DocuSign Envelope ID: BBEEC76A-260C-4868-B209-7470BC60B06E

FIAT:

The within Affidavit shall be filed, notwithstanding it is signed by the deponent by electronic signature

Willie

J.C.K.B.A. COURT FILE NUMBER

COURT

Justice S.D. Hillier

2301 10472

CALGARY

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

PLAINTIFF AVONLEA-DREWRY HOLDINGS INC.

DEFENDANTS

PATHWAY HEALTH CORP., PATHWAY HEALTH SERVICES CORP., PATHWAY HEALTHCARE TECHNOLOGIES CORP., 2563367 ONTARIO LIMITED and SLAWNER ORTHO LTEE.

DOCUMENT

AFFIDAVIT

COM

August 10, 2023

C80631

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Dentons Canada LLP Bankers Court 15th Floor, 850 - 2nd Street S.W. Calgary, Alberta T2P 0R8

Attn: Derek Pontin

Ph. (403) 268-6301 Fx. (403) 268-3100

File No.: 587135-10

AFFIDAVIT OF MICHAEL STEELE Sworn on August 9, 2023

I, MICHAEL STEELE, of the Town of Oliver, in the Province of British Columbia, SWEAR AND SAY THAT:

- 1. I am the CEO and a Director of the Plaintiff, Avonlea-Drewry Holdings Inc. ("ADH") and have personal knowledge of the matters hereinafter deposed to, except where stated to be based upon information and belief. Where that knowledge is based on information or belief, I have stated the source of that information and verily believe it to be true.
- 2. I swear this Affidavit in support of ADH's application (the "Interim Receivership Application") seeking the appointment of KSV Restructuring Inc. ("KSV") as interim receiver (in such capacity, the "Interim Receiver") over all of the current and future assets, undertakings and property of Pathway Health Corp. ("PHC") and Pathway Health Services Corp. ("PHSC" and, together with PHC, the "Debtors").
- 3. I have reviewed the business records of ADH relevant to the Interim Receivership Application and ADH's application seeking the appointment of an interim receiver and have satisfied myself that I am possessed of sufficient information and knowledge to swear this Affidavit on behalf of ADH.

The Parties

4. ADH is a corporation existing pursuant to the laws of Ontario, doing business in Alberta and elsewhere in Canada.

- 5. PHC is a company incorporated pursuant to the laws of Alberta, carrying on business of investing in businesses operating in the medical and retail cannabis industry, in the Province of Alberta and elsewhere in Canada. A copy of the Government of Alberta Corporation/Non-Profit Search for PHC is attached hereto and marked as **Exhibit "A"**.
- 6. PHSC is a company incorporated pursuant to the laws of Canada and extra provincially registered in the Province of Alberta, carrying on business in the Province of Alberta and elsewhere in Canada. A copy of the Government of Alberta Corporation/Non-Profit Search for PHSC is attached hereto and marked as **Exhibit "B"**.
- 7. Other companies, substantially wholly owned subsidiaries of PHC, comprise the Pathway group of companies (the "Pathway Group"), including Pathway Wellness Products Corp.; Pathway Healthcare Technologies Corp. ("Pathway Technologies"); 13199223 Canada Ltd. ("223 Canada"); 10030712 Manitoba Ltd.; 2563367 Ontario Limited ("367 Ontario"); Slawner Ortho Ltee ("Slawner"); and 1964433 Alberta Ltd.
- 223 Canada is a company incorporated pursuant to the laws of Canada. A copy of a Government of Canada corporate NUANS search is attached hereto and marked as <u>Exhibit "C"</u>.
- For certainty, the focus of the immediate application made by ADH is upon PHC and PHSC, with only tangential implications for the balance of companies within the Pathway Group.

Loan Obligations

- ADH as lender, PHC as borrower and PHSC, Pathway Technologies, 367 Ontario, and Slawner as guarantors, are parties to a credit facility agreement, dated July 29, 2022 (the "Credit Facility Agreement"). A copy of the Credit Facility Agreement is attached hereto, marked as Exhibit "D".
- Pursuant to the Credit Facility Agreement, ADH provided PHC a revolving credit facility in the amount of \$3,500,000.00 with interest at the greater of 12% per annum and the Bank of Canada prime rate plus 8.80%.
- 12. In advance of the entering of the Credit Facility Agreement, PHC and ADH executed a secured promissory grid note, dated May 27, 2022 and Amended and Restated Secured Promissory Grid Note dated April 21, 2023 (together, the "ADH Note"), in favour of ADH. A copy of the ADH Note is attached hereto and marked as **Exhibit "E"**.
- 13. In support of the ADH Note, PHSC provided to ADH an unlimited guarantee, dated May 27, 2022 (the "PHSC Guarantee"). A copy of the PHSC Guarantee is attached hereto, marked as Exhibit "F".
- 14. In support of the repayment of the indebtedness of PHC pursuant to the Credit Agreement each of Pathway Technologies, 367 Ontario and Slawner, provided to ADH an unconditional and unlimited guarantee, dated July 29, 2022 (the "Credit Agreement Guarantees"). Copics of the Credit Agreement Guarantees are attached hereto and marked as Exhibit "G".
- To secure its obligations to ADH, PHC provided to ADH a General Security Agreement, dated May 27, 2022, charging all present and after-acquired personal property of PHC and a Share Pledge Agreement, dated May 27, 2022, charging all shares held by PHC in the capital of PHSC, Pathway Wellness Corp., Pathway Technologies, and 223 Canada (the "PHC Security"). Copies of the PHC Security are attached hereto and marked as Exhibit "H".
- To secure its obligations to ADH, PHSC provided to ADH a General Security Agreement dated May 27, 2022, charging all present and after-acquired personal property of PHSC and a Share Pledge Agreement, dated July 29, 2022, charging all shares held by PHC in the capital of 10030712

- Manitoba Ltd., 367 Ontario and Slawner (the "PHSC Security"). Copies of the PHSC Security are attached hereto and marked as Exhibit "I".
- 17. To secure its obligations to ADH, Pathway Technologies provided to ADH a Share Pledge Agreement dated July 29, 2022, charging all shares held by Pathway Technologies in the capital of 1964433 Alberta Ltd. (the "Pathway Technologies Security"). A copy of the Pathway Technologies Security is attached hereto and marked as Exhibit "J".
- 18. The PHC Security, PHSC Security and Pathway Technologies Security are collectively the "Security".
- 19. The Credit Facility Agreement, ADH Note, PHSC Guarantee, Credit Agreement Guarantees and Security are collectively, the "Loan Documents".
- 20. ADH is in the process of registering its Security against each of PHC and PHSC and Pathway Technologies, as applicable. There are no registered/priority creditors to ADH and Heal. Copies of the Alberta Personal Property Debtor Name Search for each of PHC, PHSC and Pathway Technologies is attached hereto and marked as Exhibit "K".

Heal Loan

- 21. Heal Global Holdings Corp. ("**Heal**") and PHC, executed a secured convertible promissory grid note in favour of Heal, dated February 3, 2023 (the "**Heal Note**"). A copy of the Heal Note is attached hereto and marked as **Exhibit "L"**.
- 22. To secure its obligations to Heal pursuant to the Heal Note, PHC provided to Heal a General Security Agreement, dated February 3, 2023, charging all present and after-acquired personal property of PHC (the "Heal Security"). A copy of the Heal Security is attached hereto and marked as Exhibit "M".
- 23. ADH and I own 100% of the common voting equity of Heal, and I am the sole director and officer of Heal. Heal is currently reviewing assignment of the Heal Note and Heal Security to ADH, to consolidate that indebtedness; however, at the date of this application that has not occurred. I confirm Heal is aware of and supports the within application, as a secured creditor of PHC.

Default and Demand

- 24. Each of the Debtors are in default of the Loan Documents for, among other reasons, failure to repay the Indebtedness owing to ADH in accordance with the terms of their agreements.
- 25. More urgently, the Board of Directors of PHC recently resigned. Attached hereto, marked as <u>Exhibit "N"</u>, is a copy of the press release advising of the resignations of all directors and officers of PHC.
- 26. Through my direct discussions with the former directors and officers of PHC, including Mr. Kim Wei, the former COO of PHC and PHSC, I am advised and aware that the directors and officers of each of PHSC, Pathway Wellness Corp. and Pathway Technologies have all resigned.
- 27. I am advised by Mr. Kim Wei that the landlord for the premises rented by 367 Ontario has taken action in the manner of taking over that business, as of August 1, 2023, and is purporting to operate. I am not aware of the current state of that business, or to where revenues are being applied.
- 28. ADH has demanded each of the Defendants repay their respective indebtedness to ADH and has issued Notices of Intention to Enforce Security under subsection 244(1) of the Bankruptcy and

- Insolvency Act, RSC 1985 c B-3 (the "NOIs") to Pathway, Pathway Services and Pathway Technologies. Copies of the demands and NOIs are attached hereto and marked as **Exhibit "O"**.
- 29. The Defendants have each refused or neglected, and continue to refuse or neglect, to repay the Indebtedness to ADH.

