimated to produce
Total liabilities	10,723,078.96
36,617,061.66	4. Bills of exchange, promissory note, etc., as per list "F" ...
Surplus	0.00
NIL	5. Deposits in financial institutions
	0.00
	6. Cash
	832,366.00
	7. Livestock
	0.00
	8. Machinery, equipment and plant
	0.00
	9. Real property or immovable as per list "G"
	0.00
	10. Furniture
	30,161.00
	11. RRSPs, RRRIFs, life insurance, etc.
	0.00
	12. Securities (shares, bonds, debentures, etc.)
	0.00
	13. Interests under wills
	0.00
	14. Vehicles
	0.00
	15. Other property, as per list "H"
	908,424.92
	Total assets
	12,556,080.88
	Deficiency
	24,060,980.78

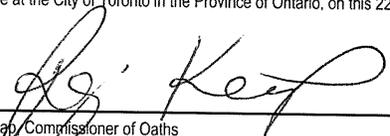
If debtor is a corporation, add:

Amount of subscribed capital	0.00
Amount paid on capital	0.00
Balance subscribed and unpaid	0.00
Estimated to produce	0.00

I, Nicole Rusaw, Officer of Nabis Holdings Inc., do swear (or solemnly declare) that the above statement and the attached lists are to the best of my knowledge, based on the information available to me, a full, true and complete statement of the affairs of Nabis Holdings Inc. on November 22, 2020, and fully disclose all of its property of every description in its possession or that may devolve on it in accordance with Section 67 of the *Bankruptcy and Insolvency Act*.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Toronto in the Province of Ontario, on this 22nd day of November 2020.


 Raj Kashyap, Commissioner of Oaths
 For the Province of Ontario
 Expires January 22, 2021


 Nicole Rusaw

Rajinder Kashyap, a Commissioner, etc.,
 Province of Ontario, for KSV Kofman Inc.
 Expires January 22, 2021.

Appendix “G”

**IN THE MATTER OF THE PROPOSAL OF
NABIS HOLDINGS INC.**

Preliminary list of creditors as at November 22, 2020

Creditor	Amount due (CDN\$)*
11126130 Canada Inc	624,240.00
Anna Shnet	104,040.00
Bell Canada	25.93
Bell Canada	754.51
Canada Revenue Agency	1.00
CDS & Co	34,245,806.40
Consolidated Enterprises Ltd	312,120.00
Ella Shnet	156,060.00
Great West Life GWL	1.00
Greenspoon Marder LLP	57,330.78
Intrado Digital Media Canada, Inc.	11,300.00
John Norman	26,010.00
Jonathan Yashurov	1,305.56
Keeney Investments/Balthazar Super Fund	31,212.00
Keith and Joan Ritter	20,808.00
KW Capital Partners	816,714.00
Lina Deich	52,020.00
Lyn Herbal Lifestyles LLC	2,080.72
McCarthy Tetrault LLP	11,558.40
Mesora Charitable Foundation 10	52,020.00
Seach Medical Group Limited	27,148.56
Simon Peterson	52,020.00
Tim Farrell	12,484.80
	<hr/>
	36,617,061.66
	<hr/> <hr/>

Appendix “H”

Nabis Holdings Inc. – List of subsidiaries¹

Subsidiary	Ownership	Location
Nabis Holdings Inc.	100%	Canada
Nabis Technologies Corp.	100%	Canada
Be In Synergy Inc.	100%	Canada
Abis Biopharma Corporation	100%	Canada
Nabis (CAN) Holdings Corp	100%	USA
Nabis (US) Corp.	100%	USA
Nabis AZ, LLC	100%	USA
Nabis Arizona Property, LLC	100%	USA
Perpetual Healthcare, Inc.	100%	USA
Nabis Joint Ventures (AZ), LLC	100%	USA
Nabis Hemp Holdings, LLC	100%	USA
Nabis Holdings California Inc.	100%	USA
Nabis Holdings California, LLC	100%	USA
Nabis Holdings, LLC	100%	USA
Nabis Holdings Michigan, LLC.	100%	USA
1904 Peck Street Ventures, LLC	100%	USA
1904 Peck Street, Inc.	100%	USA
1904 Peck, LLC	100%	USA
50680 28 th Avenue, LLC	100%	USA
190 Wash & 140 Locust, LLC	100%	USA
190 N Washington, LLC	100%	USA
135 W. Monroe, LLC	100%	USA
Fifty Knapp Drive, LLC	100%	USA
1230 E. Michigan Avenue, LLC	100%	USA
50 Knapp, LLC	100%	USA
1230 Michigan Inc.	100%	USA
1639 S. Huron, LLC	100%	USA
1639 Huron Inc.	100%	USA
Nabis NM LLC	100%	USA
Nabis Holdings Oklahoma Inc.	100%	USA
Nabis Oklahoma Patient Care Inc.	100%	USA
Nabis Holdings Washington, LLC	100%	USA

¹ As reflected in the financial statements for the year ended December 31, 2019.

Appendix “I”



Source: Nabis Holdings

November 23, 2020 08:30 ET

Nabis Holdings Inc. Announces Recapitalization Transaction With Support of Key Stakeholders

VANCOUVER, British Columbia, Nov. 23, 2020 (GLOBE NEWSWIRE) -- Nabis Holdings Inc. (CSE: NAB) (OTC: NABIF) (FRA: A2PL) ("**Nabis**" or the "**Company**") today announced that it has entered into a support agreement (the "**Support Agreement**") with certain holders ("**Debentureholders**") of the Company's outstanding \$35 million principal amount 8.0% unsecured convertible debentures (the "**Debentures**"). Pursuant to the Support Agreement, the Debentureholders party thereto have agreed to support a recapitalization plan for Nabis that will, subject to required approval of Nabis' creditors (the "**Creditors**") and the Ontario Superior Court of Justice, result in the recapitalization of the Debentures and all other debts of the Company (the "**Recapitalization**"). The Recapitalization is to be implemented pursuant to a proposal (the "**Proposal**") under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"). The Proposal will be filed with the Official Receiver imminently.

The material terms of the Proposal are:

- (i) the cancellation of all of the common shares, preferred shares, warrants, stock options and any other similar equity-type securities in the capital of the Company (collectively, "**Equity Claims**");
- (ii) all Equity Claims will be irrevocably and finally extinguished upon implementation of the Proposal;
- (iii) in full and final satisfaction of all Creditor claims, which will be irrevocably and finally extinguished, on the implementation date of the Proposal, Nabis shall issue and pay to each Creditor its *pro rata* share of:
 - (a) 3,700,000 new common shares in the capital of the Company; and
 - (b) new 5.3% first lien notes in the aggregate amount of \$23 million due 2022 on the terms set out in the Proposal; and
- (iv) certain persons, including the Company and each of its affiliates and the Debentureholders party to the Support Agreement, and each of their respective former and current officers, directors, principals and employees, will receive releases of certain claims pursuant to the BIA.

KSV Restructuring Inc. will act as proposal trustee pursuant to the BIA in respect of the Proposal (in such capacity, the "**Proposal Trustee**").

Under the Support Agreement, the Debentureholders party thereto have agreed, subject to certain conditions precedent and termination rights, to support and vote for the Proposal at the meeting of the Creditors to be held on December 14, 2020 (the "**Creditors' Meeting**"). Under the terms of the Support Agreement, Nabis has agreed to certain customary covenants and restrictions with respect to its business and operations until the Proposal has been implemented.

The Creditors' Meeting and Voting Matters

The Creditors' Meeting is scheduled to be held virtually on December 14, 2020, and is scheduled to begin at 10:00 a.m. (Toronto time). Due to the COVID-19 pandemic, the Creditors' Meeting will be held online at the following website: <https://us02web.zoom.us/j/82452022771?pwd=UUFPaUFqV1o1a0sxc0thWVI4SVNtZz09>.

The record date for determining the amount of each Creditor's claim is 5:00 p.m. (Toronto time) on December 7, 2020.

In order to vote on the Proposal, Debentureholders are required to submit a proxy and voting letter to the Proposal Trustee by no later than 5:00 p.m. (Toronto time) on December 11, 2020. Holders or custodians ("**Participant Holders**") of Debentures on behalf of beneficial Debentureholders will be provided with Proposal materials, and are asked to complete and sign the applicable part of the voting and proxy letter for Debentureholders and to transmit it along with the other Proposal materials to each applicable beneficial Debentureholder. Beneficial Debentureholders are encouraged to contact their Participant Holders directly to confirm any voting requirements.

Alternatively, beneficial Debentureholders may access and download the proxy and voting letter directly from the Proposal Trustee at www.ksvadvisory.com/insolvency-cases/case/nabis-holdings (the "**Proposal Trustee's Website**"). Additional information relating to the Creditors' Meeting and Proposal process will be posted to the Proposal Trustee's Website later today.

Affected Creditors who are not Debentureholders that wish to attend the Creditors' Meeting and vote on the Proposal must submit a proof of claim to the Proposal Trustee by no later than 5:00 p.m. (Toronto time) on December 11, 2020.

Affected Creditors who are not Debentureholders and who have claims in an amount greater than \$500.00 may elect to be treated for all purposes under the Proposal as Convenience Creditors (as defined in the Proposal) by submitting a Convenience Creditor Election Form (appended to the Proposal) to the Proposal Trustee by no later than 5:00 p.m. (Toronto time) on December 11, 2020. A copy of the Convenience Creditor Election Form will also be available for download at the Proposal Trustee's Website.

In order to be approved, the Proposal requires the affirmative vote of a majority in number and two-third in value of all proven claims of Creditors entitled to vote, who are present and voting at the Creditors' Meeting, in accordance with the voting procedures established by the Proposal and the BIA.

The Proposal is in the Best Interests of the Company and its Stakeholders

The Company previously announced that it did not make the interest payments due on June 30, 2020 and September 30, 2020 pursuant to the Debentures. The Company also previously announced that Odyssey Trust Company Ltd. ("**Odyssey**") commenced legal action against the Company alleging a breach of the terms of the Debentures as a result of the missed June 30, 2020

interest payment, and that Odyssey had purported to accelerate the Debentures and demanded immediate payment.

In light of the Company's liquidity constraints, the board of directors of the Company (the "**Board**") formed a special committee of the Board (the "**Special Committee**") on August 17, 2020. On September 20, 2020, the Special Committee was given an expanded mandate, including to review and oversee the Company's engagement with the Debentureholders and other strategic alternatives available to the Company.

Following the review process by the Special Committee, and given the circumstances currently facing the Company, including in connection with the previously announced legal proceedings involving the Company and its subsidiaries in Ontario and Arizona, the Special Committee and the Board have determined that the Recapitalization, including the Proposal, and the Support Agreement in connection with the Proposal, are in the best interests of the Company and its stakeholders. The Company recommends that Creditors vote in favour of the Proposal.

Settlement with Former Senior Officer

As previously disclosed on October 16, 2020 and November 5, 2020, the Company had commenced civil proceedings in the Arizona Superior Court and the Ontario Superior Court of Justice against Mark Krytiuk, the Company's former Director, President and Chief Operating Officer (the "**Legal Actions**").

The Company's disputes with Mr. Krytiuk have now been resolved, including in respect of outstanding employment entitlements. Mr. Krytiuk has agreed to an orderly transition of his directorship and other positions and interests in Perpetual Healthcare, Inc. ("**Perpetual**") to a nominee of Nabis. Nabis expects that its nominee will be appointed to the board of directors of Perpetual imminently. The Legal Actions will be discontinued on a without costs and with prejudice basis.

Forward-Looking Statements

All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The risks are without limitations: that the acquisitions will be completed by the Company or completed upon the terms disclosed; the price for cannabis and related products will remain consistent and the consumer demand remains strong; availability of financing to the Company to develop the retail locations; retention of key employees and management; changes in State and/or municipal regulations of retail operations and changes in government regulations generally. Important factors that could cause actual results to differ, materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the Canadian Securities Exchange, the British Columbia Securities Commission, the Ontario Securities Commission and the Alberta Securities Commission.

The Canadian Securities Exchange has neither reviewed nor approved the contents of this news release and accepts no responsibility for the adequacy or accuracy of this release.

For inquiries, please contact:

Emmanuel Paul, Chairman of the Board
info@nabisholdings.com

Appendix “J”

CONVENIENCE CREDITOR ELECTION FORM

TO: KSV RESTRUCTURING INC., in its capacity as Proposal Trustee of Nabis Holdings Inc. ("Nabis")

In connection with the Proposal of Nabis pursuant to the *Bankruptcy and Insolvency Act* (Canada) dated November 23, 2020 (as amended, restated, modified and/or supplemented from time to time, the "**Proposal**"), the undersigned hereby irrevocably elects to be treated for all purposes under the Proposal as a Convenience Creditor and thereby to receive the lesser of (i) \$500.00, and (ii) the amount of its Proven Claim, provided that the maximum amount available for all Convenience Class Creditors is \$25,000.00 in full and final satisfaction of the Proven Claim(s) of the undersigned, and hereby acknowledges that the undersigned shall be deemed to vote the full amount of its Proven Claim(s) in favour of the Proposal at the Creditors' Meeting.

For the purposes of this election, capitalized terms not defined herein shall have the meanings ascribed thereto in the Proposal.

DATED at _____ this ____ day of _____, 2020.

AFFECTED CREDITOR'S SIGNATURE:

(Print Legal Name of Affected Creditor)

(Print Legal Name of Assignee, if applicable)

(Signature of the Affected Creditor/Assignee or an Authorized Signing Officer of the Affected Creditor/Assignee)

(Print Name and Title of Authorized Signing Officer of the Affected Creditor/Assignee, if applicable)

(Mailing Address of the Affected Creditor/Assignee)

(Telephone Number and E-mail of the Affected Creditor/Assignee or Authorized Signing Officer of the Affected Creditor/Assignee)

Appendix “K”

SUPPORT AGREEMENT

WHEREAS, this support agreement (the "**Support Agreement**"), dated as of November 17, 2020, sets out the agreement among Nabis Holdings Inc. ("**Nabis**" or the "**Company**") and each of the other signatories to this Support Agreement (or a Joinder Agreement (as defined herein)) that is a Consenting Debentureholder (as defined herein) regarding a recapitalization transaction (the "**Recapitalization Transaction**") in respect of the Company, as more fully described in the proposal to be filed under the *Bankruptcy and Insolvency Act* (the "**BIA**") substantially in the form attached as Schedule C (the "**Proposal**", with the terms of the Recapitalization Transaction set out therein and herein being, collectively, the "**Recapitalization Transaction Terms**").

AND WHEREAS, each of the entities listed in Schedule A hereto (collectively, the "**Subsidiaries**" and each a "**Subsidiary**") is a wholly-owned subsidiary or affiliated entity of the Company, as the case may be;

AND WHEREAS, capitalized terms used but not otherwise defined in the main body of this Support Agreement have the meanings given to them in Schedule B.

NOW THEREFORE, Nabis and each Consenting Debentureholder (each a "**Party**" and collectively, the "**Parties**") hereby agree as follows:

1. **Recapitalization Transaction**

The Recapitalization Transaction Terms as agreed among the Parties are set forth in this Support Agreement and the Proposal, which Proposal is incorporated herein and made a part of this Support Agreement. In the case of a conflict between the provisions contained in the main body of this Support Agreement and the Proposal, the provisions of the Proposal shall govern.