Indebtedness Owing to ADH and Others Pursuant to their respective obligations under the Loan Documents, the Defendants are each jointly and severally indebted to ADH as of August 3, 2023, in the amount of \$5,416,811.00 plus accrued and accruing interest, costs and expenses (including legal costs on a solicitor and own client, full indemnity basis) (the "Indebtedness").

- 31. As of August 9, 2023, the Indebtedness has not been repaid.
- 32. It is a term of the Loan Documents that the Indebtedness shall continue to accrue interest on all amounts outstanding at the rates set forth therein.
- 33. I am advised by Mr. Kim Wei that Canada Revenue Agency is a creditor of PHSC, in the approximate amount of \$37,744.
- 34. I am aware that Tilray Medical is a creditor of PHC in the approximate amount of \$250,000. My understanding is that Tilray Medical is unsecured. I have discussed the proposed interim receivership with Tilray Medical and I verily believe they are not opposed to the relief sought in the within Application.
- 35. I am not aware of any other secured creditor of PHC and PHSC, other than ADH and Heal. I am further advised by Mr. Kim Wei that, to the best of his knowledge, there are no other secured creditors of PHC and PHSC.

Appointment and Necessity of an Interim Receiver

- 36. ADH is entitled to prosecute its legal remedies under its agreements with the Debtors, which includes the right to apply to this Honourable Court to appoint an interim receiver over the property, assets and undertaking of the Debtors. ADH wishes to exercise such right at this time.
- 37. The immediate appointment of an interim receiver of the assets, properties, and undertakings of the Debtors is necessary to protect the economic interests of ADH, and other stakeholders. This is principally driven by:
 - (a) The resignation from all companies, other than 223 Canada, of all directors and officers.
 - (b) The resulting cessation of business operations of PHC and PHSC.
 - (c) The majority of value in the Pathway Group is comprised of its licenses, intellectual property, goodwill and patient lists. These are not tangible assets that can be mothballed and marketed in a methodical fashion. The enterprise must be preserved, if ADH is to be able to realize any amount of its indebtedness.
 - (d) 223 Canada holds a non-possessory sales license for cannabis, for the purposes of facilitating the distribution of medical cannabis through the Pathway Group business infrastructure. That license is uncommon in Canada, and both time-consuming and expensive to obtain. Mr. Kim Wei has so far not resigned as a director and officer of 223 Canada, principally to preserve that license, but without operations in the Pathway Group, Mr. Wei is not being remunerated and is not incentivized to continue to remain in place. Mr. Wei's resignation from 223 Canada would invalidate the license, resulting in a significant loss of value to Pathway Group stakeholders.

- (e) The landlord of 367 Ontario has enforced its rights, without regard for the rights and claims of ADH as against that company. ADH is not aware of what other erosions are currently occurring in respect of the value and recoverability of its collateral.
- (f) PHSC was in the midst of negotiating a sale of Slawner when the leadership resignations occurred. There is significant potential value in that sale being completed. I am aware a term sheet was being circulated with a proposed closing date before the end of August. I believe the interim receiver, or a later appointed receiver, could revive and pursue that transaction.
- (g) On the balance of factors, there is no other just and convenient option for ADH and other stakeholders to preserve enterprise value in the circumstances. Moreover, the proposed appointment of an interim receiver, as a function of preservation, and not liquidation, creates no prejudice to any party that I am aware of.
- 38. I verily believe that KSV Restructuring Inc., with offices in the City of Calgary, is qualified and prepared to act as interim receiver of PHC and PHSC.
- 39. ADH intends to apply for appointment of KSV as receiver manager of PHC and PHSC within 30 days, which I understand is the legislated time limit in which either an extension of interim receivership or appointment of a receiver must be sought.
- 40. ADH intends to make that application for appointment of a receiver on notice to all affected parties. The within application, for appointment of KSV as interim receiver, is on notice only to the other secured creditor, due to the significant time constraints. As mentioned above, the secured creditor, Heal, has consented to the relief being sought.
- 41. I make this Affidavit in support of ADH's application for an interim receiver in respect of Pathway and Pathway Services.
- 42. The deponent Michael Steele was not physically present before me but was linked with me utilizing video technology. I, PAVIN TAKHAR, confirm that while connected via video technology, Michael Steele had shown to me the front and back of his government-issued photo identity document and I am reasonably satisfied it is the same person and the document is valid and current. I confirm that I have reviewed each page of this affidavit and exhibits with Michael Steele and verify that the pages are identical.

SWORN BEFORE ME at Calgary, Alberta, this)
9 th day of August 2023.)
	DocuSigned by:
	; Michael Steele
Commissioner for Oaths in and for the) MICHAEL STEELE
	MICHAEL OFFEEL
Province of Alberta)

THIS IS EXHIBIT "A" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search:

2023/08/08

Time of Search:

01:52 PM

Search provided by:

ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number:

Customer Reference Number:

Corporate Access Number: 2018454393 **Business Number:** 727752487

Legal Entity Name:

PATHWAY HEALTH CORP.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
COLSON CAPITAL CORP.	2021/05/31

Legal Entity Status:

Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date:

2014/09/04 YYYY/MM/DD

Date of Last Status Change: 2017/01/05 YYYY/MM/DD

Registered Office:

Street:

1500-850 2 ST SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P0R8

Records Address:

Street:

1500-850 2 ST SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P0R8

Email Address: CORPORATE.CALGARY@DENTONS.COM

Primary Agent for Service:

III.ast Name		Middle Name		Street	City	Province	Postal Code	Email
O'SULLIVAN	JAMES		CANADA LLP		CALGARY	ALBERTA	T2P0R8	JAMES.OSULLIVAN@DENTONS.COM

Directors:

Last Name:

GOLDHAR

First Name:

MARK

Street/Box Number: 239 FIVE ISLAND ROAD

City:

HUBLEY

Province:

NOVA SCOTIA

Postal Code:

B3Z1B5

Last Name:

HOWLING

First Name:

KENNETH

Street/Box Number: 43 PARKHURST BOULEVARD

City:

TORONTO

Province:

ONTARIO

Postal Code:

M4G2C8

Last Name:

JETLY

First Name:

RAKESH

Street/Box Number: 317 AMITA CRESCENT

City:

OTTAWA

Province:

ONTARIO

Postal Code:

K2C4J1

Last Name:

WRIGHT

First Name:

ALISON

Street/Box Number: 1458 WOODEDEN DRIVE

City:

MISSISSAUGA

Province:

ONTARIO

Postal Code:

L5H2T9

Last Name:

YOON

First Name:

KEN

Street/Box Number: 138 DUNBLAINE AVENUE

City:

NORTH YORK

Province:

ONTARIO

Postal Code:

M5M2S3

Transfer Agents:

Legal Entity Name:

TSX TRUST COMPANY

Corporate Access Number: 3023749967 Street:

300-100 ADELAIDE ST W

City:

TORONTO

Province:

ONTARIO

Postal Code:

M5H1S3

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure:

SEE SCHEDULE

Share Transfers Restrictions: NONE Min Number Of Directors: 3

Max Number Of Directors: 15

Business Restricted To:

NONE

Business Restricted From:

NONE

Other Provisions:

SEE SCHEDULE

Holding Shares In:

Legal Entity Name
PATHWAY HEALTH SERVICES CORP.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2022	2022/10/26

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2014/09/04	Incorporate Alberta Corporation
2016/11/02	Status Changed to Start for Failure to File Annual Returns
2020/02/21	Update BN
2021/05/31	Name/Structure Change Alberta Corporation
2021/06/08	Change Address
2021/06/29	Change Agent for Service
2022/10/12	Change Director / Shareholder
2022/10/26	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2014/09/04
Other Rules or Provisions	ELECTRONIC	2014/09/04
Consolidation, Split, Exchange	ELECTRONIC	2021/05/31

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS EXHIBIT "B" REFERRED TO IN THE AFFIDAVIT OF

Sworn before me this 9^{th} of August, 2023

MICHAEL STEELE

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search:

2023/08/08

Time of Search:

04:10 PM

Search provided by:

ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number:

40262818

Customer Reference Number:

Corporate Access Number: 2122929827

Business Number:

Legal Entity Name:

PATHWAY HEALTH SERVICES CORP.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
12352877 CANADA LTD.	2020/10/27
PATHWAY HEALTH CORP.	2021/05/28

Legal Entity Status:

Active

Extra-Provincial Type:

Federal Corporation

Registration Date:

2020/10/06 YYYY/MM/DD

Date Of Formation in Home Jurisdiction: 2020/09/18 YYYY/MM/DD

Home Jurisdiction:

CANADA

Home Jurisdiction CAN:

12352877

Head Office Address:

Street:

1500-850 2 ST SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P0R8

Email Address:

CORPORATE, CALGARY@DENTONS.COM

Primary Agent for Service:

III.ast Name		Middle Name	SCALE STATE OF	Street	City	Province	Postal Code	Email
O'SULLIVAN	JAMES		CANADA LLP	1 1	CALGARY	ALBERTA	T2P0R8	CORPORATE.CALGARY@DENTONS.COM

Directors:

Last Name:

GOLDHAR

First Name:

MARK

Street/Box Number: 239 FIVE ISLAND ROAD

City:

HUBLEY

Province:

NOVA SCOTIA

Postal Code:

B3Z1B5

Last Name: HOWLING First Name: KENNETH

Street/Box Number: 43 PARKHURST BOULEVARD

City: TORONTO
Province: ONTARIO
Postal Code: M4G2C8

Last Name: JETLY
First Name: RAKESH

Street/Box Number: 317 AMITA CRESCENT

City: OTTAWA
Province: ONTARIO
Postal Code: K2C4J1

Voting Shareholders:

Legal Entity Name: PATHWAY HEALTH CORP.

Corporate Access Number: 2018454393

Street: 1500-850 2 ST SW

City: CALGARY
Province: ALBERTA
Postal Code: T2P0R8
Percent Of Voting Shares: 100

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2022	2022/11/23

Filing History:

List Date (YYYY/MM/DD)	Type of Filing			
2020/10/06	Register Extra-Provincial Profit / Non-Profit Corporation			
2021/03/28	Attorney for Service converted to Agent for Service			
2021/05/28	Name Change Extra-Provincial			
2022/10/12	Change Director / Shareholder			
2022/11/23	Enter Annual Returns for Alberta and Extra-Provincial Corp.			

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.

DocuSign Envelope ID: BBEEC76A-260C-4868-B209-7470BC60B06E



THIS IS EXHIBIT "C" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA



Government of Canada

Gouvernement du Canada

Do a pre-search: results - Nuans

Welcome Lindsey Ehredt (/app/scr/corp/nuans/sso/idmAccount.html) | Dashboard (/app/scr/corp/nuans/member/home.html) | Sign out (/app/scr/corp/nuans/sso/logout.html)

The results in the Search criteria entered table are based on the criteria you entered on the previous page. You can change your criteria by pressing the Refine search button.

Search criteria

Corporate name:

13199223 Canada

Registration information or application number:

Search within:

Search all

Refine search

▲ Warning

Your search resulted in an exact match. This occurs when a search exactly matches another name in our database. Please review all exact matches before ordering a report with your chosen name. Pay special attention to any names and trademarks that could be confused with your name. Trademarks are protected.

For more information, see:

• Matching company names (Results are limited to 200 matching company names)

By clicking a name in one of the tables below, additional details about that company or trademark will appear in a dialogue box.

Download results as PDF ±

Showing 1 to 2 of 2 entries Show 10 ∨ entries

Matching company names

Jurisdiction

Name 1

number 1 ₺

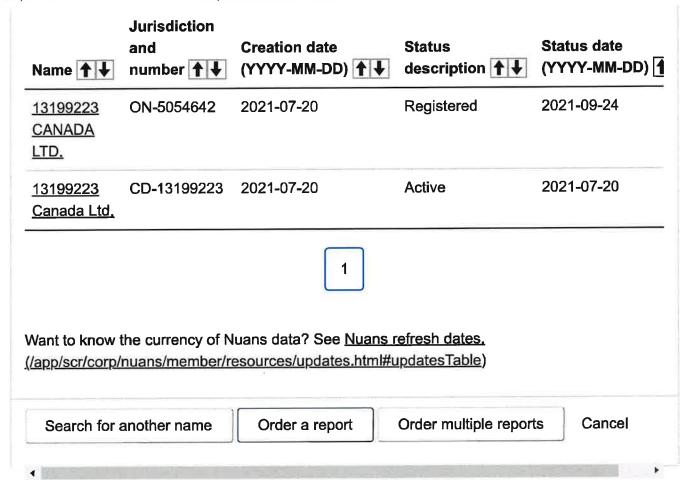
Creation date

Status

Status date

and

(YYYY-MM-DD) ↑ ↓



Date modified:

2023-04-14

THIS IS EXHIBIT "D" REFERRED TO IN THE AFFIDAVIT OF MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

CREDIT AGREEMENT

among

PATHWAY HEALTH CORP., as the Borrower

and

PATHWAY HEALTH SERVICES CORP.,
PATHWAY HEALTHCARE TECHNOLOGIES CORP.,
2563367 ONTARIO LIMITED,
SLAWNER ORTHO LTEE.

as Guarantors

and

AVONLEA-DEWRY HOLDINGS INC., as Lender

DATED AS OF JULY 29, 2022

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THIS CREDIT AGREEMENT is made as of the 29th day of July, 2022

AMONG:

PATHWAY HEALTH CORP.,

as the Borrower

and

PATHWAY HEALTH SERVICES CORP.,
PATHWAY HEALTHCARE TECHNOLOGIES CORP.,
2563367 ONTARIO LIMITED,
SLAWNER ORTHO LTEE..

as Guarantors

and

AVONLEA-DEWRY HOLDINGS INC.,

as Lender

WHEREAS the Borrower has requested a credit facility from the Lender to assist with (i) certain acquisitions, (ii) certain capital expenditures, (iii) general working capital; and (iv) the repayment of amounts owing by the Borrower to the Lender under the Promissory Note (as defined below), and the Lender has agreed to provide such credit facility to the Borrower subject to the execution and delivery of this Agreement and the other Credit Documents as described herein;

AND WHEREAS the Borrower has granted to the Lender that certain secured promissory grid note dated May 27, 2022, pursuant to which the Borrower is indebted to the Lender in the principal amount of One Million Dollars (\$1,000,000.00) plus interest accrued at 15% per annum (the "**Promissory Note**");

AND WHEREAS, in connection with the above, the Borrower, the Guarantors and the Lender wish to arrange for the aforementioned credit facility and, in connection therewith, to amend and restate the terms and conditions of the Promissory Note, without novation, as more particularly set out in this Agreement;

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

ARTICLE I INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals and the Schedules hereto and in all notices given pursuant to this Agreement, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

"1964433 Alberta" means 1964433 Alberta Ltd., a corporation incorporated under the laws of the Province of Alberta.

"2563367 Ontario" means 2563367 Ontario Limited, a corporation incorporated under the laws of the Province of Ontario.

"10030712 Manitoba" means 10030712 Manitoba Ltd., a corporation incorporated under the laws of the Province of Manitoba.

"13199223 Canada" means 13199223 Canada Ltd., a corporation incorporated under the federal laws of Canada.

"Additional Security" means the security agreements and other documents required to be provided to the Lender pursuant to Section 4.1, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing.

"Adjusted EBITDA" means the EBITDA adjusted for, as applicable, share-based compensation, loss of control of related company, non-cash expenses, extraordinary and non-recurring expenses.

"Advance" means each and every advance of sums hereunder by the Lender to the Borrower.

"Affiliate" means an affiliate as defined in the CBCA.

"Agreement" means this credit agreement and any schedules hereto, as amended, supplemented, restated or replaced from time to time.

"Applicable Law" means, in relation to any person, transaction or event:

- (a) all applicable provisions of the common law and all statutes, rules and regulations of any Governmental Authority in effect from time to time having force of law; and
- (b) all judgments, orders, awards, decrees, official directives, writs and injunctions all having force of law from time to time in effect of any Governmental Authority in an action, proceeding or matter in which the person is a party or by which it or its property is bound or having application to the transaction or event.

"Borrower" means Pathway Health Corp., a corporation incorporated under the laws of the Province of Alberta.

"Borrower's Counsel" means Dentons Canada LLP, and/or such other legal counsel acceptable to the Lender.

"Business Day" means a day of the year, other than a Saturday, Sunday or statutory holiday, on which banking institutions are open for business in Calgary, Alberta, Toronto, Ontario and Montreal, Quebec.

"Canadian Dollars", "Cdn\$" or "\$" mean lawful money of Canada.

"CBCA" means the *Business Corporations Act* (Canada), including the regulations promulgated thereunder, as the same may be amended from time to time.

"CEBA Loans" means the Canada Emergency Business Accounts loans to the Borrower in the amount of \$80,000.

"Closing Date" has the meaning ascribed to that term in Section 5.2.

"Collateral" means all property, assets and undertaking of the Credit Parties at any time in which a security interest is granted to the Lender, together with all proceeds of the foregoing.

"Constating Documents" means, with respect to a corporation, its articles of incorporation, amalgamation or continuance or other similar documents, and its by-laws, and with respect to any other person which is not a natural person, the organization and governance documents of such person; in each case as amended, supplemented, restated or replaced from time to time.

"Credit Documents" means this Agreement, the Security, and all other certificates, instruments, notices and documents delivered or to be delivered by the Credit Parties pursuant to this Agreement.

"Credit Facility" has the meaning ascribed thereto in Section 2.2.

"Credit Parties" means, collectively, the Borrower and the Guarantors, and "Credit Party" means any of them as the context requires.

"Creditor Proceedings" means any dissolution, winding up, total or partial liquidation, plan of arrangement, receivership, insolvency, proposal, bankruptcy or compromise under Insolvency Legislation, or the arrangement provisions of any applicable corporate law, or a general assignment for the benefit of creditors or similar proceedings offered with respect to the Credit Parties, or their respective properties or liabilities.