2. **Representations and Warranties of the Consenting Debentureholders**

Each Consenting Debentureholder, severally and not jointly, hereby represents and warrants to Nabis (and acknowledges that Nabis is relying on such representations and warranties) that:

- (a) it is either the sole beneficial owner of, or has the sole voting and investment discretion over Convertible Debt in the aggregate principal amount(s) set forth on its signature page to this Support Agreement (together with all obligations owing in respect of its Convertible Debt, including accrued and unpaid interest and any other amount that such Consenting Debentureholder is entitled to claim in respect of its Convertible Debt pursuant to the Convertible Debt Documents or otherwise, its "**Relevant Debt**"), and no other Convertible Debt (except as set forth herein);
- (b) it has the authority to vote or direct the voting of its Relevant Debt;
- (c) it: (i) is a sophisticated party with sufficient knowledge and experience to evaluate properly the terms and conditions of this Support Agreement; (ii) has conducted

its own analysis and made its own decision to enter into this Support Agreement;
(iii) has obtained such independent advice in this regard as it deemed appropriate;
and (iv) has not relied in such analysis or decision on any Person other than its own independent advisors;

- (d) this Support Agreement has been duly authorized, executed and delivered by it, and, assuming the due authorization, execution and delivery by the other Parties, this Support Agreement constitutes the legal, valid and binding obligation of such Consenting Debentureholder, enforceable against such Consenting Debentureholder in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity;
- (e) it is duly organized, validly existing, and in good standing under the Laws of the jurisdiction of its organization and has all approvals necessary to execute and deliver this Support Agreement and to perform its obligations hereunder;
- (f) except as contemplated by this Support Agreement, it has not deposited any of its Relevant Debt into a voting trust, or granted (or permitted to be granted) any proxies or powers of attorney or attorney in fact, or entered into a voting agreement, understanding or arrangement, with respect to the voting of its Relevant Debt, or caused any of its Relevant Debt to become subject to any liens, charges, encumbrances or similar restrictions, where such trust, grant, agreement, understanding, arrangement, lien, charge, encumbrance or similar restriction would reasonably be expected to restrict in any material manner the ability of such Consenting Debentureholder to comply with its obligations under this Support Agreement, including the obligations in Section 4;
- (g) there is not now pending or, to its knowledge, threatened against it or any of its properties, nor has it received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration, investigation or other proceeding before any court, regulatory body, tribunal, agency, Governmental Entity or legislative body that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on the Consenting Debentureholder's ability to execute and deliver this Support Agreement, to perform its obligations hereunder and to consummate the transactions and agreements contemplated by this Support Agreement; and
- (h) it is an "accredited investor" within the meaning of section 73.3 of the *Securities Act* (Ontario) and National Instrument 45-106 – *Prospectus Exemptions*.

3. Representations and Warranties of the Company

The Company represents and warrants to each Consenting Debentureholder (and the Company acknowledges that each Consenting Debentureholder is relying upon such representations and warranties) that:

- (a) the Nabis Board has: (i) approved the transactions contemplated by the Recapitalization Transaction, (ii) determined that such transactions are in the best interests of Nabis; and (iii) resolved to forthwith file the Proposal pursuant to the BIA;
- (b) it: (i) is a sophisticated party with sufficient knowledge and experience to evaluate properly the terms and conditions of this Support Agreement; (ii) has conducted its own analysis and made its own decision to enter into this Support Agreement; (iii) has obtained such independent advice in this regard as it deemed appropriate; and (iv) has not relied in such analysis or decision on any Person other than its own independent advisors;
- (c) this Support Agreement has been duly authorized, executed and delivered by it, and, assuming the due authorization, execution and delivery by each of the other Parties, this Support Agreement constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity;
- (d) it is duly organized, validly existing, and in good standing under the Laws of the jurisdiction of its incorporation and it has all requisite corporate power and corporate capacity to enter into this Support Agreement and to perform its obligations hereunder and consummate the transactions contemplated hereby;
- (e) it has provided the Initial Consenting Debentureholders with a written list of all Claims (as defined in the Proposal) that it is aware of;
- (f) no order has been made, petition presented or resolution passed for the winding up of or appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of it and no analogous procedure has been commenced in any jurisdiction;
- (g) the execution and delivery of this Support Agreement by it and satisfaction of the obligations hereunder, and the completion of the transactions contemplated herein do not and will not (i) violate or conflict in any material respect with any Law applicable to it or any of its property or assets or (ii) result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under its certificate of incorporation, articles, by-laws or other constating documents or under any Material Contract to which it is a party;
- (h) all financial information that has been provided or made available to the Consenting Debentureholders, their affiliates or their respective advisors by or on behalf of the Company, has been prepared in good faith (and in the case of any audited financial statements forming part of such financial information, in accordance with IFRS) and fairly reflects as of the dates thereof, its financial condition and the results of its operations;

- (i) since December 31, 2019, except as has been disclosed publicly or in relation to a matter contained in the list provided by Nabis to the Initial Consenting Debentureholders in accordance with Section 3(e), there has not been (i) any Material Adverse Change; (ii) any material transaction to which Nabis or any of its Subsidiaries is a party outside the ordinary course of business; (iii) any material change in the outstanding liabilities of Nabis or any of its Subsidiaries; or (iv) any material change report relating to Nabis or any of its Subsidiaries filed on a confidential basis with any securities commission that remains confidential;
- (j) it and its directors, officers and employees have and are conducting its business in material compliance with all applicable Laws (including any Laws regarding the environment and all permits, licenses and other authorizations which are required thereunder) and it has not received any notice or been otherwise advised to the effect that, or has otherwise been advised that, it, its directors, officers or employees are not in material compliance with such Laws (including any Laws regarding the environment and all permits, licenses and other authorizations which are required thereunder);
- (k) except as disclosed in the Interim Financial Statements, subsequently publicly disclosed by the Company, or in relation to a matter contained in the list provided by Nabis to the Initial Consenting Debentureholders in accordance with Section 3(e) hereof, it has no material liabilities or obligations of any nature (whether absolute, accrued, contingent or otherwise) other than liabilities incurred in the ordinary course of business consistent with past practice;
- (l) the financial statements issued by the Company on or after January 1, 2018 fairly reflect as of the dates thereof, the consolidated financial condition of the Company and the results of its operations for the periods covered thereby and, in the case of the audited financial statements, have been prepared in accordance with IFRS;
- (m) it has: (i) filed all material tax and information returns, declarations, remittances and filings which are required to be filed and all such returns, declarations, remittances and filings are complete in all material respects and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading; (ii) paid or made provision for payment of all taxes which are due and payable (except for de minimis payments or provisions); and (iii) provided adequate reserves (in accordance with IFRS) for the payment of any material tax, the payment of which is being contested;
- (n) it has complied with its public reporting obligations under applicable securities Laws in all material respects and all documents filed by the Company with the relevant securities regulators: (i) complied with all applicable securities Laws in all material respects; and (ii) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

- (o) (i) all of the Material Contracts to which it is a party are valid, binding and enforceable against it in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar Laws relating to or affecting the rights of creditors or general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity); and (ii) except as has been publicly disclosed by the Company or in relation to a matter contained in the list provided by Nabis to the Initial Consenting Debentureholders in accordance with Section 3(e), or otherwise contemplated by this Support Agreement and the transactions and proceedings contemplated hereby, there is no existing (or threatened in writing) breach, default or dispute with respect to, nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a breach or default by it under, any of the Material Contracts to which it is a party (with the exception of the Convertible Debt Documents);
- (p) no order halting or suspending trading in securities of the Company or prohibiting the sale of such securities has been issued to and is outstanding against the Company, and, except has been disclosed to the Advisor, no investigations or proceedings for such purpose are pending or threatened; and
- (q) other than the Subsidiaries and Perpetual Healthcare, Inc., there are no subsidiaries of the Company that have assets or liabilities material to the Company or have operated an active business material to the Company, individually or in the aggregate, since December 31, 2018.

4. **Consenting Debentureholders' Covenants and Agreements**

Subject to, and in consideration of, the matters set forth in Section 5 below, each Consenting Debentureholder (severally and not jointly) hereby acknowledges, covenants and agrees:

- (a) to the Recapitalization Transaction Terms and the implementation of same pursuant to the BIA Proceedings in accordance with the terms of this Support Agreement and the Milestones;
- (b) not to, directly or indirectly, from the date hereof to the date this Support Agreement is terminated:
 - (i) sell, assign, lend, pledge, hypothecate, dispose or otherwise transfer (in each case, "**Transfer**") any of its Relevant Debt or any rights or interests therein (or permit any of the foregoing with respect to any of its Relevant Debt) or enter into any agreement, arrangement or understanding in connection therewith except with the prior written consent of Nabis, *provided* that each Consenting Debentureholder may, subject to applicable securities Laws, without the consent of Nabis, Transfer some or all of its Relevant Debt to: (I) any other fund managed by the Consenting Debentureholder (or an Affiliate) for which the Consenting

Debentureholder (or such Affiliate) has the voting and investment discretion, including discretionary authority to manage or administer funds and continues to exercise investment and voting authority with respect to the transferred Relevant Debt and such Consenting Debentureholder (or such Affiliate) shall continue to be bound by this Support Agreement in respect of any such Relevant Debt, (II) any other Consenting Debentureholder, in which event, (x) the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Support Agreement in respect of such transferred Relevant Debt, and (y) the transferee shall be bound by the terms of this Support Agreement in respect of such transferred Relevant Debt, and (III) any other Person *provided* that in the case of any such Transfer pursuant to this clause (III), such Person has executed a Joinder Agreement with respect to the transferred Relevant Debt, in which event, the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Support Agreement in respect of such transferred Relevant Debt; or

- (ii) except as contemplated by this Support Agreement, deposit any of its Relevant Debt into a voting trust, or grant (or permit to be granted) any proxies or powers of attorney or attorney in fact, or enter into a voting agreement, understanding or arrangement, with respect to the voting of its Relevant Debt if such trust, grant, agreement, understanding or arrangement would in any manner restrict the ability of the Consenting Debentureholder to comply with its obligations under this Support Agreement, including the obligations in this Section 4;
- (c) not to take any action that is inconsistent, in any material respect, with its obligations under this Support Agreement or that would frustrate, hinder or delay the consummation of the Recapitalization Transaction and the Proposal; *provided* that nothing in this Support Agreement shall restrict, limit, prohibit, or preclude, in any manner not inconsistent with its obligations under this Support Agreement, any of the Consenting Debentureholders from (A) appearing in Court with respect to any motion, application, or other documents filed by Nabis or any of its Subsidiaries and objecting to, or commenting upon, the relief requested therein, (B) enforcing any rights under this Support Agreement, including any consent or approval rights set forth herein, or (C) contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Support Agreement, or exercising any rights or remedies reserved herein;
- (d) to vote (or cause to be voted) all of its Relevant Debt:
 - (i) in favour of the approval, consent, ratification and adoption of the Proposal (and any actions required in furtherance thereof); and
 - (ii) against the approval, consent, ratification and adoption of any matter or transaction that, if approved, consented to, ratified or adopted could

reasonably be expected to delay, challenge, frustrate or hinder the consummation of the Proposal,

and that it shall tender its proxy for any such vote in compliance with any deadlines set forth in the BIA or the Proposal;

- (e) to support, and to instruct its advisors to support all motions filed by the Company or the Proposal Trustee in the BIA Proceedings that are consistent with and in furtherance of the Recapitalization Transaction and the Proposal and, if requested by the Company, provide commercially reasonable assistance to the Company in obtaining any required regulatory approvals and/or required material third party approvals to effect the Recapitalization Transaction, in each case at the expense of the Company;
- (f) subject to Sections 12 and 14 hereof, to allow the Company, in good faith cooperation with the Consenting Debentureholders, to disclose the existence and factual details of this Support Agreement with respect to any public disclosure, including, without limitation, press releases and court materials, and the filing of this Support Agreement on SEDAR and with the Court in connection with the BIA Proceedings; and
- (g) that this Support Agreement shall in no way be construed to preclude a Consenting Debentureholder from acquiring additional Convertible Debt (collectively, "**Additional Debt**") that are not otherwise subject to this Support Agreement; *provided, however*, that any and all such Additional Debt shall automatically and immediately upon acquisition by a Consenting Debentureholder be deemed to constitute Relevant Debt (and together with all accrued and unpaid interest and any other amount that such Consenting Debentureholder is entitled to claim in respect of such Additional Debt shall be deemed to constitute Relevant Debt) the Consenting Debentureholder hereunder subject to the terms of this Support Agreement.

5. **Nabis' Covenants and Agreements**

Subject to, and in consideration of, the matters set forth in Section 4 above, Nabis acknowledges, covenants and agrees:

- (a) to the Recapitalization Transaction Terms;
- (b) to pursue, and to cause its Subsidiaries to pursue, as applicable, the completion of the Recapitalization Transaction in good faith by way of the Proposal on the timetable set forth herein, and not to take any action that is materially inconsistent with the terms of this Support Agreement;
- (c) that the Company shall file the Proposal on a timely basis consistent with the terms and conditions of this Support Agreement, recommend to any Person entitled to vote on the Proposal that it vote to approve the Proposal and take all reasonable actions, and to cause its Subsidiaries to take all reasonable actions,

necessary to obtain any regulatory approvals for the Recapitalization Transaction and to achieve the following timeline with respect to the BIA Proceedings (which timeline may be extended at any time as agreed by the Company and the Majority Initial Consenting Debentureholders acting reasonably):

- (i) filing the Proposal by no later than November 24, 2020;
 - (ii) obtain approval of the Proposal by creditors entitled to vote on the Proposal by no later than December 15, 2020;
 - (iii) subject to court availability, the Proposal shall have been approved by the Court by no later than December 23, 2020; and
 - (iv) subject to completion of (iii) above, the Proposal shall have been implemented on or prior to the Outside Date.
- (d) to provide draft copies of all motions or applications and other documents with respect to the Recapitalization Transaction, the BIA Proceedings and the Proposal that the Company intends to file with the Court in connection with the BIA Proceedings to the Advisor at least three (3) Business Days prior to the date when the Company intends to file or otherwise disseminate such documents (or, where circumstances make it impracticable to allow for three (3) Business Days' review, with as much opportunity for review and comment as is practically possible in the circumstances, but in no event less than two (2) Business Days' review unless otherwise agreed by the Majority Initial Consenting Debentureholders), and all such filings and other documents submitted to the Court shall be in a form consistent with this Support Agreement, the Proposal and otherwise acceptable to the Majority Initial Consenting Debentureholders, acting reasonably;
- (e) to not, without the prior written consent of the Majority Initial Consenting Debentureholders, amend, modify, replace, terminate, repudiate, disclaim or waive any rights under or in respect of (i) its Material Contracts (other than as expressly required by such Material Contracts, by this Support Agreement or in the ordinary course of performing their obligations under such Material Contracts) in any manner that would reasonably be expected to be material, or (ii) this Support Agreement (except as permitted by the terms hereof);
- (f) to promptly notify the Advisor of any claims threatened or brought against it or any of its Subsidiaries;
- (g) to not, without the prior written consent of the Majority Initial Consenting Debentureholders, such consent not to be unreasonably withheld or delayed, enter into or agree to any settlement, settlement proposal, commitment, commitment proposal or otherwise settle any outstanding claim, investigation, litigation, proceeding or action;
- (h) to promptly notify the Advisor if, at any time before the Effective Time, it becomes aware that any material application for a regulatory approval or any

other material order, registration, consent, filing, ruling, exemption or approval under applicable Laws contains a statement which is materially inaccurate or incomplete or of information that otherwise requires an amendment or supplement to such application, and the Company shall co-operate in the preparation of such amendment or supplement as required;