"Distribution" means any amount paid to or on behalf of the shareholders, directors, officers or employees of the Borrower or any Affiliate of the Borrower, and whether any of the foregoing is made, paid or satisfied in or for cash, property or both; provided that salaries and commissions paid to employees of the Borrower in the ordinary course of business shall not be considered to be Distributions.

"Drawdown Date" means the date, which shall be a Business Day, of any Advance requested pursuant to a Drawdown Notice.

"Drawdown Notice" means a notice requesting an Advance issued by the Borrower to the Lender, substantially in the form of Schedule A attached hereto.

"EBITDA" means net (loss)/income adjusted for income tax, depreciation of property and equipment, amortization of intangible assets, interest on long-term debt and other financing costs, interest income, and changes in fair values of derivative financial instruments.

"Enforcement Notice" has the meaning ascribed thereto in Section 8.3.

"Environmental Law" means all Applicable Law which pertains to public health or safety, the protection or enhancement of the environment or pursuant to which Environmental Liabilities would arise or have arisen, including relating to a Release or threatened Release of any Hazardous Material or the generation, use, storage or transportation of any Hazardous Material, and including any condition, restriction, prohibition or requirement contained in an approval, permit, license, consent, certificate or qualification or other authorization issued pursuant to Applicable Law.

"Environmental Liabilities" means any and all liabilities and obligations for any Release, any environmental damage, any contamination or any other environmental problem caused or alleged to have been caused to any person, property or the environment as a result of any Release or the condition of any property or asset, whether or not caused by a breach of Environmental Law, including, without limitation, all liabilities and obligations arising from or related to any surface, underground, air, groundwater or surface water contamination; the abandonment or plugging of any well; restorations and reclamations; the removal of or failure to remove any foundations, structures or equipment; the cleaning up or reclamation of storage sites; any Release; the violation of pollution standards; and personal injury (including sickness, disease or death) and property damage arising from any of the foregoing.

"Event of Default" means any of the events or circumstances specified in Section 8.1.

"Existing Security" means the following guarantees and security documents previously delivered by certain of the Credit Parties, in favour of the Lender in connection with the Promissory Note:

- a general security agreement from the Borrower granting a first priority Lien in and to all present and after-acquired personal property of the Borrower;
- a share pledge agreement from the Borrower in respect of the shares of Pathway Health Services, Pathway Wellness Products, Pathway Healthcare Technologies and 13199223
 Canada;
- (c) a guarantee from Pathway Health Services; and
- (d) a general security agreement from Pathway Health Services.

"Governmental Authority" means Canada, any Province, as applicable, any municipal or other political subdivision of any such Province, and any agency, department, commission, board, bureau or instrumentality of any of them and judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Guarantee" means, in respect of any person, any undertaking to assume, guarantee, indemnify, endorse (other than the routine endorsement of cheques in the ordinary course of business), contingently agree to purchase or to provide funds for the payment of, or otherwise become liable in respect of, any indebtedness of any person; provided that the amount of each Guarantee shall be deemed to be the amount of the indebtedness guaranteed thereby unless the Guarantee is limited to a specified amount as to realization exclusively on specified assets in which case the amount of such Guarantee shall be deemed to be the lesser of such specified amount or the fair market value of such specified assets, as the case may be, or the amount of such indebtedness.

"Guarantors" means, collectively, Pathway Heath Services, Pathway Healthcare Technologies, 2563367 Ontario and Slawner Ortho and "Guarantor" means any of them as the context requires.

"Hazardous Material" means any substance or mixture of substances, or any pollutant or contaminant, toxic or dangerous waste, toxic mould, or hazardous material, as defined in or regulated by any Environmental Law, from time to time, that if Released to the environment could reasonably be expected to cause, immediately or at some future time, harm or damage to or impairment of the environment, or any risk to human health or safety or property.

"IFRS" means International Financial Reporting Standards as set by the International Accounting Standards Board.

"Insolvency Default" means an Event of Default described in Sections 8.1(g) or (h).

"Insolvency Legislation" means legislation in any applicable jurisdiction relating to Creditor Proceedings, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any applicable corporations legislation.

"Interest Payment Date" means, with respect to the Credit Facility, the last Business Day of each calendar quarter, with the first such Interest Payment Date being the last Business Day of the calendar quarter ending six months from the Closing Date.

"Interest Rate" has the meaning ascribed thereto in Section 3.1.

"Lender" means Avolea-Drewry Holdings Inc. and its successors and assigns, as lender under the Credit Facility.

"Lender's Counsel" means Aird & Berlis LLP, or such other legal counsel as the Lender may from time to time designate.

"Lien" means any mortgage, charge, security agreement, security interest, assignment, pledge, lien, builders' lien or other encumbrance of whatsoever kind or nature, regardless of form and whether consensual or arising by law (statutory or otherwise), that secures the payment of any indebtedness or liability or the observance or performance of any obligation.

"Manitoba Joint Venture" means the joint venture between 10022241 Manitoba Ltd. and Pathway Health Services, as shareholders of 1003070712 Manitoba, in respect of the operation of medical clincs in Winnipeg and Selkirk, Manitoba.

"Material Adverse Effect" means any matter, event or circumstance relating to a Credit Party which could in the reasonable opinion of the Lender, if not remedied, have a material adverse effect on: (i) its business, financial condition, operations, property, assets or undertaking, (ii) its ability to repay any indebtedness under, or perform any other obligations in accordance with, this Agreement or any of the Security to which it is a party, (iii) the validity or enforceability of this Agreement or the Security to which it is a party, (iv) the rights and remedies of the Lender, or (v) the priority ranking of any Liens granted to the Lender pursuant to the Security.

"Maturity Date" means the earlier to occur of (i) the second anniversary of the Closing Date, or (ii) the due date of all Obligations under the Credit Facility resulting from the giving of an Enforcement Notice.

"Minimum Rate" has the meaning ascribed thereto in Section 3.1.

"Obligations" means, at any time and from time to time, all indebtedness, liabilities and obligations, whether direct or indirect, absolute or contingent, matured or unmatured, owing to the Lender in respect of the Credit Facility or otherwise payable pursuant to this Agreement, including without limitation, all principal, interest, fees, indemnities, costs and expenses relating to any of the foregoing.

"Outstanding Principal" means, at any time in relation to the Credit Facility, the aggregate at such time of the principal amounts outstanding thereunder.

"Pathway Health Services" means Pathway Health Services Corp., a corporation incorporated under the federal laws of Canada.

"Pathway Healthcare Technologies" means Pathway Healthcare Technologies Corp., a corporation incorporated under the federal laws of Canada.

"Pathway Wellness" means Pathway Wellness Products Corp., a corporation incorporated under the federal laws of Canada.

"Permitted Contest" means action taken by the Borrower in good faith by appropriate proceedings diligently pursued to contest any taxes, claims or other Liens, provided that:

- (a) reasonable reserves have been established in respect thereof in accordance with IFRS; and
- (b) proceeding with any such contest would not reasonably be expected to have a Material Adverse Effect.

"Permitted Indebtedness" means, without duplication:

- trade payables of the Borrower (other than indebtedness for borrowed money) incurred in the ordinary course of business, provided that such indebtedness is classified as a current liability on the Borrower's financial statements;
- (b) all indebtedness of the Borrower to the Lender under this Agreement or under or secured by any Credit Document;
- (c) the CEBA Loans;
- (d) the RBC Visa;
- (e) capital lease obligations and indebtedness secured by purchase money liens;
- (f) all indebtedness secured by Permitted Liens; and
- (g) such other indebtedness of the Borrower which the Lender has consented to in writing.

"Permitted Liens" means, as at any particular time, any of the following encumbrances on the Collateral:

- (a) Statutory Liens in respect of any amount which is not at the time overdue, or which may be overdue but the validity of which are then the subject of a Permitted Contest;
- (b) undetermined or inchoate Liens incidental to operations arising in the ordinary course of business which relate to obligations (i) not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same, or (ii) are then the subject of a Permitted Contest;

- (c) Liens arising out of judgments, awards or claims filed which are then the subject of a Permitted Contest;
- (d) Security given to a public utility or any Governmental Authority to secure obligations incurred in the ordinary course of business and not at the time overdue;
- (e) easements, rights-of-way, servitudes or other similar rights in and (including rights-of-way and servitudes for railways, sewers, drains, pipelines, gas and water mains, electric light and power, telephone, telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which either alone or in the aggregate do not materially detract from the value of land or materially impair its use;
- (f) Liens arising in connection with the construction or improvement of land or arising out of the furnishing of materials or supplies therefor, provided that any such Lien secures moneys not at the time overdue (or if overdue, are then the subject of a Permitted Contest), notice of such Lien has not been given to the Lender, and such Lien has not been registered against title to such land;
- (g) Liens securing Permitted Indebtedness; and
- (h) all such other claims and encumbrances as are specifically disclosed by notice in writing to the Lender to the extent that the Lender, by specific notice in writing to the Borrower, advises the Borrower that the Lender agrees to accept such claims and encumbrances as Permitted Liens for the purposes of this Agreement;

provided that the use of the term "Permitted Liens" to describe such Liens means that they are permitted to exist and shall not be interpreted as meaning that such Liens are entitled to priority over the Security.

"person" means any individual, corporation, company, partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.

"Prime Rate" has the meaning ascribed to that term in Section 3.1;

"RBC Visa" means the Royal Bank of Canada corporate visa account with a credit limit in the amount of \$75,000.

"Release" or "Released" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, leeching or migration of any element or compound in or into the indoor or outdoor environment (including the abandonment or disposal of any barrels, tanks, containers or receptacles containing any contaminant), or in, into or out of any vessel or facility, including the movement of any contaminant through the air, soil, subsoil, surface, water, groundwater, rock formation or otherwise.

"Revolving Period" means, in respect of the Credit Facility, the period commencing on the Closing Date and ending at 2:30 p.m. (Toronto time) on the Maturity Date.

"Security" means the guarantees, security agreements and other documents required to be provided to the Lender pursuant to Section 4.1, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended

to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing and, for certainty shall include the Existing Security and any Additional Security.

"Senior Officer" means any of the Chief Executive Officer, Chief Strategy Officer or Chief Financial Officer.

"Slawner Ortho" means Slawner Ortho Ltee., a corporation incorporated under the laws of the Province of Quebec.

"Statutory Lien" means a Lien in respect of any property or assets of any person created by or arising pursuant to any applicable legislation in favour of any person (such as but not limited to a Governmental Authority), including in respect of obligations to deduct and remit taxes, duties, assessments, employee source deductions and goods and services taxes pursuant to Applicable Law.

1.2 Knowledge

Where any representation, warranty or other provision of this Agreement is qualified by reference to the knowledge of a Credit Party, after reasonable inquiry, it shall be deemed to refer to the actual knowledge of the senior management of the Credit Party after having made such inquiries of its Senior Officers.

1.3 Headings and Table of Contents

The headings, the table of contents and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 References

Unless something in the subject matter or context is inconsistent therewith, all references to Sections, Articles and Schedules are to Sections, Articles of and Schedules to this Agreement.

1.5 Rules of Interpretation and Extended Meanings

In this Agreement, unless otherwise specifically provided, the singular includes the plural and vice versa, and "in writing" or "written" includes printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception, including by facsimile. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term "including" means "including, without limitation". Any reference herein to the exercise of discretion by the Lender (including phrases such as "in the opinion of", "to the satisfaction of" and similar phrases) means that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless expressly stated herein.

1.6 Generally Accepted Accounting Principles

Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with IFRS as in effect from time to time. All calculations of the components of financial information for the purposes of determining compliance with the Financial Covenant contained herein shall be made on a basis consistent with IFRS in existence on the date of this Agreement. IFRS. In the event that such a negotiation is unsuccessful, all calculations thereafter made for the purposes of

determining compliance with the Financial Covenant contained herein shall be made on a basis consistent with IFRS as in existence on the date of this Agreement.

Notwithstanding the foregoing or any other provision of this Agreement, it is agreed that for the purposes of this Agreement and any financial calculations in respect hereof, including the calculation of EBITDA, that the financial results of the Manitoba Joint Venture shall be consolidated with those of the Borrower.

1.7 Time

Unless otherwise stated, all references to time herein shall mean local time in Toronto, Ontario.

1.8 Currency References

All amounts of money referred to in this Agreement are in Canadian Dollars unless otherwise indicated, and all payments made hereunder shall be made in Canadian Dollars.

1.9 Payment for Value

All payments required to be made hereunder shall be made for value on the required day in same day immediately available funds.

1.10 Schedules

Schedule A - Form of Drawdown Notice

Schedule B - Milestone Matrix
Schedule C - 2022 Operating Plan

Schedule D - Form of Officer's Certificate

ARTICLE II CREDIT FACILITIES

2.1 Advances and Obligations under Promissory Note

Upon this Agreement becoming effective on the Closing Date and relying on each of the representations and warranties set out in Article VI, and subject to the terms and conditions of this Agreement, the Advance previously made by the Lender under the Promissory Note shall be deemed to be outstanding as an Advance made by the Lender to the Borrower under this Agreement and any obligations under the Promissory Note resulting from accrued but unpaid interest, fees or expenses, shall be Obligations of the Borrower under this Agreement.

2.2 Credit Facility

Subject to the provisions of this Agreement, the Lender agrees to make a credit facility available to the Borrower on a revolving basis during the Revolving Period and complete Advances to the Borrower not exceeding \$3,500,000 (the "Credit Facility"), unless otherwise authorized pursuant to the terms of this Agreement (including, for certainty, pursuant to Article III). For greater certainty, all other fees, expenses and interest payable by the Borrower hereunder will not act to reduce the amount available to the Borrower under the Credit Facility, but will be added to the Outstanding Principal, which as a result may exceed

\$3,500,000. The principal amount of any Advance under the Credit Facility that is repaid may be reborrowed from time to time until the Maturity Date, on which date any undrawn amount under the Credit Facility will be cancelled, and all outstanding Obligations under the Credit Facility shall become due and payable in accordance with paragraph (b) below.

- (a) <u>Purpose</u>: The Credit Facility shall only be used for general corporate purposes of the Borrower, including without limitation: (i) to pay the fees, costs and expenses relating to the Credit Facility and the preparation, negotiation and settlement of this Agreement, the Security and the other Credit Documents, and (ii) for ongoing acquisition and working capital requirements.
- (b) <u>Scheduled Repayments</u>: The Borrower shall repay all outstanding Obligations in respect of the Credit Facility to the Lender on demand, and in the absence of demand, by (i) payments of accrued interest, due and payable in arrears on each Interest Payment Date from and after the Closing Date, and (ii) payment of all Outstanding Principal and any other outstanding Obligations in respect of the Credit Facility, due and payable on the last day of the Revolving Period.
- (c) <u>Voluntary Repayments</u>: The Borrower may from time to time repay Outstanding Principal under the Credit Facility in any amounts without notice.

2.3 Notices and Payments

- (a) The Borrower may on any Business Day give the Lender irrevocable written notice in the form of a Drawdown Notice for any Advance under the Credit Facility. If a Drawdown Notice is received by the Lender before 12:00 noon on any Business Day, such Advance shall be advanced on the first Business Day after the Drawdown Notice is received by the Lender.
- (b) Payments must be made prior to 12:00 noon on any Business Day that such payment is due. Notice of an intended prepayment of any Advance under the Credit Facility shall be given with the same number of Business Days' prior notice as matches the Drawdown Notice period required for the Advance.
- (c) If a notice or payment is not given or made by 12:00 noon on any Business Day, it shall be deemed to have been given or made on the next Business Day unless the Lender agrees, in its sole discretion, to accept a notice or payment at a later time as being effective on the date it is given or made.

2.4 Evidence of Indebtedness

The Obligations of the Borrower resulting from Advances made by the Lender under the Credit Facility shall be evidenced by records maintained by the Lender concerning those Advances it has made. The records maintained by the Lender shall constitute, in the absence of manifest error, *prima facie* evidence of the Obligations of the Borrower to the Lender in respect of Advances made and all details relating thereto. The failure by the Lender to correctly record any such amount or date shall not, however, absent manifest error adversely affect the Obligations of the Borrower to pay amounts due hereunder to the Lender in accordance with this Agreement.

ARTICLE III INTEREST RATES AND FEES

3.1 Interest on Advances

The Borrower shall pay to the Lender interest at the greater of:

- (a) 12% per annum (the "Minimum Rate"); and
- (b) a variable rate per annum benchmarked to the Bank of Canada prime rate as at May 1, 2022 (which, for certainty, was 3.20%) (the "**Prime Rate**") plus 8.8%,

(the "Interest Rate").

The Interest Rate shall be calculated monthly in arrears and, unless and to the extent added to the PIK Accrual pursuant to Section 3.2, shall be payable on each Interest Payment Date for the period commencing on and including the immediately prior Interest Payment Date up to and including the last day prior to the Interest Payment Date on which such interest is to be paid and shall be calculated on the basis of the actual number of days elapsed in a year of 365 or 366 days, as applicable. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section are equivalent are the rates so determined multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest is payable and divided by 365 or 366, as applicable. For greater certainty, the amount of the accrued but unpaid interest shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.2 Payment in Kind

An amount equal to 2% of the Outstanding Principal will be added to the Outstanding Principal amount (i) as at the day immediately preceding the first anniversary of the Closing Date and (ii) as at the day immediately preceding the second anniversary of the Closing Date (in each case, the "PIK Accrual"). For certainty, in each case, the Outstanding Principal shall be deemed to be increased and set at an amount that includes such PIK Accrual and the Work Fee.