- (i) to be liable to and to indemnify and hold harmless the Consenting Debentureholders and their respective subsidiaries and affiliates, and their respective officers, directors, employees, advisors, legal counsel and agents (each an "**Indemnified Party**") from and against any and all liabilities, claims, actions, proceedings, losses (other than indirect loss), costs, damages and expenses of any kind (including, without limitation, the reasonable costs of defending against any of the foregoing, but excluding any and all liabilities, claims, actions, proceedings, losses, costs, damages and expenses of any kind that are attributable to the gross negligence, fraud, willful misconduct, breach of applicable Law or this Support Agreement of or by any Indemnified Party as determined by the final, non-appealable judgment of a court of competent jurisdiction) to which any Indemnified Party may become subject or may suffer or incur in any way in relation to or arising from a breach by Nabis of any of its obligations, covenants, representations or warranties hereunder to the extent that such claims arise directly or indirectly in connection with the Proposal, the Recapitalization Transaction or any proceedings commenced with respect to the Proposal or the Recapitalization Transaction, and to reimburse each Indemnified Party promptly upon demand for all documented legal and other expenses reasonably incurred by it in connection with investigating, preparing to defend or defending, or providing evidence in or preparing to serve or serving as a witness with respect to, any lawsuit, investigation, claim or other proceeding relating to any of the foregoing (including, without limitation, in connection with the enforcement of the indemnification obligations set forth herein). If any matter or thing contemplated by the preceding sentence (any such matter or thing being a "**Claim**") is asserted against any Indemnified Party or if any potential Claim contemplated hereby comes to the knowledge of any Indemnified Party, the Indemnified Party shall notify Nabis as soon as reasonably possible of the nature and particulars of such Claim (provided that any failure to so notify Nabis shall not affect Nabis' liability hereunder except to the extent that Nabis or any Subsidiary is prejudiced thereby and then only to the extent of any such prejudice to Nabis or such Subsidiary). Nabis or any Subsidiary shall, subject as hereinafter provided, be entitled (but not required) to assume at their expense the defence of any suit brought to enforce such Claim; provided that the defence of such Claim shall be conducted through legal counsel reasonably acceptable to the Indemnified Party and that no admission of liability or settlement in respect of any such Claim may be made by Nabis or any Subsidiary (other than a settlement that (i) includes a full and unconditional release of the Indemnified Parties without any admission or attribution of fault or liability on their part, and (ii) does not require any Indemnified Party to pay any amount or agree to any ongoing covenants) or the Indemnified Party without, in each case, the prior written consent of the other, such consent not to be unreasonably withheld or delayed.

- (j) except with the prior written consent of the Majority Initial Consenting Debentureholders, to not: (i) increase compensation or severance entitlements or other benefits payable (including, for greater certainty, Bonus Payments) to any director, officer or employee, including by way of a key employee incentive plan, or (ii) other than as a result of the implementation of the Recapitalization Transaction, take or omit to take any action (A) that would entitle any person to any bonus, lump sum, change of control, severance, retention or other payment any time prior to the last date that such person would be entitled to receive such payment in accordance with a binding written agreement with the Company (entered into prior to the date hereof or otherwise as required in accordance with applicable Law), or (B) to otherwise secure or guarantee any such payment;
- (k) except with the prior written consent of the Majority Initial Consenting Debentureholders, to operate its business and the businesses of its Subsidiaries in the ordinary course of business, having regard to its current financial condition and to not enter into, amend or terminate any Material Contract;
- (l) to not, except with the prior written consent of the Majority Initial Consenting Debentureholders, enter into any agreement for any acquisition or divestiture by the Company or any of its direct or indirect subsidiaries or affiliates or any assets or business;
- (m) except with the prior written consent of the Majority Initial Consenting Debentureholders, or as specifically permitted by this Support Agreement and the Recapitalization Transaction, to not: (i) prepay, redeem prior to maturity, defease, repurchase or make other prepayments in respect of any funded indebtedness; (ii) directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any indebtedness of any kind whatsoever; (iii) create, incur, assume or otherwise cause or suffer to exist or become effective any new lien, charge, mortgage, hypothec or security interest of any kind whatsoever on, over or against any of their assets or property; or (iv) declare or pay any dividends or distributions on or in respect of any shares in the Company or any of its direct or indirect subsidiaries or affiliates or redeem, retract, purchase or acquire any of such shares;
- (n) (i) to promptly notify the Advisor of any resignation of, or leave of absence taken by, any director, officer or senior employee of the Company or its Subsidiaries; and (ii) to not, without the prior written consent of the Majority Initial Consenting Debentureholders, (A) remove or take any action towards removing any director or officer of the Company or its Subsidiaries or (B) appoint any individual who would constitute a director or officer or take any action towards replacing any director or officer of the Company or its Subsidiaries;
- (o) to promptly notify the Advisor of (i) any event, condition, or development that has resulted in the inaccuracy or breach in any material respect of any representation or warranty, covenant or agreement contained in this Support Agreement made by or to be complied with by the Company or its Subsidiaries;

or (ii) any material change in any of the information provided by or on behalf of Nabis to the Consenting Debentureholders or the Advisor in connection with the transactions contemplated by this Support Agreement, the Recapitalization Transaction or the Proposal;

- (p) to not, except pursuant to the Proposal, amalgamate, consolidate with or merge into, transfer or sell all, substantially all, or a material portion of the assets of the Company or its Subsidiaries to another entity, or change the nature of the business or the corporate or capital structure of the Company or its Subsidiaries;
- (q) to provide, upon reasonable request and with reasonable prior notice, the Advisor with reasonable access to the books and records of the Company and its Subsidiaries (other than books or records that are subject to solicitor-client privilege or other type of privilege, as applicable) for review in connection with the Recapitalization Transaction, in each case in accordance with, and only to the extent permitted or required by, the terms of any confidentiality agreements with the Company; and
- (r) to not, except (i) as permitted by this Support Agreement, or (ii) with the prior written consent of the Majority Initial Consenting Debentureholders, commence, consummate an agreement to commence, make, solicit, assist, initiate, encourage, facilitate, propose, file, or initiate any discussions or negotiations regarding any alternative offer, restructuring, liquidation, workout or plan of compromise or arrangement, reorganization under the CCAA, other legislation or otherwise.

6. **Negotiation of Documents**

- (a) Subject to the terms and conditions of this Support Agreement, the Parties shall reasonably cooperate with each other and shall coordinate their activities (to the extent practicable) in respect of (i) the timely satisfaction of conditions with respect to the effectiveness of the Recapitalization Transaction and the Proposal as set forth herein and therein and otherwise ancillary thereto, (ii) all matters concerning the implementation of the Recapitalization Transaction and the Proposal as set forth herein and therein and otherwise ancillary thereto, and (iii) the pursuit and support of the Recapitalization Transaction and the Proposal. Furthermore, subject to the terms and conditions of this Support Agreement, each of the Parties shall take such actions as may be reasonably necessary to carry out the purposes and intent of this Support Agreement, including making and filing any required regulatory filings, in each case at the expense of the Company.
- (b) Subject to the terms and conditions of this Support Agreement, to the extent the Support Agreement has not been terminated in accordance with its terms, each Party hereby covenants and agrees (i) to reasonably cooperate and negotiate in good faith, and consistently with this Support Agreement, the Definitive Documents and all ancillary documents relating thereto, as applicable, and (ii) to the extent it is a party thereto, to execute, deliver and perform its obligations under such documents.

7. **Conditions to the Consenting Debentureholders' Support Obligations**

Notwithstanding anything to the contrary contained in this Support Agreement and without limiting any other rights of the Consenting Debentureholders hereunder, each Consenting Debentureholder's obligation to vote in favour of the Proposal pursuant to Section 4(d)(i) hereof, shall be subject to the satisfaction of the following conditions, each of which may be waived, in whole or in part, by the Majority Initial Consenting Debentureholders on behalf of the Consenting Debentureholders (provided that such conditions shall not be enforceable by a Consenting Debentureholder, if any failure to satisfy such conditions results primarily from an action, error or omission by or within the control of such Consenting Debentureholder, seeking enforcement):

- (a) the Proposal and all Definitive Documents, including the New Secured Notes, shall be in form and substance acceptable to the Majority Initial Consenting Debentureholders, acting reasonably;
- (b) all orders made and judgments rendered by any competent court of law and all rulings and decrees of any competent regulatory body, agent or official in respect of the BIA Proceedings and the Recapitalization Transaction shall be satisfactory to the Majority Initial Consenting Debentureholders, acting reasonably;
- (c) the Proposal, the proposed Order in respect of the Proposal, and all other materials filed by or on behalf of the Company in the BIA Proceedings shall have been filed (and, if applicable, issued) in form and substance acceptable to the Majority Initial Consenting Debentureholders, acting reasonably;
- (d) Nabis and its Subsidiaries, as applicable, shall have complied in all material respects with each covenant and obligation in this Support Agreement that is to be performed on or before the date that is three (3) Business Days prior to the Creditors' Meeting (subject to any agreed upon extension of the Milestones set out herein);
- (e) the board of directors of each Subsidiary shall have approved any guarantees required by the Recapitalization Transaction Terms in respect of the New Secured Notes in form and substance acceptable to the Majority Initial Consenting Debentureholders, the Company, and the relevant entity approving such guarantee, as applicable, each acting reasonably;
- (f) the representations and warranties of Nabis set forth in this Support Agreement shall continue to be true and correct in all material respects (except for those representations and warranties which expressly include a materiality standard, which shall be true and correct in all respects giving effect to such materiality standard) at and as of the date hereof and at and as of the date that is three (3) Business Days prior to the Creditors' Meeting (except to the extent such representations and warranties are by their terms given as of a specified date, in which case such representations and warranties shall be true and correct in all material respects as of such date), except as such representations and warranties

may be affected by the occurrence of events or transactions contemplated and permitted by this Support Agreement;

- (g) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Entity, no application (other than a frivolous or vexatious application by a Person other than a Governmental Entity) shall have been made to any Governmental Entity, and no action or investigation shall have been announced, threatened or commenced by any Governmental Entity, in consequence of or in connection with the Recapitalization Transaction that restrains, impedes or prohibits (or if granted could reasonably be expected to restrain, impede or inhibit) the Recapitalization Transaction or any material part thereof or requires or purports to require a material variation of the Recapitalization Transaction;
- (h) all actions taken by Nabis and each of its Subsidiaries in furtherance of the Recapitalization Transaction and the Proposal shall be consistent in all material respects with this Support Agreement; and
- (i) Nabis shall have provided the Advisor with a certificate signed by a director or officer of Nabis certifying compliance with the terms of this Section 7 as of the date that is three (3) Business Days prior to the Creditors' Meeting.

8. Conditions to the Recapitalization Transaction

- (a) The Recapitalization Transaction shall be subject to the satisfaction of the following conditions prior to or at the Effective Time, each of which is for the mutual benefit of Nabis, on the one hand, and the Consenting Debentureholders, on the other hand, and may be waived in whole or in part jointly by the Company and the Majority Initial Consenting Debentureholders on behalf of the Consenting Debentureholders (provided that such conditions shall not be enforceable by Nabis or a Consenting Debentureholder, as the case may be, if any failure to satisfy such conditions results primarily from an action, error or omission by or within the control of the Party seeking enforcement):
 - (i) the Proposal shall have been approved by (A) the Court; and (B) the requisite majority of affected creditors as and to the extent required by the Court and the BIA;
 - (ii) the Order (A) shall have been approved by the Court and (B) shall have become a final order, the implementation, operation or effect of which shall not have been stayed, varied in a manner not acceptable to the Majority Initial Consenting Debentureholders or the Company, vacated or subject to pending appeal and as to which order any appeal periods relating thereto shall have expired;
 - (iii) the Proposal and all Definitive Documents, including the New Secured Notes, shall be in form and substance acceptable to the Majority Initial Consenting Debentureholders and the Company, each acting reasonably;

- (iv) all disclosure documents and proxy forms with respect to the BIA Proceedings and press releases in respect of the Recapitalization Transaction shall be in form and substance acceptable to the Company and the Majority Initial Consenting Debentureholders, each acting reasonably; provided that, nothing herein shall prevent a Party from making public disclosure in respect of the Recapitalization Transaction to the extent required by applicable Law;
 - (v) all required stakeholder, regulatory and Court approvals, consents, waivers and filings required to be made by Nabis shall have been obtained or made, as applicable, on terms satisfactory to the Company and the Majority Initial Consenting Debentureholders, each acting reasonably, and copies of any and all such approvals, consents and/or waivers shall have been provided to the Advisor;
 - (vi) all filings that are required under applicable Laws in connection with the Recapitalization Transaction required to be made by Nabis and its Subsidiaries shall have been made and any material regulatory consents or approvals that are required in connection with the Recapitalization Transaction shall have been obtained and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated;
 - (vii) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Entity, no application shall have been made to any Governmental Entity, and no action or investigation shall have been announced, threatened or commenced by any Governmental Entity, in consequence of or in connection with the Recapitalization Transaction or the Proposal that restrains, impedes or prohibits (or if granted would reasonably be expected to restrain, impede or prohibit), the Recapitalization Transaction or the Proposal or any material part thereof or requires or purports to require a material variation of the Recapitalization Transaction Terms; and
 - (viii) the Proposal Implementation Date shall have occurred no later than the Outside Date.
- (b) The obligation of Nabis to complete the Recapitalization Transaction and the other transactions contemplated hereby are subject to the satisfaction of the following conditions prior to or at the Effective Time, each of which is for the benefit of Nabis and may be waived, in whole or in part, by the Company (provided that such conditions shall not be enforceable by Nabis if any failure to satisfy such conditions results primarily from an action, error or omission by or within the control of Nabis or any of its Subsidiaries):
- (i) the Consenting Debentureholders shall have complied in all material respects with each covenant and obligation in this Support Agreement that

is to be performed by them on or before the Proposal Implementation Date;

- (ii) the representations and warranties of the Consenting Debentureholders set forth in this Support Agreement shall be true and correct in all material respects (except for those representations and warranties which expressly include a materiality standard, which shall be true and correct in all respects giving effect to such materiality standard) at and as of the date hereof and at and as of the Proposal Implementation Date with the same force and effect as if made at and as of such date, except (A) that representations and warranties that are given as of a specified date shall be true and correct in all material respects as of such date and (B) as such representations and warranties may be affected by the occurrence of events or transactions contemplated and permitted by this Support Agreement; and
 - (iii) the Order, the Proposal, the other Definitive Documents, including the New Secured Notes, and all orders made and judgments rendered by any competent court of law, and all rulings and decrees of any competent regulatory body, agent or official shall be in form and substance satisfactory to the Company, acting reasonably.
- (c) The obligations of the Consenting Debentureholders to complete the Recapitalization Transaction and the other transactions contemplated hereby and the consummation of the Recapitalization Transaction are subject to the satisfaction of the following conditions prior to or at the Effective Time, each of which is for the benefit of the Consenting Debentureholders and may be waived, in whole or in part, by the Majority Initial Consenting Debentureholders on behalf of the Consenting Debentureholders (provided that such conditions shall not be enforceable by the Consenting Debentureholders if any failure to satisfy such conditions results solely from an action, error or omission by or within the control of the Consenting Debentureholder seeking enforcement):
- (i) the Company shall have (A) achieved the Milestones on or before the applicable dates set forth herein, and (B) complied in all material respects with each covenant and obligation in this Support Agreement that is to be performed by them on or before the Proposal Implementation Date;
 - (ii) the representations and warranties of Nabis set forth in this Support Agreement shall be true and correct in all material respects as of the Proposal Implementation Date with the same force and effect as if made at and as of such date, except (A) that representations and warranties that are given as of a specified date shall be true and correct in all material respects as of such date and (B) as such representations and warranties may be affected by the occurrence of events or transactions contemplated and permitted by this Support Agreement;