In addition to the PIK Accrual referenced in the immediately preceding paragraph, in the event the Interest Rate exceeds the Minimum Rate during the Revolving Period and in respect of such excess amount, such additional interest payable by the Borrower to the Lender may be added to the PIK Accrual at the option of the Borrower. In such an event or events, the Outstanding Principal shall be deemed to be increased and set at an amount that includes such additional amount. For greater certainty, the amount of the PIK Accrual shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.3 Interest on Overdue Amounts

Notwithstanding any other provision of this Agreement, in the event that any amount due hereunder (including any interest payment) is not paid when due (whether by acceleration or otherwise), the Borrower shall and hereby agrees to pay to the Lender interest on such unpaid amount, if and to the fullest extent permitted by Applicable Law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is made before 10:00 a.m. at the place of payment on the date of such payment), and such interest shall accrue daily, be calculated on the first

Business Day of each calendar month and be payable on demand, as well after as before maturity, default and judgment, at a rate per annum in respect of the Credit Facility of 20% per annum.

The Borrower hereby waives, to the fullest extent it may do so under Applicable Law, any provisions of Applicable Law, including specifically the *Interest Act* (Canada) and any analogous Provincial legislation which may be inconsistent with this Agreement.

3.4 Arrangement Fee

The Borrower shall pay to the Lender an arrangement fee (the "Arrangement Fee") in an amount equal to \$100,000, which fee shall be earned by the Lender on Closing. Payment of the Arrangement Fee will be made by adding such fee to the Outstanding Principal as at the Closing Date, but for greater certainty, shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.5 Annual Work Fee

The Borrower shall pay the Lender an annual work fee equal to 1% of the Outstanding Principal as at the day immediately preceding the first and second anniversaries of the Closing Date (the "Work Fee"). Payment of the Work Fee will be made by adding such fee to the Outstanding Principal as at the relevant dates concurrently with the PIK Accrual. For greater certainty, the Work Fee shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.6 Maximum Rate Permitted by Law

No interest or fee to be paid hereunder shall be paid at a rate exceeding the maximum rate permitted by Applicable Law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under Applicable Law.

3.7 Interest and Fees Generally

The theory of deemed reinvestment shall not apply to the calculation of interest or payment of fees or other amounts hereunder, notwithstanding anything contained in this Agreement or in any other Credit Document now or hereafter granted to or taken by the Lender and all interest and fees payable by the Borrower to the Lender shall accrue from day to day and be computed as described herein in accordance with the "nominal rate" method of interest calculation. For greater certainty, the addition of interest and fees to the Outstanding Principal shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.8 Per Annum Calculations

Unless otherwise stated, if reference is made in this Agreement to a rate of interest, fee or other amount "per annum" or a similar expression is used, such interest, fee or other amount shall be calculated on the basis of a 365 or 366 day year, as the case may be. If any interest, fee or other amount is determined or expressed on the basis of a period less than a full year, the equivalent yearly rate is equal to the rate so determined or expressed, multiplied by that number of days in such period, and divided by the actual number of days in that calendar year.

ARTICLE IV SECURITY MATTERS

4.1 Security Documents

To secure due repayment and satisfaction in full of all Obligations of the Credit Parties owing to the Lender from time to time, including due performance, payment and satisfaction of all Obligations under this Agreement and the other Credit Documents, the Lender shall continue to hold the Existing Security for the benefit of the Lender, and the Borrower shall cause to be executed and delivered to the Lender the following Additional Security on or prior to the Closing Date:

- (a) a unlimited guarantee from each of 2563367 Ontario, Pathway Healthcare Technologies and Slawner Ortho;
- (b) a share pledge agreement from Pathway Health Services in respect of the shares of 10030712 Manitoba, 2563367 Ontario and Slawner Ortho;
- (c) a share pledge agreement from Pathway Healthcare Technologies in respect of the shares of 1964433 Alberta; and
- (d) such other security documents as may be reasonably required by the Lender,

in each case, in form and substance satisfactory to the Lender and Lender's Counsel (collectively, the "Additional Security".

4.2 Continuing Guarantees and Security

The Additional Security and any other guarantees and security given shall for all purposes be treated as separate and continuing guarantees and security and shall be deemed to have been given in addition to and not in place of any other guarantee or other security now held or hereafter acquired by the Lender. No item or part of any Guarantee or other Security shall be merged or be deemed to have been merged in or by any simple contract debt or any judgment, and any realization of or steps taken or pursuant to any Guarantee or other Security shall be independent of and not create a merger with any other right available to the Lender under this Agreement, any other Guarantee or other Security, or any other Credit Document held by it or at law or in equity.

4.3 Dealing With Guarantees

The Lender may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Credit Parties and other persons (including other guarantors), sureties or securities as the Lender may in its sole discretion see fit, and the Lender may, subject to the provisions hereof, apply all moneys received from the Credit Parties and other persons, or from sureties or securities, to such part of the Obligations as the Lender may instruct, all without prejudice to or in any way limiting the liability of the Credit Parties under any of the Credit Documents.

4.4 Effectiveness

The Security required to be created hereby shall be effective upon execution and delivery thereof, and the undertakings as to the Guarantees and other Security herein or in any document hereunder shall be continuing, whether the monies hereby or thereby secured or any part thereof shall be advanced before

or after or at the same time as the creation of any such Guarantees or other Security, or before or after or upon the date of execution of any amendments to or restatements of this Agreement, and shall not be affected by any Obligations fluctuating from time to time.

4.5 Registration

The Borrower shall do, and shall cause each Guarantor to do, at the Borrower's sole cost and expense, all such commercially reasonable acts, execute all such instruments and provide such further assurances as the Lender may reasonably request to ensure that the priority of the Liens created by all of the Security executed and delivered to the Lender as contemplated hereby is duly protected and perfected by registration, filing or recordation of such Security or a caution, caveat, security notice or other appropriate instrument at all offices where necessary or of material advantage to the protection or perfection thereof; and to cooperate with the Lender and Lender's Counsel in renewing or refiling any registration, filing or recordation required hereby from time to time in order to preserve, protect and maintain the priority of such Liens.

4.6 Permitted Liens and Permitted Indebtedness

None of the facts that:

- (a) any Credit Party is permitted to create or suffer to exist any Permitted Lien or Permitted Indebtedness;
- (b) any representation, warranty or covenant contained herein may make an exception for the existence of Permitted Liens or Permitted Indebtedness; or
- (c) the Liens created pursuant to the Credit Documents are stated to be subject to, or are not required to rank in priority to, Permitted Liens,

shall in any manner, nor in any cause or proceeding, directly or indirectly, be taken to constitute a subordination of any Lien created pursuant to the Credit Documents to any Permitted Encumbrance or to any other Lien or other obligation whatsoever, or that the Obligations under the Credit Documents are in any way subordinate or junior in right of payment to any Permitted Indebtedness, it being the intention of the parties that all Liens created pursuant to the Credit Documents shall at all times, to the maximum extent permitted by Applicable Law, rank as first priority Liens in priority to Permitted Liens and all other Liens or other obligations whatsoever and that the Obligations under the Credit Documents will rank in right of payment at all times at least equally with such Permitted Indebtedness.

ARTICLE V CONDITIONS PRECEDENT

5.1 Conditions Precedent to Promissory Note

The parties hereto acknowledge and confirm that all conditions precedent provided for in respect of the Promissory Note were previously satisfied by the Borrower.

5.2 Conditions Precedent to Closing and Initial Advance

The Lender shall have no obligation to make the initial Advance under the Credit Facility hereunder unless at the time of such Advance all of the following terms and conditions shall have been satisfied (or waived by the Lender), such date being the "Closing Date":

- (a) Receipt of Documents: the Lender shall have received, each in full force and effect and in form and substance satisfactory to the Lender, acting reasonably, the following:
 - (i) this Agreement duly executed and delivered by the Borrower and the Guarantors;
 - (ii) each other Credit Document being delivered in connection herewith duly executed and delivered by each Credit Party, as applicable;
 - (iii) a milestone matrix, in the form attached hereto as **Schedule "B"** (the "**Milestone Matrix**");
 - (iv) the 2022 operating statements of the Borrower starting as at July 1, 2022 which are attached hereto as **Schedule** "C" (the "2022 Operating Plan"); and
 - (v) an officer's certificate in the form attached hereto as **Schedule "D"** (the "**Officer's Certificate**")
 - (vi) such other documents, certificates, opinions and agreements as are reasonably required to confirm the completion and satisfaction of the foregoing which the Lender may reasonably request.
- (b) Liens: all Liens created by the Security shall have been duly perfected and registered against each Credit Party as required by the Lender's Counsel.
- (c) Approvals: The Borrower shall have received, in form and substance satisfactory to the Lender, all consents and approvals necessary to enter into this Agreement and each other applicable Credit Document and to perform its obligations hereunder and thereunder, including without limitation:
 - (i) the approval of the TSX Venture Exchange;
 - (ii) the approval of the majority of its minority shareholders pursuant to National Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("NI 61-101") at a duly called meeting of shareholders on the basis that the Credit Facility constitutes a "related party transaction" under NI 61-101.
- (d) **No Material Adverse Effect**: since the date of the advance under the Promissory Note, there shall not have occurred any change, development or event relating to any Credit Party which would reasonably be expected to have a Material Adverse Effect.
- (e) **Delivery of Notice**: the Borrower shall have delivered to the Lender a duly completed Drawdown Notice.