- (iii) the Order, the Proposal, the other Definitive Documents, including the New Secured Notes, and all orders made and judgments rendered by any competent court of law, and all rulings and decrees of any competent regulatory body, agent or official shall be in form and substance satisfactory to the Majority Initial Consenting Debentureholders, acting reasonably;
- (iv) all actions taken by Nabis and each of its Subsidiaries in furtherance of the Recapitalization Transaction and the Proposal shall be consistent in all material respects with the Proposal and this Support Agreement;
- (v) the composition and size of the Nabis Board as of the Effective Time shall be satisfactory to the Majority Initial Consenting Debentureholders;
- (vi) the board of directors of each Subsidiary shall have approved any guarantees required by the Recapitalization Transaction Terms in respect of the New Secured Notes in form and substance acceptable to the Majority Initial Consenting Debentureholders, the Company, and the relevant entity approving such guarantee, as applicable, each acting reasonably;
- (vii) the Company shall have used its best efforts to pay all reasonable documented fees and expenses of the Advisor in full in cash, provided that the Advisor shall have provided the Company with invoices for all such fees and expenses at least five (5) Business Days prior to the Proposal Implementation Date, and further provided that the Company will have a cash balance of at least Cdn. \$350,000 following such payment;
- (viii) provided that the payment contemplated by Section 8(c)(vii) is made in full, the Company shall have used its best efforts to pay the reasonable documented fees and expenses of the Other Debentureholder Advisors (as defined in the Proposal) in full in cash, up to Cdn. \$400,000 in the aggregate (the “**Other Advisor Closing Cap**”), provided that such Other Debentureholder Advisors shall have provided the Company with invoices for all such fees and expenses at least five (5) Business Day prior to the Proposal Implementation Date, and further provided that the Company will have a cash balance of at least Cdn. \$350,000 following such payment;
- (ix) to the extent Nabis does not pay any or all of the amounts contemplated by Section 8(c)(vii) or 8(c)(viii) because it does not have sufficient cash to do so, any amounts not paid, together with any reasonable documented fees and expenses of the Other Debentureholder Advisors in excess of the Other Advisor Closing Cap, shall continue to be an obligation of Nabis following the Effective Time;

- (x) all securities of the Company that are to be formed in connection with the Recapitalization Transaction, when issued and delivered, shall be duly authorized, validly issued and fully paid and non-assessable; and
- (xi) Nabis shall have provided the Advisor with a certificate signed by a director or officer of Nabis certifying compliance with the terms of this Section 8 as of the Proposal Implementation Date.

9. Termination

- (a) This Support Agreement (and, for certainty, any Joinder Agreement) may be terminated by the Majority Initial Consenting Debentureholders on behalf of the Consenting Debentureholders (provided that, the Convertible Debt held by any Breaching Debtholders shall be excluded when determining whether the Majority Initial Consenting Debentureholders are entitled to terminate this Support Agreement pursuant to this Section 9(a)), in their sole discretion, by providing written notice to the Company in accordance with Section 15(s) hereof:
 - (i) if the Company fails to meet any of the Milestones on or before the applicable dates set forth herein;
 - (ii) if Nabis or any Subsidiary takes any action inconsistent with this Support Agreement or fails to comply with, or defaults in the performance or observance of, in all material respects, any term, condition, covenant or agreement set forth in this Support Agreement that, if capable of being cured, is not cured within five (5) Business Days after receipt of written notice from the Advisor of such failure or default;
 - (iii) if any representation, warranty or acknowledgement of Nabis made in this Support Agreement shall prove untrue in any material respect as of the date when made that, if capable of being cured, is not cured within five (5) Business Days after receipt of written notice from the Advisor of such failure or default;
 - (iv) upon the issuance of any preliminary or final decision, order or decree by a Governmental Entity, the making of an application to any Governmental Entity, or the commencement of an action or investigation by any Governmental Entity, in consequence of or in connection with the Recapitalization Transaction or the Proposal, which restrains, prohibits or materially impedes the Recapitalization Transaction or the Proposal;
 - (v) if the BIA Proceedings are terminated or dismissed or a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator is appointed with respect to Nabis, unless such appointment is made with the prior written consent of the Majority Initial Consenting Debentureholders, acting reasonably;

- (vi) the amendment or modification of, the filing of a motion or pleading by Nabis or any Subsidiary seeking to amend or modify, the Recapitalization Transaction Terms or the Proposal or any material document or order relating thereto, unless such amendment, modification, or filing is acceptable to the Majority Initial Consenting Debentureholders, acting reasonably;
- (vii) if Nabis or any Subsidiary files a motion or pleading seeking an order disallowing, subordinating, avoiding or recharacterizing claims or interests of the Convertible Debt, except as provided for in the Proposal;
- (viii) (i) any of the conditions set forth in Section 7 are not satisfied or waived by the Creditors' Meeting or (ii) any of the conditions set forth in Section 8 are not satisfied or waived by the Outside Date;
- (ix) if any court of competent jurisdiction has entered a final non-appealable judgment or order declaring this Support Agreement or any material portion thereof to be unenforceable; or
- (x) if the Proposal has not been implemented by the Outside Date,

in each case unless the event giving rise to the termination right results from the conduct of the Consenting Debentureholders or circumstances within the control of the Consenting Debentureholders or is waived or cured in accordance with the terms hereof.

- (b) This Support Agreement may be terminated by the Company by providing written notice to the Consenting Debentureholders in accordance with Section 15(s) hereof, *provided* that the Company is not in default hereunder, upon the occurrence and continuation of any of the following events:
 - (i) if at any time the Consenting Debentureholders that are party to this Support Agreement hold in the aggregate less than the principal amount of outstanding Convertible Debt held by the Initial Consenting Debentureholders;
 - (ii) upon the issuance of any final decision, order or decree by a Governmental Entity, in consequence of or in connection with the Recapitalization Transaction or the Proposal, which restrains, impedes or prohibits the Recapitalization Transaction or the Proposal;
 - (iii) if the Proposal has not been implemented by the Outside Date; or
 - (iv) the conditions set forth in Section 8 in favour of Nabis are not satisfied or waived by the Outside Date.

in each case unless the event giving rise to the termination right results from the conduct of Nabis or its Subsidiaries or circumstances within the control of Nabis or is waived or cured in accordance with the terms hereof.

- (c) This Support Agreement may be terminated by the Company as to a breaching Consenting Debentureholder (the "**Breaching Debtholder**") only, by providing written notice to such Breaching Debtholder in accordance with Section 15(s) hereof, in exercise of its sole discretion and provided that Nabis is not in default hereunder, upon the occurrence and continuation of any of the following events:
- (i) if such Breaching Debtholder has taken any action inconsistent with this Support Agreement or failed to comply with, or defaulted in the performance or observance of, in all material respects, any term, condition, covenant or agreement set forth in this Support Agreement that, if capable of being cured, is not cured within five (5) Business Days after receipt of written notice from the Company of such failure or default; or
 - (ii) any representation, warranty or acknowledgement of such Breaching Debtholder made in this Support Agreement shall prove untrue in any material respect as of the date when made,

and the Breaching Debtholder shall thereupon no longer be a Consenting Debentureholder.

- (d) In the event of any waiver, change, modification, or amendment to this Support Agreement that disparately and adversely affects the recoveries or treatment of a Consenting Debentureholder compared to the recoveries or treatment set forth in the Proposal (other than in proportion to the amount of Relevant Debt held by such Consenting Debentureholder), and if such Consenting Debentureholder objects to such waiver, change, modification or amendment, it may, within five (5) Business Days of receiving notice of such waiver, change, modification or amendment, terminate such Consenting Debentureholder's obligations under this Support Agreement upon five (5) Business Days' notice to the other Parties hereto and shall thereupon no longer be a Consenting Debentureholder.
- (e) This Support Agreement may be terminated at any time by mutual written consent of the Company and the Majority Initial Consenting Debentureholders on behalf of the Consenting Debentureholders.
- (f) This Support Agreement shall terminate automatically:
- (i) on the Proposal Implementation Date upon implementation of the Proposal;
 - (ii) upon the commencement of a CCAA proceeding without having obtained the prior written consent of the Majority Initial Consenting Debentureholders;

- (g) Nabis hereby consents to the termination of this Support Agreement if terminated in accordance with Sections 9(a), 9(b) or 9(f) (except for 9(f)(i)) herein) and hereby waives any application of the stay of proceedings granted in the BIA Proceedings (or, for greater certainty, any stay of proceedings granted upon the filing of any CCAA proceedings) on any such termination.

10. **Releases**

In addition to the releases contemplated in Article V of the Proposal, the existing directors of Nabis will receive full releases from the Consenting Debentureholders in the form agreed to between Nabis and the Initial Consenting Debentureholders, such releases to be executed contemporaneously with this Support Agreement and held in escrow with Nabis' counsel to be released and effective at the Effective Time on the Proposal Implementation Date. Each Consenting Debentureholder that signs a Joinder Agreement hereby agrees to be bound by the terms of such releases.

11. **Effect of Termination**

- (a) Subject to paragraph 11(c) below, this Support Agreement, upon its termination, shall be of no further force and effect, and each Party hereto shall be automatically and simultaneously released from its commitments, undertakings, covenants, and agreements under or related to this Support Agreement, and each Party shall have the rights and remedies that it would have had it not entered into this Support Agreement and shall be entitled to take all actions, whether with respect to the Recapitalization Transaction or otherwise, that it would have been entitled to take had it not entered into this Support Agreement. Upon the termination of this Support Agreement in its entirety, any and all votes submitted in respect of the Proposal will be deemed to be withdrawn and shall have no effect in any other restructuring proceeding involving Nabis or its Subsidiaries.
- (b) Each Party shall be responsible and shall remain liable for any breach of this Support Agreement by such Party occurring prior to the termination of this Support Agreement.
- (c) Notwithstanding the termination of this Support Agreement pursuant to Section 9, the agreements and obligations of the Parties in Sections 5(i) (solely with respect to any fees and expenses incurred on or prior to the date of such termination), 12 and 15 hereof shall survive such termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof. Upon the occurrence of any termination of this Support Agreement with respect to a Consenting Debentureholder, any and all votes, consents and proxies tendered by such Consenting Debentureholder prior to such termination shall be deemed, for all purposes, to be withdrawn, and null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Recapitalization Transaction, this Support Agreement, or otherwise.

12. **Confidentiality**

Notwithstanding anything to the contrary in this Support Agreement, no information with respect to the principal amount of Relevant Debt held or managed by any individual Consenting Debentureholder or the identity of any individual Consenting Debentureholder shall be disclosed by the Company or any of its direct or indirect subsidiaries or affiliates, without the prior written consent of each such Consenting Debentureholder, provided, however, that such information may be disclosed: (A) to the directors, executives, senior management, auditors, employees, financial advisors and legal advisors (collectively, its "**Representatives**") of the Company and its affiliates, provided that each such Representative (i) needs to know such information for purposes of the Recapitalization Transaction, (ii) is informed of this confidentiality provision and the confidential nature of such information, and (iii) agrees to act in accordance with the terms of this confidentiality provision; and (B) in response to, and to the extent required (as determined by the Company following advice of the Company's legal counsel) by applicable Law, by the rules of any stock exchange on which its securities or those of any of its affiliates are traded, by any Governmental Entity or by any subpoena or other legal process, including, without limitation, by any court of competent jurisdiction or applicable rules, regulations or procedures of a court of competent jurisdiction; provided that, if it or any of its Representatives is required to disclose the identity or specific holdings of a Consenting Debentureholder in the manner set out in the preceding sentence, the Company shall provide the applicable Consenting Debentureholder with prompt written notice of any such requirement (including a written copy of the proposed disclosure), to the extent legally permissible, and the Company shall reasonably cooperate with such Consenting Debentureholder in seeking a protective order or other appropriate remedy or waiver of compliance with such requirement; provided further that: the principal amount of Relevant Debt held collectively by all Consenting Debentureholders in the aggregate from time to time may be set out in any public disclosure, including, without limitation, press releases and court materials, produced by the Company, all in form and substance satisfactory to the Company and the Majority Initial Consenting Debentureholders, each acting reasonably.

13. **Further Assurances**

Subject to the terms and conditions of this Support Agreement, each Party shall take all such actions as are commercially reasonable, deliver to the other Parties such further information and documents and execute and deliver to the other Parties such further instruments and agreements as another Party shall reasonably request to consummate or confirm the transactions provided for in this Support Agreement, to accomplish the purpose of this Support Agreement or to assure to the other Party the benefits of this Support Agreement, including, the consummation of the Recapitalization Transaction in all cases at the expense of Nabis.

14. **Public Announcements**

All public announcements made in respect of the Recapitalization Transaction shall be made solely by the Company, provided that such public announcements shall be in form

and substance acceptable to the Majority Initial Consenting Debentureholders and the Company, each acting reasonably. Notwithstanding the foregoing, nothing herein shall prevent a party from making public disclosure in respect of the Recapitalization Transaction to the extent required by applicable Law.

15. Miscellaneous

- (a) Notwithstanding anything herein to the contrary, this Support Agreement applies only to each Consenting Debentureholder's Relevant Debt (including any Additional Debt in accordance with Section 4(g) hereof) and to each Consenting Debentureholder solely with respect to its legal and/or beneficial ownership of, or its investment and voting discretion over, its Relevant Debt (including any Additional Debt in accordance with Section 4(g) hereof), and not, for greater certainty, to any securities, loans or obligations that may be held by any client of such Consenting Debentureholder whose funds or accounts are managed by such Consenting Debentureholder where those funds or accounts are not otherwise subject to this Support Agreement (including, for greater certainty, where such funds or accounts become subject to this Support Agreement pursuant to any Transfer permitted under Section 4(b)(i)) hereof and, without limiting the generality of the foregoing, shall not apply to:
- (i) any securities, loans or other obligations that may be held, acquired or sold by, or any activities, services or businesses conducted or provided by, any group or business unit within, or fund or account of, a Consenting Debentureholder or any affiliated entity of such Consenting Debentureholder: (A) that has not been involved in and is not acting at the direction of or with knowledge of the Company's affairs provided by any Person involved in the Recapitalization Transaction discussions; (B) that is on the other side of an information firewall with respect to the officers, partners and employees of such Consenting Debentureholder who have been working on the Recapitalization Transaction and is not acting at the direction of or with knowledge of the Company's affairs provided by any officers, partners and employees of such Consenting Debentureholder who have been working on the Recapitalization Transaction or (C) disclosed by such Consenting Debentureholder to the Company in writing on or prior to the date of this Support Agreement;
 - (ii) any securities, loans or other obligations that may be beneficially owned by clients of a Consenting Debentureholder, including accounts or funds managed by the Consenting Debentureholder; or
 - (iii) any securities, loans or other obligations that may be beneficially owned by clients of a Consenting Debentureholder that are not managed or administered by the Consenting Debentureholder.
- (b) Subject to Section 15(a) hereof, nothing in this Support Agreement is intended to preclude a Consenting Debentureholder from engaging in any securities

transactions, subject to (i) compliance with applicable securities Laws and (ii) the agreements set forth herein with respect to the Consenting Debentureholder's Relevant Debt.

- (c) The headings in this Support Agreement are for reference only and shall not affect the meaning or interpretation of this Support Agreement.
- (d) Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all genders.
- (e) This Support Agreement (including the Proposal and the other schedules attached to this Support Agreement) constitutes the entire agreement and supersedes all prior agreements and understandings, both oral and written, among the Parties with respect to the subject matter hereof; provided, however, that this Support Agreement does not alter or supersede any confidentiality or non-disclosure agreement between the Company and any of the Consenting Debentureholders. No prior history, pattern or practice of sharing confidences among or between the Parties shall in any way affect or negate this understanding and agreement.
- (f) Unless as expressly otherwise set forth herein, this Support Agreement may be modified, amended, waived or supplemented as to any matter in writing (which may include e-mail) by the Company and the Majority Initial Consenting Debentureholders on behalf of the Consenting Debentureholders; *provided* that (a) any modification, amendment, waiver or change to the terms of this Section 15(f) shall require the prior written consent of each Consenting Debentureholder; (b) any modification, amendment, waiver, or change to the definition of "Consenting Debentureholder" shall require the prior written consent of each Consenting Debentureholder; and (c) any modification, amendment, waiver or change to the definition of "Majority Initial Consenting Debentureholders" shall require the prior written consent of each Initial Consenting Debentureholder.
- (g) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise.
- (h) Nabis shall be entitled to rely on written confirmation (which may include email) from the Advisor that the Majority Initial Consenting Debentureholders, on behalf of the Consenting Debentureholders, have agreed, waived, consented to or approved a particular matter pursuant to this Support Agreement. The Consenting Debentureholders shall be entitled to rely on written confirmation (which may include email) from McMillan LLP that the Company has agreed, waived, consented to or approved a particular matter pursuant to this Support Agreement.
- (i) No Party shall have any responsibility by virtue of this Support Agreement for any trading by any other entity. No prior history, pattern, or practice of sharing

confidences among or between the Parties shall in any way affect or negate this understanding and agreement.

- (j) The Parties hereto acknowledge that this Support Agreement does not constitute an agreement, arrangement, or understanding with respect to acting together for the purpose of acquiring, holding, voting, or disposing of any equity securities of Nabis and the Consenting Debentureholders are not acting jointly or in concert within the meaning of applicable securities Laws. Nothing contained herein or in any agreement contemplated hereby and no action taken by any Consenting Debentureholder pursuant to this Support Agreement shall be deemed to constitute or to create a presumption by any of the Parties that the Consenting Debentureholders are in any way acting in concert (or a joint venture, partnership or association), and Nabis will not assert any such claim with respect to such obligations or the transactions contemplated by this Support Agreement, and Nabis acknowledges that none of the Consenting Debentureholders are acting in concert with respect to such obligations or the transactions contemplated by this Support Agreement. Nabis acknowledges and each Consenting Debentureholder confirms that it has independently participated in the negotiation of the transactions contemplated under this Support Agreement with the advice of counsel and advisors. For the avoidance of doubt, Nabis makes this acknowledgement in connection with any actions taken by the Consenting Debentureholders in furtherance of the Recapitalization Transaction, including the negotiation of the Definitive Documentation.
- (k) In connection with any matter requiring approval, agreement, consent, waiver, request or other action of the Majority Initial Consenting Debentureholders under this Support Agreement, there is no requirement or obligation that such Parties agree among themselves with respect thereto and there is no agreement among such Parties with respect thereto. In connection with any such approval, agreement, consent, waiver, request or other action of the Majority Initial Consenting Debentureholders each Party may, through the Advisor, confirm such approval, agreement, consent, waiver, request or other action. Nabis shall be entitled to rely on any advice from the Advisor regarding any such approval, agreement, consent, waiver, request or other action of the Majority Initial Consenting Debentureholders under this Support Agreement.
- (l) It is understood and agreed that none of the Consenting Debentureholders has any duty of trust or confidence in any form with any other Party or any creditors or other stakeholders of Nabis and, except as expressly provided in this Support Agreement, there are no agreements, commitments or undertakings by, among or between any of them with respect to the subject matter hereof.
- (m) Any date, time or period referred to in this Support Agreement shall be of the essence except to the extent to which the Company and the Majority Initial Consenting Debentureholders, on behalf of the Consenting Debentureholders, agree in writing to vary any date, time or period, in which event the varied date, time or period shall be of the essence.

- (n) The agreements, representations and obligations of the Consenting Debentureholders under this Support Agreement are, in all respects, several and not joint and several.
- (o) This Support Agreement shall be governed by, construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein (excluding any conflict of laws rule or principle which might refer such construction to the laws of another jurisdiction) and all actions or proceedings arising out of or relating to this Support Agreement shall be heard and determined exclusively in the courts of the Province of Ontario.
- (p) It is understood and agreed by the Parties that money damages would not be a sufficient remedy for any breach of this Support Agreement and each non-breaching Party shall be entitled, in addition to any other remedy that may be available under applicable law, to specific performance and injunctive or other equitable relief as a remedy of any such breach, including an order by a court of competent jurisdiction requiring any Party to comply promptly with any of such obligations, without the necessity of proving the inadequacy of money damages as a remedy. Each Party hereby waives any requirement for the security or posting of any bond in connection with such remedies.
- (q) Unless expressly stated otherwise herein, this Support Agreement is intended to solely bind and inure to the benefit of the Parties and their respective successors, permitted assigns, heirs, executors, administrators and representatives. No other person or entity shall be a third party beneficiary hereof.
- (r) Except as otherwise set forth in Section 4(b), no Party may assign, delegate or otherwise transfer any of its rights, interests or obligations under this Support Agreement without the prior written consent of the other Parties hereto.
- (s) All notices, requests, consents and other communications hereunder to any Party shall be deemed to be sufficient if contained in a written instrument delivered in person or sent by facsimile, internationally-recognized overnight courier or email. All notices required or permitted hereunder shall be deemed effectively given: (i) upon personal delivery to the Party to be notified, (ii) when sent by facsimile or email if sent during normal business hours of the recipient, if not, then on the next Business Day of the recipient; or (iii) one (1) Business Day after deposit with an internationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All deliveries required or permitted hereunder shall be deemed effectively made: (A) upon personal delivery to the Party receiving the delivery; (B) one (1) Business Day after deposit with an internationally recognized overnight courier, specifying next day delivery, with written verification of receipt; or (C) upon receipt of delivery in accordance with instructions given by the Party receiving the delivery. Any Party may change the address to which notice should be given to such Party by providing written notice to the other Parties hereto of such change. The address, facsimile and email for each of the Parties shall be as follows:

(i) If to the Company at:

Nabis Holdings Inc.
Unit 1409 – 5000 Yonge Street
Toronto, ON M2N 7E9

Attention: Emmanuel Paul, Chair of the Board
Email: emmanuel@ninthsquarecapital.com

with a copy to:

McMillan LLP
Brookfield Place, Suite 4400
181 Bay Street
Toronto, ON M5J 2T3

Attention: Brett G. Harrison
Facsimile: 416-865-7048
Email: brett.harrison@mcmillan.ca

Attention: Desmond M. Balakrishnan
Facsimile: 604-685-7084
Email: desmond.balakrishnan@mcmillan.ca

(ii) If to one or more of the Initial Consenting Debentureholders at:

The address set forth for each applicable Initial Consenting Debentureholders on its signature page to this Support Agreement, with a required copy (which shall not be deemed notice) to:

Bennett Jones LLP
3400 One First Canadian Place, P.O. Box 130
Toronto, ON
M5X 1A4

Attention: Sean Zweig
Facsimile: 416.863.1716
Email: zweigs@bennettjones.com

(t) If any term, provision, covenant or restriction of this Support Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions, including terms, covenants and restrictions, of this Support Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated and the parties shall negotiate in good faith to modify this Support Agreement so as to effect the original intent of the Parties as closely as possible in a reasonably acceptable manner so that the transactions

contemplated hereby are consummated as originally contemplated to the greatest extent possible.

- (u) Except as explicitly provided for herein and in the Proposal, and notwithstanding any termination of this Support Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair or restrict the ability of any Consenting Debentureholder or Nabis to protect and preserve its rights, remedies and interests (including, with respect to the Consenting Debentureholders, their claims against Nabis), and each Party fully reserves any and all of its rights. Nothing herein shall be deemed an admission of any kind.
- (v) This Support Agreement may be executed by facsimile or other electronic means and in one or more counterparts, all of which shall be considered one and the same agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, each of the undersigned has caused this Support Agreement to be duly executed and delivered by its proper and duly authorized officer as of the date first written above.

NABIS HOLDINGS INC.

Per:



Name: Emmanuel Paul

Title: Chair of the Board of Directors

IN WITNESS WHEREOF, the undersigned has caused this Support Agreement to be duly executed and delivered by its proper and duly authorized officer as of the date first written above.

Name of Consenting Debentureholder: **The K2 Principal Fund L.P.**

By: 
Name: **Daniel Gosselin**
Title: **Secretary of K2 Genpar 2017 Inc., the General Partner to The K2 Principal Fund L.P.**

Jurisdiction of residence for legal purposes: **Ontario**

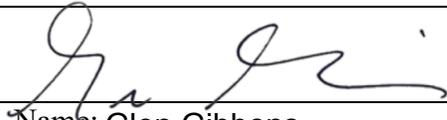
Email: **K2backoffice@k2.ca**

Address: **2 Bloor Street West, Suite 801**
Toronto, Ontario M4W 3E2

Debt	Principal Amount	Custodian or DTC Participant, if applicable
8.0% Unsecured Convertible Debentures Due March 26, 2022	\$3,100,000.00	BMO (cuid NTDT)

IN WITNESS WHEREOF, the undersigned has caused this Support Agreement to be duly executed and delivered by its proper and duly authorized officer as of the date first written above.

Name of Consenting Debentureholder: Caravel CAD Fund Ltd.

By: 
Name: Glen Gibbons
Title: Director

Jurisdiction of residence for legal purposes: The Bahamas

Email: Glen@Caravelinvest.com

Address: Unit 7, Building 2 Old Fort Bay Town Centre

Nassau The Bahamas

Debt	Principal Amount	Custodian or DTC Participant, if applicable
NABIS HLDGS CV 8% 26MR22	12,810,000.00	NBCS

SCHEDULE A

Subsidiaries

Nabis Technologies Corp.
Be In Synergy Inc.
Abis Biopharma Corporation
Nabis (CAN) Holdings Corp
Nabis (US) Corp.
Nabis AZ, LLC
Nabis Arizona Property, LLC
Nabis Joint Ventures (AZ), LLC
Nabis Hemp Holdings, LLC
Nabis Holdings California Inc.
Nabis Holdings California, LLC
Nabis Holdings, LLC
Nabis Holdings Michigan, LLC.
1904 Peck Street Ventures, LLC
1904 Peck Street, Inc.
1904 Peck, LLC
50680 28th Avenue, LLC
190 Wash & 140 Locust, LLC
190 N Washington, LLC
135 W. Monroe, LLC
Fifty Knapp Drive, LLC
1230 E. Michigan Avenue, LLC
50 Knapp, LLC
1230 Michigan Inc.
1639 S. Huron, LLC
1639 Huron Inc.
Nabis NM LLC
Nabis Holdings Oklahoma Inc.
Nabis Oklahoma Patient Care Inc.
Nabis Holdings Washington, LLC

SCHEDULE B

DEFINITIONS

"**Additional Debt**" has the meaning given to it in Section 4(g).

"**Advisor**" means Bennett Jones LLP.

"**Affiliate**" of any Person shall mean any Person directly or indirectly controlling, controlled by, or under common control with, such Person; provided, that, for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"**BIA**" has the meaning given to it in the preamble hereto.

"**BIA Proceedings**" means the proceedings under the BIA commenced by the Company by filing the Proposal.

"**Bonus Payments**" means all bonus payments, retention payments, incentive compensation payments, service award payments, or other similar payments payable by any of Nabis or any of its direct and indirect subsidiaries or affiliates to any of Nabis's or its direct and indirect subsidiaries' or affiliates' current or past directors, officers, employees or senior managers, in connection with the transactions contemplated by this Support Agreement or otherwise.

"**Breaching Debtholder**" has the meaning given to it in Section 9(c).

"**Business Day**" means each day, other than a Saturday or Sunday or a statutory or civic holiday, on which banks are open for business in Vancouver, British Columbia or Toronto, Ontario.

"**CCAA**" means the *Companies' Creditors Arrangement Act* (Canada).

"**Company**" has the meaning given to it in the preamble hereto.

"**Consenting Debentureholders**" means the Convertible Debentureholders that have executed and remain, at the relevant time, subject to this Support Agreement or a Joinder Agreement hereto.

"**Contracts**" means all agreements, contracts, leases (whether for real or personal property), purchase orders, undertakings, covenants not to compete, employment agreements, confidentiality agreements, licenses, instruments, obligations and commitments to which a Person is a party or by which a Person or any of its assets are bound or affected, whether written or oral.

"**Convertible Debentureholders**" means, collectively, the holders of the Convertible Debt, in their capacity as such.

"Convertible Debt" means, collectively, the debt outstanding under the Convertible Debt Documents.

"Convertible Debt Documents" means, collectively: (i) the Debenture Indenture, and (ii) all related documentation, including, without limitation, all guarantee documentation, related to the foregoing.

"Court" has the meaning given to it in the preamble hereto.

"Creditors' Meeting" means the meeting of creditors of the Company convened in accordance with the BIA to consider and vote on the Proposal.

"Debenture Indenture" means the Indenture for 8.00% Convertible Debentures dated March 26, 2019 by and among Nabis and the Trustee, as amended, modified and/or supplemented from time to time.

"Definitive Documents" means all definitive agreements, court materials and other material documents in connection with the Recapitalization Transaction and the BIA Proceedings, and any and all amendments, modifications or supplements relating to any of the foregoing, including, without limitation and as applicable, this Support Agreement, the Proposal, the Order, the New Secured Notes, and all material applications, motions, pleadings, orders, rulings and other documents filed by the Company or the Proposal Trustee with the Court in the BIA Proceedings and any other material documentation required in connection with the meetings of creditors and all other material transaction documents relating to the Recapitalization Transaction and the Proposal (including any new (or amended) articles of incorporation, by-laws and other constating documents of the Company).

"Effective Time" means the effective time of the Proposal on the Proposal Implementation Date.

"Governmental Entity" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

"IFRS" means generally accepted accounting principles as set out in the *CPA Canada Handbook – Accounting* for an entity that prepares its financial statements in accordance with International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

"Indemnified Party" has the meaning given to it in Section 5(i).

"Initial Consenting Debentureholders" means, collectively, the Consenting Debentureholders that executed this Support Agreement on November 17, 2020.

"Interim Financial Statements" means the interim consolidated financial statements of the Company for the period ended June 30, 2020 and related management's discussion and analysis.

"Joinder Agreement" means a joinder agreement, in the form appended hereto at Schedule D, pursuant to which a Convertible Debentureholder agrees, among other things, to be bound by and subject to the terms of this Support Agreement and thereby may become Consenting Debentureholder.

"Law" or **"Laws"** means any law, statute, constitution, treaty, convention, code, injunction, order, decree, consent decree, judgment, rule regulation, ordinance or other pronouncement having the effect of law whether in Canada or the United States, or any other country, or any domestic or foreign state, county, province, city or other political subdivision or of any Governmental Entity.