- (f) **Due Diligence**: The Lender shall have completed and be satisfied with the business, legal and environmental due diligence review in respect of the Credit Parties and their respective assets.
- (g) Fees: the Borrower shall have paid all fees and expenses then due in respect of this Agreement, or will pay any such concurrently with the initial Advance.

5.3 Conditions Precedent to Subsequent Advances Under the Credit Facility

The obligation of the Lender to make any subsequent Advance under the Credit Facility is subject to the satisfaction of the following conditions precedent:

- (a) **No Default**: no Default or Event of Default has occurred and is continuing on the Drawdown Date, or would result from the making of any such Advance;
- (b) Representations and Warranties: the representations and warranties contained in Article VI and in any other Credit Document shall be, to the extent applicable, true and correct as if made on and as of the Drawdown Date;
- (c) **No Material Adverse Effect**: since the date of the most recent Advance, there shall not have occurred any change, development or event relating to any Credit Party which would reasonably be expected to have a Material Adverse Effect;
- (d) **Delivery of Notice**: the Borrower shall have delivered to the Lender a duly completed Drawdown Notice;
- (e) Officer's Certificate: the Borrower shall have delivered to the Lender a duly completed Officer's Certificate; and
- (f) Other: all other terms and conditions of this Agreement upon which the Borrower may obtain an Advance are fulfilled, including (i) satisfaction (or waiver) of the conditions precedent set out in Section 5.2 and (ii) the aggregate amount of any proposed Advance when added to all other Advances shall not exceed \$3,500,000.

5.4 Waiver

The conditions in this Article V are inserted for the sole benefit of the Lender, and may be waived by the Lender in whole or in part (with or without terms or conditions).

ARTICLE VI REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties

The Borrower represents and warrants to the Lender (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Lender in entering into this Agreement) that:

(a) Corporate Existence: each Credit Party and each of Pathway Wellness Products Corp., 1319923 Canada, 10030712 Manitoba and 1964433 Alberta is duly incorporated, amalgamated or continued, and is duly organized, validly subsisting and in good standing under the laws of its jurisdiction or subsistence, as applicable, subsisting and in good standing under the laws of such jurisdiction and is duly qualified to carry on business in such jurisdiction;

- (b) Power and Capacity: each Credit Party has full corporate power and capacity to own its property and assets and conduct its business as presently conducted; and in the case of the Borrower, to borrow money and perform its obligations hereunder; and in the case of any Guarantor, to guarantee the Obligations hereunder and under any applicable Credit Document;
- (c) Authorization: the execution, delivery and performance by each Credit Party of the Credit Documents to which it is a party have been duly authorized by all necessary corporate or partnership action, as applicable, and are within its power and capacity;
- (d) **Execution and Delivery**: each applicable Credit Document to which a Credit Party is a party has been duly executed and delivered to the Lender;
- (e) Binding Obligations: each Credit Document to which a Credit Party is a party is a legal, valid and binding obligation of the Credit Party enforceable against such Credit Party in accordance with its terms, except as such enforceability may be limited by general principles of equity and by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;
- (f) No Legal Bar or Resultant Lien: the execution, delivery and performance by each Credit Party of the Credit Documents to which it is a party will not violate any provision of Applicable Law or its Constating Documents, and will not result in a breach of or constitute a default or require any consent under, or result in the creation of any Lien on the Collateral (other than Permitted Liens) upon, any of its property or assets pursuant to any indenture or other agreement or instrument to which it is a party or by which it or its property may be bound or affected; and the execution, delivery and performance by each Credit Party of the Credit Documents to which it is a party does not require any governmental action, license, consent or approval of or notice to or filing with any Governmental Authority which has not been obtained and do not and will not contravene any provision of Applicable Law or any governmental action applicable to it or any of its assets;
- (g) Default of Other Contracts: except as otherwise previously disclosed, no Credit Party is in material breach or material default of, 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 under any material agreement or instrument by which it or any of its properties, assets or undertakings are bound, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (h) Litigation: except as otherwise previously disclosed to the Lender, there are no material actions, suits or proceedings pending or threatened against any Credit Party at law or in equity by or before any Governmental Authority, domestic or foreign, or before any arbitrator of any kind, and no Credit Party is in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any Governmental Authority, domestic or foreign, or any arbitrator of any kind, except in each case to the extent it would not reasonably be expected to have a Material Adverse Effect;

- (i) Financial Condition: all financial information submitted to the Lender fairly reflect, as of the dates thereof, the consolidated financial condition of the Borrower and the Guarantors and the results of its operations for the periods covered thereby, have been prepared in accordance with IFRS and, from the date of the latest such financial information submitted to the Lender, there has been no material adverse change in the consolidated financial condition of the Borrower or the Guarantors, or their respective properties, assets, condition or undertaking which has not been disclosed in writing to the Lender;
- (j) Taxes: Other than as disclosed to the Lender in writing, each Credit Party has filed all tax returns which were required to be filed, has paid or made provision for payment (in accordance with IFRS) of all taxes which are due and payable, and has provided adequate reserves (in accordance with IFRS) for the payment of any taxes the payment of which is the subject of a Permitted Contest;
- (k) Insurance: the Borrower and the Guarantors each have in full force and effect such policies of insurance in such amounts issued by insurers of recognized standing insuring its properties and operations, including business interruption insurance and replacement cost insurance, and providing such coverage as would be maintained by a prudent operator engaged in the same or similar business where its properties and operations are located;
- Compliance with Laws: each Credit Party is in material compliance with all Applicable Laws;
- (m) Environmental Laws: the Borrower and the Guarantors are each in material compliance with Environmental Law;
- (n) Projections and Related Information: subject to the assumptions and qualifications made by the Borrower and provided to the Lender in writing, the projections and other related data provided to the Lender by the Borrower, to the best of the knowledge of the Borrower, fairly and properly reflect the interests and projections of the Borrower therein and thereto as of the date thereof;
- (o) **Events of Default**: no event or circumstance has occurred which constitutes, or which with the giving of notice, lapse of time or both would constitute, an Event of Default; and
- (p) Disclosure: to the knowledge of the Borrower, there is no fact that the Borrower has not disclosed to the Lender in writing, or of which the Lender is not otherwise aware, that could reasonably be expected to have a Material Adverse Effect.

6.2 Survival of Representations and Warranties

Unless expressly stated to be made as of a specific date, the representations and warranties made in this Agreement shall survive the execution of this Agreement and all other Credit Documents, and shall be deemed to be repeated as of the date of each Advance, subject to modifications made by the Borrower to the Lender in writing and accepted by the Lender, and shall expire and terminate when all Obligations have been indefeasibly repaid and satisfied in full and all Security hereunder has been fully discharged.

ARTICLE VII COVENANTS

7.1 General Covenants

The Borrower covenants and agrees with the Lender that, so long as any Obligations remain outstanding and unpaid, the Borrower shall, and shall cause each other Credit Party to (as applicable):

- (a) Pay and Perform Obligations: duly and punctually pay all principal, interest, fees and other amounts payable hereunder and under the other Credit Documents on the dates, times and places, and in the manner specified herein or therein, and observe and comply with all other terms and conditions of the Credit Documents;
- (b) <u>Use Proceeds</u>: use the proceeds of the Credit Facility only for the purposes set out in this Agreement;
- (c) Maintain Existence: in respect of itself and, as applicable, in respect of each of Pathway Wellness Products Corp., 1319923 Canada, 10030712 Manitoba and 1964433 Alberta, maintain and preserve its existence and status in each jurisdiction of organization and make all filings and registrations in each other jurisdiction necessary or advisable in connection therewith, except to the extent failure to make such filings would not have a Material Adverse Effect, or where the Borrower was received the prior written consent of the Lender to carry out such action;
- (d) <u>Conduct Business</u>: conduct its business in a proper and efficient manner, and maintain its property and assets in good repair and condition, subject to ordinary wear and tear;
- (e) <u>Comply With Applicable Laws</u>: operate its business in substantial compliance with all Applicable Law (including Environmental Law) which, if not operated in compliance with, would reasonably be expected to have a Material Adverse Effect;
- (f) Pay Taxes: duly file on a timely basis all tax returns required to be filed by it, and duly and punctually pay all taxes levied or assessed against it (except for those taxes which are then the subject of a Permitted Contest), except to the extent failure to do so would not have a Material Adverse Effect;
- (g) Pay Remittances: duly remit as and when due all employee pension contributions and/or other benefits (including workers' compensation premiums, employer health tax premiums, Canada Pension Plan contributions, Employment Insurance Commission premiums), and statutory remittances (including income tax, goods and services tax, or where applicable, provincial sales tax or harmonized sales tax);
- (h) Provide Access: permit any representatives of the Lender to enter upon and inspect its assets, books and records, and discuss with its senior management its business, financial condition and operations, from time to time upon reasonable notice and during normal business hours;
- (i) <u>Maintain Security</u>: ensure that the Security granted to the Lender remains legal, valid, binding and enforceable in accordance with the terms thereof, subject to general principles of equity and laws affecting creditors' rights generally;