"Majority Initial Consenting Debentureholders" means, collectively, Initial Consenting Debentureholders holding in aggregate not less than two-thirds (66 2/3%) of the aggregate principal amount of Convertible Debt held by all Initial Consenting Debentureholders.

"Material Adverse Change" means any event, change, circumstance or effect occurring up to and including the closing of the Recapitalization Transaction that would reasonably be expected to be or become, individually or in the aggregate, materially adverse to the Company and its subsidiaries (taken as a whole), or which would materially impair the Company's ability to perform its obligations under this Support Agreement or have a materially adverse effect on or prevent or materially delay the consummation of the transactions contemplated by this Support Agreement, *provided* that none of the following shall constitute a Material Adverse Change: (a) any change in applicable accounting standards; (b) any change in global, national or regional political conditions (including the outbreak of war or acts of terrorism) or in general economic, business, regulatory, political or market conditions or in national or global financial or capital markets; (c) any change affecting any of the industries in which the Company operates, including changes in exchange rates or commodity prices; (d) any natural disaster; (e) any change resulting from the execution, announcement, or performance of this Support Agreement, the Proposal or any other related agreement and the consummation of the Recapitalization Transaction; (f) any change in the market price or trading volume of any securities of the Company or any suspension of trading in securities generally on any securities exchange on which any securities of the Company trade, or the failure, in and of itself, of the Company to meet any internal or public projections, forecasts or estimates of revenues or earnings (it being understood that the underlying facts giving rise to or contributing to such change or failure may be taken into account in determining whether there has been a Material Adverse Change); or (g) any action taken by the Company in accordance with the BIA Proceedings, this Support Agreement or the Proposal except in the cases of clauses (b), (c) or (d), to the extent that the Company, taken as a whole, is disproportionately affected as compared with other participants in the industries in which the Company operates.

"Material Contract" means each Contract and other instrument or document (including any amendment to any of the foregoing) of the Company or any of its direct or indirect subsidiaries or affiliates: (a) with any of the directors or officers of the Company or with any affiliate of the Company or any of its direct or indirect subsidiaries or affiliates; (b) that in any way purports to materially restrict the business activity of the Company or any of its direct or indirect subsidiaries or affiliates or to limit the freedom of the Company or any of its direct or indirect subsidiaries or affiliates to engage in any line of business or to compete with any Person or in

any geographic area or to hire or retain any Person in any material respect; (c) that is material to the businesses of the Company and its direct or indirect subsidiaries; and (d) any other Contract, if a breach of such Contract could reasonably be expected to result in a Material Adverse Change.

"**Milestones**" means those milestones set forth in Section 5(c) hereof (as the same may be amended pursuant to the terms of this Support Agreement).

"**Nabis Board**" means the board of directors of Nabis.

"**Nabis**" has the meaning given to it in the preamble hereto.

"**New Secured Notes**" has the meaning given to it in the Proposal.

"**Order**" means a final order of the Court pursuant to the BIA that, *inter alia*, approves the Proposal.

"**Outside Date**" means December 31, 2020 or such other date as the Company and the Majority Initial Consenting Debentureholders may agree.

"**Party**" or "**Parties**" has the meaning given to it in the preamble hereto.

"**Person**" means an individual, a corporation, a partnership, a limited liability company, organization, trustee, executor, administrator, a trust, an unincorporated association, a Governmental Entity or any agency, instrumentality or political subdivision of a Governmental Entity, or any other entity or body.

"**Proposal**" has the meaning given to it in the preamble hereto.

"**Proposal Implementation Date**" means the date on which the Recapitalization Transaction is implemented pursuant to the Proposal.

"**Proposal Trustee**" means KSV Restructuring Inc.

"**Recapitalization Transaction Terms**" has the meaning given to it in the preamble hereto.

"**Recapitalization Transaction**" has the meaning given to it in the preamble hereto.

"**Relevant Debt**" has the meaning given to it in Section 2(a).

"**Representatives**" has the meaning given to it in Section 12.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Subsidiaries**" means each of the subsidiaries of the Company listed on Schedule A hereto.

"**Support Agreement**" has the meaning given to it in the preamble hereto.

"**Transfer**" has the meaning given to it in Section 4(b)(i).

"Trustee" means Odyssey Trust Company.

SCHEDULE C

PROPOSAL

[Attached]

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

**IN THE MATTER OF THE PROPOSAL OF NABIS HOLDINGS INC.
PURSUANT TO THE *BANKRUPTCY AND INSOLVENCY ACT***

PROPOSAL

WHEREAS, upon delivery hereof, Nabis Holdings Inc. ("**Nabis**" or the "**Company**") has initiated proceedings under the *Bankruptcy and Insolvency Act* (Canada) R.S.C. 1985, B-3 as amended (the "**BIA**"), pursuant to Section 50(1) thereof;

NOW THEREFORE the Company hereby submits the following proposal under the BIA to its creditors (the "**Proposal**").

**ARTICLE I
DEFINITIONS**

1.01 Definitions

In this Proposal:

"**Administrative Fees and Expenses**" means the fees, expenses and disbursements incurred by or on behalf of the Proposal Trustee, the solicitors for the Proposal Trustee, the solicitors of the Company and the solicitors to the special committee of the board of the Company both before and after the filing by the Company of the Proposal, relating to this Proposal;

"**Affected Creditor Claim**" means a Proven Claim, other than an Unaffected Claim;

"**Affected Creditor Pro Rata Share**" means, in respect of an Affected Creditor, (i) the face value of the Affected Creditor Claim held by that Affected Creditor as at the Record Date, divided by (ii) the aggregate principal amount of all Affected Creditor Claims as at the Record Date;

"**Affected Creditors**" means all Persons having Affected Creditor Claims, but only with respect to and to the extent of such Affected Creditor Claims;

"**Affected Creditors Class**" means the class consisting of the Affected Creditors established under and for the purposes of this Proposal, including voting in respect thereof;

"**Approval Order**" means an order of the Court approving this Proposal;

"**BIA**" has the meaning ascribed to it in the recitals;

"**BIA Proceeding**" means the proceeding commenced by the Company under the BIA;

"Business Day" means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;

"CDS" means CDS Clearing and Depository Services Inc. and its successors and assigns;

"Claim" means any right or claim of any Person against the Company in connection with any indebtedness, liability, or obligation of any kind whatsoever in existence on the Filing Date (or which has arisen after the Filing Date as a result of the termination or repudiation by the Company on or after the Filing Date of any lease or executory contract), and any interest accrued thereon to and including the Filing Date and costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not such indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against the Company with respect to any matter, cause or chose in action, but subject to any counterclaim, set-off or right of compensation in favour of the Company which may exist, whether existing at present or commenced in the future, which indebtedness, liability or obligation (A) is based in whole or in part on facts that existed prior to the Filing Date, (B) relates to a period of time prior to the Filing Date, or (C) is a right or claim of any kind that would be a claim provable in bankruptcy within the meaning of the BIA;

"Common Shares" means common shares in the capital of Nabis;

"Company" has the meaning ascribed to it in the recitals;

"Conditions Precedent" shall have the meaning given to such term in section 6.02 hereof;

"Consenting Debentureholder" means the Debentureholders party to the Debentureholder Support Agreement at the applicable time;

"Consenting Debentureholder Advisor" means Bennett Jones LLP, in its capacity as legal counsel to the Consenting Debentureholders;

"Convenience Creditor" means an Affected Creditor with a Convenience Creditor Claim, provided that a Debentureholder may not be a Convenience Creditor;

"Convenience Creditor Claim" means (a) any Proven Claims of an Affected Creditor in an amount less than or equal to \$500.00, and (b) any Proven Claim of an Affected Creditor in an amount greater than \$500.00 if the relevant Creditor has made a valid election for the purposes of this Proposal in accordance with this Proposal prior to the Convenience Creditor Election Deadline;

"Convenience Creditor Consideration" has the meaning ascribed to it in section 3.04 hereof;

"Convenience Creditor Election Deadline" means 5:00 p.m. (Toronto time) on December 11, 2020;

"Convenience Creditor Election Form" means the form, substantially in the form attached hereto as Schedule "B", pursuant to which an Affected Creditor that is not a Convenience Creditor may elect to be treated as a Convenience Creditor, in accordance with Section 3.04 herein;

"Convertible Debentures" means the 8.00% convertible debentures due 2022 issued by Nabis pursuant to the Debenture Indenture;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"Court Approval Date" means the date upon which the Court makes the Approval Order;

"Creditors' Meeting" means the meeting of the Affected Creditors called for the purpose of considering and voting upon the Proposal;

"Creditors' Meeting Date" means such date and time for the Creditors' Meeting as may be called by the Proposal Trustee, but in any event shall be no later than twenty-one (21) days following the filing of this Proposal with the Official Receiver;

"Debentureholder" means a holder of the Convertible Debentures as of the Record Date;

"Debentureholder Claim" means all outstanding liabilities, duties and obligations, including without limitation principal and interest, any make whole payment, any prepayment, redemption or similar premiums, reimbursement obligations, fees, penalties, damages, guarantees, indemnities, costs, expenses or otherwise, and any other liabilities, duties or obligations, whether direct or indirect, absolute or contingent, known or unknown, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the Debenture Documents, owing by any Person (whether as issuer, guarantor or otherwise) as at the Plan Implementation Date;

"Debenture Documents" means (i) the Debenture Indenture, (ii) the Convertible Debentures, and (iii) all documentation relating to the foregoing.

"Debenture Indenture" means indenture dated as of March 26, 2019 among Nabis, as issuer, and the Debenture Trustee, pursuant to which the Convertible Debentures are governed, as amended, modified or supplemented from time to time;

"Debenture Trustee" means Odyssey Trust Company, in its capacity as trustee in respect of the Convertible Debentures;

"Debentureholder Support Agreement" means the support agreement (including all schedules thereto) among Nabis and the Debentureholders party thereto dated as of November 23, 2020, as it may be amended, modified and/or supplemented from time to time;

"Disputed Claim" means any Affected Creditor Claim which has not been finally resolved as a Proven Claim in accordance with the BIA as at the Proposal Implementation Date;

"Distributions" means the distributions to Affected Creditors contemplated by Section 2.02;

"Effective Time" means 12:00 p.m. (Toronto time) on the Proposal Implementation Date;

"Equity Claim" has the meaning ascribed to it in Section 2 of the BIA;

"Existing Equity" means the Common Shares, preferred shares, warrants (including the Warrants), stock options and any other similar equity-type securities in the capital of the Company;

"Existing Equityholders" means the holders of the Existing Equity immediately prior to the Effective Time;

"Filing Date" means November 23, 2020, being the date upon which this Proposal was filed by the Company with the Official Receiver;

"Governmental Authority" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"Guarantors" means, collectively, Nabis (CAN) Holdings Corp., Nabis Technologies Corp., and all other present and future direct and indirect subsidiaries of Nabis;

"Implementation" means the completion and implementation of the transactions contemplated by this Proposal;

"Implementation Certificate" has the meaning ascribed to it in Section 6.02(k);

"Intermediary" means a broker, custodian, investment dealer, nominee, bank, trust company or other intermediary;

"Nabis" has the meaning ascribed thereto in the recitals;

"New Common Shares" means 3,700,000 of newly-issued Common Shares issued on the Proposal Implementation Date pursuant to this Proposal, which will represent 100% of the aggregate Common Shares issued and outstanding immediately following the implementation of this Proposal;

"New Directors" means such individuals to be appointed to the board of directors of Nabis on the Proposal Implementation Date as determined by the Consenting Debentureholders;

"New Secured Notes" means new first lien secured notes in aggregate amount of \$23,000,000 due 2022 to be issued by Nabis on the Proposal Implementation Date substantially on the terms set out in Schedule A hereto, including (i) a maturity date of two years from the date of issuance, (ii) quarterly interest payments on February 15, May 15, August 15 and November 15 at an annual interest rate of 5.3%; (iii) a first-ranking security interest in all assets of Nabis and the Guarantors, and (iv) such other terms and conditions as agreed to by Nabis and the Consenting Debentureholders, each acting reasonably;

"New Secured Notes Indenture" means the indenture to be entered into among Nabis, as issuer, and the New Secured Notes Trustee, substantially on the terms set out in Schedule A hereto (or such other terms and conditions as agreed to by Nabis and the Consenting Debentureholders, each acting reasonably), pursuant to which the New Secured Notes will be governed;

"New Secured Notes Trustee" means Odyssey Trust Company, or such indenture trustee as may be appointed in respect of the New Secured Notes with the consent of the Consenting Debentureholders;

"Official Receiver" shall have the meaning ascribed thereto in the BIA;

"Other Debentureholder Advisors" means, collectively, Groia & Company LLP, Dickinson Wright LLP, Conant Law Firm, PLC, Langstaff & Company Ltd., Torkin Manes LLP and such other advisors as were engaged by Caravel Capital Investments Inc. in connection with the Debentures;

"Participant Holder" has the meaning ascribed to it in Section 3.04 herein;

"Person" means any individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority and a natural person in such person's capacity as trustee, executor, administrator or other legal representative;

"Preferred Claim" means a Claim enumerated in Section 136(1) of the BIA;

"Preferred Creditor" means the Person holding a Preferred Claim, with respect to and to the extent of such Preferred Claim;

"Proposal" means this Proposal of the Company, and any amendments, modifications and/or supplements hereto made in accordance with the terms hereof;

"Proposal Implementation Date" means the date on which Implementation occurs;

"Proposal Resolution" means the resolution to be considered at the Creditors' Meeting authorizing, adopting and approving, with or without variation, the Proposal;

"Proposal Trustee" means KSV Restructuring Inc. in its capacity as trustee in respect of this Proposal, or its duly appointed successor;

"Proposal Trustee's Website" means the following website: www.ksvadvisory.com/insolvency-cases/case/nabis-holdings;

"Proven Claim" means in respect of a creditor, the amount of a Claim as finally determined in accordance with the provisions of the BIA;

"Record Date" means 5:00 p.m. on the date that is five (5) Business Days prior to the Proposal Implementation Date;

"Released Claims" means, collectively, the matters that are subject to release and discharge pursuant to Section 5.01;

"Released Parties" means, collectively, (i) the Company, (ii) each affiliate or subsidiary of the Company; (iii) the Consenting Debentureholders, (iv) the Proposal Trustee, and (v) each of the foregoing Persons' respective former and current officers, directors, principals, members, affiliates, limited partners, general partners, managed accounts or funds, fund advisors, employees, financial and other advisors, legal counsel, including legal counsel to the special committee of the Company's board and agents, each in their capacity as such;

"Required Majority" means an affirmative vote of a majority in number and two-thirds in value of all Proven Claims in the Affected Creditors Class entitled to vote, who are present and voting at the Creditors' Meeting (whether online, in-person, by proxy or by voting letter) in accordance with the voting procedures established by this Proposal and the BIA;

"Superintendent's Levy" means the levy payable to the Superintendent of Bankruptcy pursuant to sections 60(4) and 147 of the BIA;

"Unaffected Claim" means:

- (a) the Administrative Fees and Expenses; and
- (b) such other Claims as the Company and Consenting Debentureholders may agree with the consent of the Proposal Trustee;

"Unaffected Creditor" means a creditor holding an Unaffected Claim, with respect to and to the extent of such Unaffected Claim;

"Undeliverable Distributions" means distributions to Proven Creditors that are returned as undeliverable;

"Warrants" means warrants to acquire common shares of the Company issued pursuant to a warrant indenture dated March 26, 2019.

1.02 Date for Any Action

In the event that any date on which any action is required to be taken under this Proposal by any of the parties is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day.

1.03 Time

All times expressed in this Proposal are local time in Toronto, Ontario, Canada unless otherwise stipulated. Time is of the essence in this Proposal.

1.04 Statutory References

Except as otherwise provided herein, any reference in this Proposal to a statute includes all regulations made thereunder, all amendments to such statute or regulation(s) in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulation(s).

1.05 Successors and Assigns

The Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors, and assigns of any Person named or referred to in the Proposal.

1.06 Currency

Unless otherwise stated herein, all references to currency and to "\$" in the Proposal are to lawful money of Canada.

1.07 Articles of Reference

The terms "hereof", "hereunder", "herein" and similar expressions refer to the Proposal and not to any particular article, section, subsection, clause or paragraph of the Proposal and include any agreements supplemental hereto. In the Proposal, a reference to an article, section, subsection, clause or paragraph will, unless otherwise stated, refer to an article, section, subsection, clause or paragraph of the Proposal.

1.08 Interpretation Not Affected by Headings

The division of the Proposal into articles, sections, subsections, clauses or paragraphs and the insertion of a table of contents and headings are for convenience of reference only and will not affect the construction or interpretation of this Proposal.

1.09 Numbers

In this Proposal, where the context requires, a word importing the singular number will include the plural and *vice versa* and a word or words importing gender will include all genders.

ARTICLE II
CLASSIFICATION AND TREATMENT OF AFFECTED PARTIES

2.01 Classes of Creditors

For the purposes of voting on the Proposal, there will only be one class of creditors, being the Affected Creditors Class. For the purposes of voting on the Proposal, each Convenience Creditor shall be deemed to be in and shall be deemed to vote in and as part of, the Affected Creditors Class.

2.02 Treatment of Affected Creditors

- (a) On the Proposal Implementation Date, and in accordance with the times, steps and in the sequence set forth in Section 4.03, each Affected Creditor shall receive either:
 - (i) its Affected Creditor Pro Rata Share of the New Secured Notes and the New Common Shares or
 - (ii) its Convenience Creditor Consideration, as applicable.

- (b) On the Proposal Implementation Date, each Affected Creditor Claim shall, and shall be deemed to have been irrevocably and finally extinguished, discharged and released, and each Affected Creditor shall have no further right, title or interest in or to its Affected Creditor Claim. For greater certainty, the Convertible Debentures shall be cancelled and terminated pursuant to this Proposal.

2.03 Existing Equityholders and Holders of Equity Claims

Existing Equityholders and holders of Equity Claims shall not be entitled to vote in respect of their Existing Equity and/or Equity Claims at the Creditors Meeting and shall not receive any distribution under this Proposal on account of their Existing Equity or Equity Claims. All Existing Equity and Equity Claims shall be fully, finally and irrevocably and forever compromised, released, discharged, cancelled, extinguished and barred for no consideration on the Proposal Implementation Date in accordance with Section 4.03(b)(iii) and (iv).

2.04 Superintendent's Levy

All New Secured Notes and New Common Shares to be distributed under this Proposal shall be delivered by the Company to the Proposal Trustee for distribution by the Proposal Trustee in accordance with this Proposal and, notwithstanding any other provisions hereunder, any distributions made pursuant to the terms hereof shall be made net of the Superintendent's Levy required to be made pursuant to the BIA, such Superintendent's Levy to be paid in New Secured Notes and New Common Shares.

2.05 Delivery of New Common Shares

After the Proposal Implementation Date, each Affected Creditor shall be entitled to receive direct registration statement advices evidencing the New Common Shares, or certificated New Common Shares which have been issued to such Affected Creditor, in the amounts provided for in Section 2.02.

2.06 Application of Proposal Distributions

All amounts paid or payable hereunder on account of the Affected Creditor Claims (including, for greater certainty, any securities received hereunder) shall be applied as follows: (i) first, in respect of the principal amount of the Affected Creditor Claim, and (ii) second, in respect of the accrued but unpaid interest on the Affected Creditor Claim.

2.07 No Liability in respect of Deliveries

- (a) None of the Company, nor its directors or officers, shall have any liability or obligation in respect of any deliveries, directly or indirectly, from, as applicable, (i) the Proposal Trustee, (ii) the New Secured Notes Trustee, (iii) CDS, or (iv) the Intermediaries, in each case to the ultimate beneficial recipients of any consideration payable or deliverable by the Company pursuant to this Proposal.
- (b) The Proposal Trustee shall not incur, and is hereby released from, any liability as a result of carrying out any provisions of this Proposal and any actions related or incidental thereto, save and except for any gross negligence or willful misconduct on its part (as determined by a final, non-appealable judgment of the Court).
- (c) On the Proposal Implementation Date, after the completion of the transactions set forth in Section 4.03, all duties and responsibilities of the Debenture Trustee arising under or related to the Convertible Debentures shall be discharged except to the extent required in order to effectuate distributions under this Proposal.

2.08 Full Satisfaction of All Affected Creditor Claims

All Affected Creditors shall accept the consideration set out in Section 2.02 hereof in full and complete satisfaction of their Affected Creditor Claims, and all liens, certificates of pending litigation, executions, or other similar charges or actions or proceedings in respect of such Affected Creditor Claims will have no effect in law or in equity against the property, assets and undertaking of the Company. Upon the implementation of the Proposal, any and all such registered liens, certificates of pending litigation, executions or other similar charges or actions brought, made or claimed by Affected Creditors will be and will be deemed to have been discharged, dismissed or vacated without cost to the Company and the Company will be released from any and all Affected Creditor Claims of Affected Creditors, subject only to the right of Affected Creditors to receive Distributions as and when made pursuant to this Proposal.

2.09 Undeliverable Distributions

Undeliverable Distributions shall be dealt with and treated in the manner provided for the in the BIA and the directives promulgated pursuant thereto.

ARTICLE III
MEETING OF AFFECTED CREDITORS

3.01 Meeting of Affected Creditors

On the Creditors' Meeting Date, the Company shall hold the Creditors' Meeting in order for the Affected Creditors to consider and vote upon the Proposal Resolution.

3.02 Time and Means of Creditors' Meeting

The Creditors' Meeting shall take place at 10 a.m. (Toronto time) on December 14, 2020. Due to COVID-19, the Creditors' Meeting shall be held online at the following website: <https://us02web.zoom.us/j/82452022771?pwd=UUFPaUFqV1o1a0sxc0thWVI4SVNtZz09>.

3.03 Quorum and Conduct of Creditors' Meeting

A quorum shall be constituted for the Creditors' Meeting or any adjournment thereof if there is one Affected Creditor, entitled to vote, present in person (virtually) or by proxy, or if one Affected Creditor, entitled to vote, has submitted a voting letter in accordance with the provisions of the BIA and this Proposal. If the requisite quorum is not present at the Creditors' Meeting or if the Creditors' Meeting has to be postponed for any reason, then the Creditors' Meeting shall be adjourned by the Proposal Trustee to such date, time and place or online meeting platform as determined by the Proposal Trustee. For greater certainty, the Creditors' Meeting may be adjourned one or more times.

3.04 Voting at the Meeting

In order to vote on the Proposal, each beneficial Debentureholder will be required to submit a completed proxy and voting letter which must be received by the Proposal Trustee by no later than 5:00 p.m. (Toronto time) on the day that is one Business Day prior to the Creditors' Meeting.

Holders or custodians ("**Participant Holders**") of Convertible Debentures on behalf of beneficial Debentureholders will be provided with Proposal materials for distribution to their corresponding beneficial Debentureholders. The Proposal Trustee will require that Participant Holders complete and sign the applicable part of the voting and proxy letter for Debentureholders and to transmit it along with the other Proposal materials to each applicable beneficial Debentureholder. The beneficial Debentureholder will be responsible to complete the balance of the proxy and voting letter and submit it directly to the Proposal Trustee. Each beneficial Debentureholder will be entitled to a single vote at the Creditors' Meeting in the full amount of its Debentureholder Claim.

Each Affected Creditor other than a Debentureholder in respect of its Debentureholder Claim will be required to submit a proof of claim to the Proposal Trustee. Each Affected Creditor other than a Debentureholder in respect of its Debentureholder Claim shall be entitled to a single vote valued in the full amount of its Proven Claim. In order to vote at the Creditors' Meeting, the proof of claim must be submitted to the Proposal Trustee no later than 5:00 p.m. (Toronto time) on the day that is one (1) Business Day prior to the commencement of the Creditors' Meeting.

The only Persons entitled to attend and speak at the Creditors' Meeting are representatives of the Company and the Consenting Debentureholders and their respective legal counsel and advisors, the Proposal Trustee and its legal counsel and advisors, and all other Persons entitled to vote at the Creditors' Meeting and their respective legal counsel and advisors. Any other Person may be admitted to the Creditors' Meeting on invitation of the Proposal Trustee.

The provisions of section 135 of the BIA will apply to all Proofs of Claim submitted by Affected Creditors, including in respect of Disputed Claims. In the event that a duly submitted Proof of Claim has been disallowed by the Proposal Trustee, and such disallowance has been disputed by the applicable Affected Creditor in accordance with Section 135(4) of the BIA, then the dollar value for voting purposes at the Creditors' Meeting shall be the dollar amount of such disputed claim set out in the Proof of Claim submitted by such Affected Creditor, without prejudice to the determination of the dollar value of such Affected Creditor's disputed claim for distribution purposes.

Notwithstanding the foregoing, each Convenience Creditor with a Proven Claim of \$500.00 or less is irrevocably deemed to have voted the full amount of its Proven Claims in favour of the approval of the Proposal without requirement for such Convenience Creditor to file a proxy to vote in favour of the Proposal, in consideration for the Proposal providing for the full payment of their Proven Claim. An Affected Creditor with a Proven Claim in excess of \$500.00 that wishes to be treated as a Convenience Creditor under the Proposal must deliver a duly completed and executed Convenience Creditor Election Form to the Proposal Trustee by no later than the Convenience Creditor Election Deadline, and upon doing so such Affected Creditor: (i) is irrevocably deemed to have voted the full amount of its Proven Claim in favour of the Proposal as a member of the Affected Creditors Class; and (ii) shall be treated as a Convenience Creditor for all purposes and shall receive the lesser of (x) \$500.00, and (y) the amount of its Proven Claim, up to a maximum aggregate amount of \$25,000.00 (either (x) or (y), being the applicable “**Convenience Creditor Consideration**”).

3.05 Approval by Affected Creditors

In order to be approved, this Proposal must receive the affirmative votes of the Required Majority.

3.06 Modification to Proposal

Subject to the consent of the Proposal Trustee and the terms of the Debentureholder Support Agreement, the Company reserves the right at any time prior to the Creditors' Meeting to file any modification of, amendment or supplement to the Proposal by way of supplementary proposal. Any such amended or supplementary proposal shall forthwith be posted on the Proposal Trustee's Website and filed with the Official Receiver as soon as practicable, in which case any such amended or supplementary proposal or proposals shall, for all purposes, be and be deemed to be a part of and incorporated in to this Proposal. At the Creditors' Meeting, the Company and/or the Proposal Trustee shall provide all Affected Creditors in attendance with details of any modifications or amendments prior to the vote being taken to approve the Proposal. Subject to the provisions of the BIA, after the Creditors' Meeting (and both prior to and subsequent to the Approval Order) and subject to the consent of the Proposal Trustee and the terms of the

Debentureholder Support Agreement, the Company may at any time and from time to time vary, amend, modify or supplement the Proposal.

ARTICLE IV **IMPLEMENTATION**

4.01 Corporate Authorizations

The adoption, execution, delivery, implementation and consummation of all matters contemplated under this Proposal involving corporate action of the Company will occur and be effective as of the Proposal Implementation Date (or such other date as may be expressly set forth in this Proposal or as the Company and the Consenting Debentureholders may agree, each acting reasonably), and will be authorized and approved under this Proposal and by the Court, where appropriate, as part of the Approval Order, in all respects and for all purposes without any requirement of further action by shareholders, directors or officers of the Company. All necessary approvals to take actions shall be deemed to have been obtained from the directors or the shareholders of the Company, as applicable.

4.02 Fractional Interests

- (a) No fractional New Common Shares shall be issued under this Proposal, and fractional share interests shall not entitle the owner thereof to any rights of a holder of New Common Shares. Any legal, equitable, contractual or any other rights or claims (whether actual or contingent, and whether or not previously asserted) of any Person with respect to fractional New Common Shares pursuant to this Proposal shall be rounded down to the nearest whole number of Common Shares without compensation therefor.
- (b) The New Secured Notes issued pursuant to this Proposal shall each be issued in minimum increments of \$1.00, and the amount of New Secured Notes that each Affected Creditor shall be entitled to under this Proposal shall in each case be rounded down to the nearest multiple of \$1.00 without compensation therefor.

4.03 Proposal Implementation Date Transactions

Commencing at the Effective Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected, in the following order in five minute increments (unless otherwise indicated) and at the times and in the order set out in this Section 4.03 (or in such other manner or order or at such other time or times as the Company and the Consenting Debentureholders may agree, each acting reasonably), without any further act or formality required on the part of any Person, except as may be expressly provided herein:

- (a) The following shall occur concurrently:
 - (i) Nabis and the New Secured Notes Trustee shall enter into the New Secured Notes Indenture together with all related documentation (including

applicable security documentation) as agreed by the Company and the Consenting Debentureholders, each acting reasonably;

- (ii) in full and final settlement of all Affected Creditor Claims:
 - (A) Nabis shall issue and pay to each Affected Creditor (other than Convenience Creditors) such Affected Creditor's Affected Creditor Pro Rata Share of the New Common Shares;
 - (B) Nabis shall issue and pay to each Affected Creditor (other than Convenience Creditors) such Affected Creditor's Affected Creditor Pro Rata Share of the New Secured Notes;
 - (C) Nabis shall pay by cheque to each Convenience Creditor such Convenience Creditor's applicable entitlement in respect of its Proven Claim in accordance with Section 3.04;
- (b) Concurrently with the transactions contemplated by Section 4.03(a):
 - (i) all Affected Creditor Claims (including without limitation all Debentureholder Claims and Convenience Creditor Claims) shall, and shall be deemed to be, irrevocably and finally extinguished and the Affected Creditors shall have no further right, title or interest in and to their respective Affected Creditor Claims;
 - (ii) the Convertible Debentures, the Debenture Indenture, and any and all other Debenture Documents shall be cancelled, provided that the Debenture Indenture shall remain in effect solely to allow the Debenture Trustee to make the distributions set forth in this Proposal;
 - (iii) all Existing Equity shall be cancelled for no consideration; and
 - (iv) all Equity Claims shall, and shall be deemed to be, irrevocably and finally extinguished and all Existing Equityholders shall have no further right, title or interest in and to their respective Equity Claims.

- (c) The releases referred to in Section 5.01 shall become effective.
- (d) Each of the directors of the Company immediately before the Effective Time shall be deemed to have resigned and the New Directors shall be deemed to have been appointed.

ARTICLE V **RELEASES**

5.01 Release of Released Parties

At the applicable time pursuant to Section 4.03, each of the Released Parties shall be released and discharged from all present and future actions, causes of action, damages, judgments, executions, obligations, liabilities and Claims of any kind or nature whatsoever arising on or prior to the Proposal Implementation Date, including without limitation in connection with the Convertible Debentures, the Debenture Indenture, the Debenture Documents, this Proposal and any proceedings commenced with respect to or in connection with this Proposal, the transactions contemplated hereunder, and any other actions or matters related directly or indirectly to the foregoing, provided that nothing in this paragraph shall release or discharge (i) any of the Released Parties from or in respect of their respective obligations under this Proposal, the New Secured Notes or any order or document ancillary to any of the foregoing, or (ii) any Released Party from liabilities or claims which cannot be released pursuant to s. 50(14) of the BIA, as determined by the final, non-appealable judgment of the Court. The foregoing release shall not be construed to prohibit a party in interest from seeking to enforce the terms of this Proposal or any contract or agreement entered into pursuant to, in connection with or contemplated by this Proposal.

5.02 Injunctions

All Persons are permanently and forever barred, estopped, stayed and enjoined, on and after the Proposal Implementation Date, with respect to any and all Released Claims, from (i) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever of any Person against the Released Parties, as applicable; (ii) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, guarantee, decree or order against the Released Parties; (iii) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind against the Released Parties or their property; or (iv) taking any actions to interfere with the implementation or consummation of this Proposal or the transactions contemplated hereunder; provided, however, that the foregoing shall not apply to the enforcement of any obligations under this Proposal or any document, instrument or agreement executed to implement this Proposal.

ARTICLE VI
CONDITIONS PRECEDENT

6.01 Confirmation of Proposal

Provided that the Proposal is approved by the Required Majority, the Proposal Trustee shall apply for the Approval Order no later than five (5) days following the Creditors' Meeting.

6.02 Conditions Precedent

This Proposal will take effect on the Proposal Implementation Date. The Implementation of this Proposal on the Proposal Implementation Date is subject to the satisfaction of the following conditions precedent (collectively, the “**Conditions Precedent**”):

- (a) the Proposal is approved by the Required Majority;
- (b) the Approval Order, in form and substance satisfactory to the Consenting Debentureholders, has been issued, has not been stayed and no appeal therefrom is outstanding;
- (c) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Authority, no application shall have been made to any Governmental Authority, and no action or investigation shall have been announced, threatened or commenced by any Governmental Authority, in consequence or in connection with the Proposal that restrains, impedes or prohibits (or if granted could reasonably be expected to restrain, impede or inhibit), the Proposal or any part thereof or requires or purports to require a variation of the Proposal;
- (d) the Proposal Implementation Date shall occur on or before December 31, 2020 or such later date as may be agreed to by the Consenting Debentureholders;
- (e) payment in full of all reasonable documented fees and expenses of the Debenture Trustee;
- (f) any required resolutions authorizing Nabis to file this Proposal will have been approved by the board of directors of the Company;
- (g) Nabis shall continue to be listed on a Canadian securities exchange acceptable to the Consenting Debentureholders, acting reasonably;
- (h) Nabis shall have used its best efforts to pay all reasonable documented fees and expenses of the Consenting Debentureholder Advisor in full in cash, provided that the Consenting Debentureholder Advisor shall have provided Nabis with invoices for all such fees and expenses at least five (5) Business Days prior to the Proposal Implementation Date, and further provided that Nabis will have a cash balance of at least Cdn. \$350,000 following such payment;

- (i) provided that the payment contemplated by Section 6.02(h) is made in full, the Company shall have used its best efforts to pay the reasonable documented fees and expenses of the Other Debentureholder Advisors in full in cash, up to Cdn. \$400,000 in the aggregate (the "**Other Advisor Closing Cap**"), provided that such Other Debentureholder Advisors shall have provided the Company with invoices for all such fees and expenses at least five (5) Business Day prior to the Proposal Implementation Date, and further provided that Nabis will have a cash balance of at least Cdn. \$350,000 following such payment;
- (j) the Debenture Support Agreement shall not have been terminated by the Consenting Debentureholders; and
- (k) the Company shall have delivered a certificate to the Proposal Trustee that the conditions precedent to the Implementation of the Proposal have been satisfied or waived (the "**Implementation Certificate**").

Upon written confirmation of receipt from the Proposal Trustee of the Implementation Certificate, the Implementation of the Proposal shall have been deemed to have occurred and all actions deemed to occur upon Implementation of the Proposal shall occur without the delivery or execution of any further documentation, agreement or instrument.

ARTICLE VII **EFFECT OF PROPOSAL**

7.01 Binding Effect of Proposal

After the issuance of the Approval Order by the Court, subject to satisfaction of the Conditions Precedent, the Proposal shall be implemented by the Company and shall be fully effective and binding on the Company and all Persons affected by the Proposal. Without limitation, the treatment of Affected Creditor Claims under the Proposal shall be final and binding on the Company, the Affected Creditors, and all Persons affected by the Proposal and their respective heirs, executors, administrators, legal representatives, successors, and assigns. For greater certainty, this Proposal shall have no effect upon Unaffected Creditors.

7.02 Amendments to Agreements and Paramountcy of Proposal

Notwithstanding the terms and conditions of all agreements or other arrangements with Affected Creditors entered into before the Filing Date, for so long as an event of default under this Proposal has not occurred, all such agreements or other arrangements will be deemed to be amended to the extent necessary to give effect to all the terms and conditions of this Proposal. In the event of any conflict or inconsistency between the terms of such agreements or arrangements and the terms of this Proposal, the terms of this Proposal will govern and be paramount.

7.03 Deemed Consents and Authorizations of Affected Creditors

At the Effective Time each Affected Creditor shall be deemed to have:

- (a) executed and delivered to the Company all consents, releases, assignments, and waivers, statutory or otherwise, required to implement and carry out this Proposal in its entirety;
- (b) waived any default by the Company in any provision, express or implied, in any agreement or other arrangement, written or oral, existing between such Affected Creditor and the Company that has occurred on or prior to the Proposal Implementation Date; and
- (c) agreed, in the event that there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Affected Creditor and the Company as at the date and time of Court approval of the Proposal (other than those entered into by the Company on, or with effect from, such date and time) and the provisions of this Proposal, that the provisions of this Proposal shall take precedence and priority and the provisions of such agreement or other arrangement shall be amended accordingly.

7.04 Continuing Obligation to Pay

- (a) To the extent Nabis does not pay any or all of the amounts contemplated by Sections 6.02(h) or 6.02(i) because it does not have sufficient cash to do so, any amounts not paid, together with any reasonable documented fees and expenses of the Other Debentureholder Advisors in excess of the Other Advisor Closing Cap, shall continue to be an obligation of Nabis following the Effective Time.
- (b) Amounts payable pursuant to Section 60(1.1) of the BIA, if any, shall continue to be an obligation of Nabis following the Effective Time.

ARTICLE VIII ADMINISTRATIVE FEES AND EXPENSES

8.01 Administrative Fees and Expenses

Administrative Fees and Expenses will be paid in cash by the Company on the Proposal Implementation Date.

ARTICLE IX INDEMNIFICATION

9.01 Indemnification of Proposal Trustee

The Proposal Trustee shall be indemnified in full by the Company for all personal liability arising from fulfilling any duties or exercising any powers or duties conferred upon it by this Proposal or under the BIA, except for any willful misconduct or gross negligence.

ARTICLE X
POST FILING GOODS AND SERVICES

10.01 Payment of Payroll Deductions and Post Filing Claims

The following shall continue to be paid in the ordinary course by the Company prior to and after the Court Approval Date and shall not constitute Distributions or dividends under this Proposal:

- (a) all Persons, who may advance monies, or provide goods or services to the Company after the Filing Date shall be paid by the Company in the ordinary course of business;
- (b) current source deductions and other amounts payable pursuant to Section 60(1.2) of the BIA, if applicable, shall be paid to Her Majesty in Right of Canada in full by the Company as and when due; and
- (c) current goods and services tax (GST), and all amounts owing on account of provincial sales taxes, if applicable, shall be paid in full by the Company as and when due.

ARTICLE XI
TRUSTEE, CERTIFICATE OF COMPLETION, AND DISCHARGE OF TRUSTEE

11.01 Proposal Trustee

KSV Restructuring Inc. shall be the Proposal Trustee pursuant to this Proposal and upon the making of the Distributions and the payment of any other amounts provided for in this Proposal, the Proposal Trustee will be entitled to be discharged from its obligations under the terms of this Proposal. The Proposal Trustee is acting in its capacity as Proposal Trustee under this Proposal, and not in its personal capacity and shall not incur any liabilities or obligations in connection with this Proposal or in respect of the business, liabilities or obligations of the Company, whether existing as at the Filing Date or incurred subsequent thereto.

11.02 Certificate of Completion and Discharge of Proposal Trustee

Upon the Proposal Trustee receiving confirmation in writing from the Company that the transactions contemplated in Section 4.03 have been completed in the order and manner contemplated therein, the terms of the Proposal shall be deemed to be fully performed and the Proposal Trustee shall provide a certificate to the Company and to the Official Receiver pursuant to Section 65.3 of the BIA and the Proposal Trustee shall be entitled to be discharged.

ARTICLE XII
GENERAL

12.01 Valuation

For purposes of proofs of claim for voting and Distributions, all Claims shall be valued as at the Filing Date.

12.02 Governing Law

The Proposal shall be governed by and construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein. Any disputes as to the interpretation or application of the Proposal and all proceedings taken in connection with the Proposal shall be subject to the exclusive jurisdiction of the Court.

Dated at Toronto, this 23rd day of November, 2020.

NABIS HOLDINGS INC.

Per:

Name:

Title:

I have the authority to bind the Corporation.

Schedule A

New Secured Notes Terms	
Issuer:	Nabis Holdings Inc.
Guarantors:	Nabis (CAN) Holdings Corp., Nabis Technologies Corp. and all other present and future direct and indirect subsidiaries of Nabis.
Principal Amount:	CAD\$23 million.
Interest Rate:	5.3%, payable quarterly in arrears.
Maturity:	2 years from the date of issuance.
Change of Control	Company required to make an offer to purchase at 105% of the principal amount plus accrued and unpaid interest.
Collateral:	First-ranking priority in all assets of the Issuer and the Guarantors.
Restrictive Covenants:	<p>Customary restrictive covenants for first-ranking senior secured debt, including:</p> <p>(a) the Nabis Entities may not commit or make any commitment to acquire any shares or material assets unless otherwise agreed by holders of 66.7% of the principal amount of the New Senior Secured Notes; and</p> <p>(b) Nabis may not, in a single transaction or series of transactions, issue equity securities or rights, options or other entitlements to acquire equity securities that in the aggregate would exceed (assuming the exercise or conversion of any convertible securities so issued) more than 20% of the outstanding equity securities of Nabis without the consent holders of 66.7% of the principal amount of the New Senior Secured Notes.</p>
Mandatory Prepayments:	Customary mandatory prepayment provisions for first-ranking senior secured debt, including 100% of the cash proceeds of any sale or disposition of assets (above a threshold to be agreed).
Other Terms:	No payments of principal or interest or otherwise shall be made under the New Senior Secured Notes until all payments

	<p>contemplated by Section 6.02 (h) and (i) have been paid in full.</p> <p>Customary provisions for first-ranking senior secured debt to be agreed to by Nabis and the Required Consenting Debentureholders.</p>
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Schedule B

CONVENIENCE CREDITOR ELECTION FORM

TO: KSV RESTRUCTURING INC., in its capacity as Proposal Trustee of Nabis Holdings Inc. ("Nabis")

In connection with the Proposal of Nabis pursuant to the *Bankruptcy and Insolvency Act* (Canada) dated November 23, 2020 (as amended, restated, modified and/or supplemented from time to time, the "**Proposal**"), the undersigned hereby irrevocably elects to be treated for all purposes under the Proposal as a Convenience Creditor and thereby to receive the lesser of (i) \$500.00, and (ii) the amount of its Proven Claim, provided that the maximum amount available for all Convenience Class Creditors is \$25,000.00 in full and final satisfaction of the Proven Claim(s) of the undersigned, and hereby acknowledges that the undersigned shall be deemed to vote the full amount of its Proven Claim(s) in favour of the Proposal at the Creditors' Meeting.

For the purposes of this election, capitalized terms not defined herein shall have the meanings ascribed thereto in the Proposal.

DATED at _____ this ____ day of _____, 2020.

AFFECTED CREDITOR'S SIGNATURE:

(Print Legal Name of Affected Creditor)

(Print Legal Name of Assignee, if applicable)

(Signature of the Affected Creditor/Assignee or an
Authorized Signing Officer of the Affected
Creditor/Assignee)

(Print Name and Title of Authorized Signing Officer of
the Affected Creditor/Assignee, if applicable)

(Mailing Address of the Affected Creditor/Assignee)

(Telephone Number and E-mail of the Affected
Creditor/Assignee or Authorized Signing Officer of the
Affected Creditor/Assignee)

SCHEDULE D

FORM OF JOINDER AGREEMENT

JOINDER AGREEMENT

This Joinder Agreement (the “**Joinder Agreement**”) is made as of [●], 2020 by the undersigned (the “**Consenting Party**”) in connection with the support agreement dated November 17, 2020 (the “**Support Agreement**”) among (i) Nabis Holdings Inc. (the “**Company**”), and (ii) the Consenting Debentureholders (as defined in the Support Agreement) party thereto. Capitalized terms used herein have the meanings assigned to such terms in the Support Agreement unless otherwise defined herein.

WHEREAS the Support Agreement allows Convertible Debentureholders that are not Consenting Debentureholders to become a party thereto by executing a Joinder Agreement;

WHEREAS the Consenting Party desires to become a party to, and to be bound by the terms of, the Support Agreement; and

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Consenting Party hereby agrees as follows:

1. The Consenting Party hereby acknowledges that it has received and reviewed a copy of the Support Agreement.
2. The Consenting Party hereby acknowledges and agrees to be fully bound as a Consenting Debentureholder under the Support Agreement in respect of its Relevant Debt that is identified on the signature page hereto, and hereby represents and warrants that the Relevant Debt set out on the signature page hereto constitutes all of the Relevant Debt that is legally or beneficially owned by the Consenting Party or which such Consenting Party has the sole power to dispose of.
3. The Consenting Party hereby represents and warrants to each of the other Parties to the Support Agreement that the representations and warranties set forth in Section 2 of the Support Agreement are true and correct with respect to the Consenting Party as of the date hereof.
4. This Joinder Agreement and the Support Agreement express the entire understanding of the Parties with respect to the transactions contemplated hereby. No prior negotiations or discussions shall limit, modify or otherwise affect the provisions hereof.
5. If any term or other provision of this Joinder Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, all other terms and provisions of this Joinder Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, void or unenforceable, the parties hereto shall negotiate in good faith to modify this Joinder Agreement so as to effect the original intent of the parties hereto as closely as possible in a mutually

acceptable manner in order that the terms of this Joinder Agreement remain as originally contemplated to the greatest extent possible.

6. This Joinder Agreement shall be governed by, construed and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein (excluding any conflict of laws rule or principle which might refer such governance, construction or interpretation to the laws of another jurisdiction). The Company and the Consenting Party submit to the non-exclusive jurisdiction of the courts of the Province of Ontario in any action or proceeding arising out of or relating to this Joinder Agreement. The Company and the Consenting Party shall not raise any objection to the venue of any proceedings in any such court, including the objection that the proceedings have been brought in an inconvenient forum.

[Signature Page Follows]

CONFIDENTIAL

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be duly executed and delivered by its proper and duly authorized officer as of the date first written above.

Name of Consenting Debentureholder: **[INSERT]**

By:

Name:

Title:

Jurisdiction of residence for legal purposes:

Email:

Address:

Debt	Principal Amount	Custodian or DTC Participant, if applicable