- (j) <u>Security Registrations</u>: co-operate with the Lender so as to permit the Lender to forthwith register, file and record the Security (or notices, financing statements or other registrations, including amending registrations) in all proper offices where such registration, filing or recording may be necessary or of material advantage to perfect or protect the Liens constituted thereby, and ensure that such Security ranks in priority to any other Liens granted by it other than Permitted Liens;
- (k) <u>Maintain Insurance</u>: obtain and maintain insurance on all its property with a financially sound and reputable insurance provider, including all-risk property insurance, comprehensive general liability insurance and business interruption insurance, in amounts and against risks that are determined to be appropriate by the Borrower acting prudently, and furnish to the Lender upon written request satisfactory evidence of such insurance;
- (I) <u>TSX Venture Exchange</u>: maintain good standing on the TSX Venture Exchange;
- (m) Give Notice: promptly give written notice to the Lender of:
 - (i) any Event of Default of which it becomes aware, using reasonable diligence,
 - (ii) any damage to or destruction of any assets which might give rise to a claim for insurance monies in excess of \$100,000,
 - (iii) any proposed change in its name or the location of its chief executive office,
 - (iv) any Environmental Liability which would reasonably be expected to have a Material Adverse Effect,
 - any litigation, arbitration or other proceeding commenced or threatened against or affecting it which would reasonably be expected to have a Material Adverse Effect,
 - (vi) any Lien of which it becomes aware that has been registered, filed or recorded against the interests of any Credit Party in any Collateral which is not a Permitted Lien,
 - (vii) any material deviation, or any expected material deviation, from the Milestone Matrix (as updated in accordance with Section 7.3), the 2022 Operating Plan or the 2023 Operating Plan; and
 - (viii) any other change (financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of any Credit Party that has or would reasonably be expected to have a Material Adverse Effect,

and from time to time provide the Lender with all information requested by the Lender concerning the status of any of the foregoing; and

(n) Provide Other Documents: use reasonable efforts to provide the Lender from time to time with such other documents, security, opinions, consents, acknowledgments and agreements as are requested by the Lender and are necessary to implement this Agreement and the Security.

7.2 Financial Covenant

The Borrower covenants and agrees with the Lender that it shall observe and maintain its Adjusted EBITDA as set out in the 2022 Operating Plan and the 2023 Operating Plan, as applicable, provided that, in each case, the Borrower shall have the right to revise, amend and update the relevant operating plan quarterly, which such revised or amended operating plan shall be subject to the prior approval of the Lender.

7.3 Reporting Requirements

The Borrower shall cause to be prepared and delivered to the Lender, in form and substance satisfactory to the Lender, the following:

- (a) an updated Milestone Matrix no later than twenty (20) Business Days following the end of each calendar month;
- (b) an updated Officer's Certificate no later than twenty (20) Business Days following the end of each calendar month; and
- (c) a 2023 operating statement to replace the 2022 Operating Plan by no later than November 30, 2022 (the "2023 Operating Plan"), which 2023 Operating Plan shall, once approved in writing by the Lender (acting reasonably), be ratified by the Borrower's Board of Directors by no later than December 15, 2022.

7.4 Negative Covenants

Without the prior written consent of the Lender, not to be unreasonably withheld, the Borrower hereby covenants and agrees that it shall not:

- (a) <u>Incur Debt</u>: create, incur, assume or permit to exist any debt, other than Permitted Indebtedness:
- (b) <u>Financial Assistance</u>: provide financial assistance, Guarantees, investments, additional management remuneration (in excess of salary and bonuses paid to employees in the ordinary course of business), dividends or any other employee loans to any persons including Affiliates except for (i) those in effect on the Closing Date and approved by the Lender, (ii) those provided to Affiliates in respect of acquisitions and projects in the ordinary course of business;
- (c) <u>Negative Pledge</u>: create, incur, permit or suffer to exist any Liens upon or with respect to any Collateral, other than Permitted Liens;
- (d) <u>Use Advances</u>: use the proceeds of any Advance for any purpose other than as expressly contemplated herein;
- (e) <u>Material Changes</u>: liquidate or dissolve; cease to carry on business as now being conducted by it; complete any transaction whereby all or substantially all of its property and assets would become the property of any other person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, or amend in any material respect its Constating Documents;

- (f) <u>Limit Activities</u>: make any material change in the nature of its business;
- (g) <u>Restrictions on Dispositions</u>: directly or indirectly sell, lease, assign, transfer, convey or otherwise dispose of any of its assets greater than \$150,000 in aggregate in any Fiscal Year unless reinvested within 180 days or disposition;
- (h) <u>Distributions</u>: declare, pay or make any Distributions or payments on subordinated debt when an Event of Default has occurred and is continuing or would reasonably be expected to occur as a result of making such Distribution; and
- (i) <u>Change of Control</u>: permit a change of control or ownership of the Credit Parties, excluding the Borrower.

ARTICLE VIII DEFAULT

8.1 Events of Default

The occurrence of any one or more of the following events, after the expiry of any applicable cure period set out below, shall constitute an "Event of Default" under this Agreement:

- (a) if the Borrower fails to pay any amount of principal or interest when the same becomes due and payable hereunder, whether at maturity or otherwise;
- (b) if the Borrower fails to pay any amount of fees or other Obligations (other than principal and interest) within fifteen (15) Business Days after the Borrower having received notice from the Lender of the amount payable;
- (c) if there is a greater than 10% negative deviation from the quarterly Adjusted EBITDA set forth by the Borrower in the 2022 Operating Plan or the 2023 Operating Plan, as applicable, commencing July 1, 2022;
- (d) if any Credit Party fails to observe or perform any covenant or obligation contained herein or in any other Credit Document in any material respect (not otherwise specifically dealt with in this Section 8.1) and such breach or omission shall continue unremedied for more than fifteen (15) Business Days after the earlier of a Senior Officer of the Borrower first having knowledge of such breach or omission, or the Borrower having received notice from the Lender of such breach or omission;
- (e) if any Credit Party makes any representation or warranty under any of the Credit Documents which is incorrect or incomplete in any material respect when made or deemed to have been made and (i) the incorrect or incomplete representation or warranty is not capable of being remedied by such Credit Party, or (ii) if the matter is capable of being remedied, the same shall continue unremedied for more than fifteen (15) Business Days after the earlier of a Senior Officer of the Borrower first having knowledge of such incorrect or misleading representation or warranty, or the Borrower having received written notice from the Lender of such incorrect or misleading representation or warranty;
- (f) if any event or circumstance (including non-payment) shall occur under any agreement or instrument relating to debt of any Credit Party which would permit a person to declare

(whether immediately or with lapse of time or both) an amount in excess of \$150,000 to become due prior to the stipulated date for repayment thereof, or maturity (or in the case of debt payable on demand or a Guarantee if demand is made at all), and such circumstance shall continue unremedied for more than fifteen (15) Business Days (provided that such grace period shall cease to apply if a demand has been made and any applicable grace period has expired or if the default is not then subject of a Permitted Contest);

(g) if any Credit Party shall:

- (i) become insolvent, or generally not pay its debts or meet its liabilities as the same become due, or suspend or threaten to suspend the conduct of its business, or admit in writing its inability to pay its debts generally, or declare any general moratorium on payment of its indebtedness or interest thereon, or propose a compromise or arrangement between it and any of its creditors,
- (ii) make an assignment of its property for the general benefit of its creditors, whether or not under the *Bankruptcy and Insolvency Act* (Canada), or make a proposal (or file a notice of its intention to do so), whether or not under such Act,
- (iii) institute any Creditor Proceedings seeking to adjudicate it an insolvent, or seeking compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation,
- (iv) apply for the appointment of, or the taking of possession by, a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property, or
- (v) take any overt action to approve, consent to or authorize any of the actions described in this paragraph (g) or in paragraph (h) below;
- (h) if any petition shall be filed, application be made or other proceeding be instituted by a third party against or in respect of any Credit Party:
 - (i) seeking to adjudicate it an insolvent, or a declaration that an act of bankruptcy has occurred,
 - (ii) seeking a receiving order against it, including under the *Bankruptcy and Insolvency*Act (Canada),
 - (iii) seeking liquidation, dissolution, winding-up, reorganization, administration, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation, or
 - (iv) seeking the entry of an order for relief or the appointment of a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property,

and such petition, application or proceeding shall continue undismissed, or unstayed and in effect, for a period of twenty (20) Business Days after the institution thereof, provided that if an order, decree or judgment which is not stayed has been granted (whether or not entered or subject to appeal) against such Credit Party thereunder in the interim, such grace period shall cease to apply;

- (i) if any property of any Credit Party having a fair market value in excess of \$150,000 shall be seized (including by way of execution, attachment, garnishment or distraint) or any Lien thereon shall be enforced, or such property shall become subject to any receivership, or any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of \$150,000 shall exist in respect of any Credit Party or such property, or any receiver, sheriff, civil enforcement agent or other person shall become lawfully entitled to seize or distrain upon any such property under the Civil Enforcement Act (Alberta), the Workers' Compensation Act (Alberta), the Personal Property Security Act (Alberta), the Workers' Compensation Act (British Columbia), the Personal Property Security Act (British Columbia) or any other Applicable Law whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, receivership, charging order or equitable execution, or other seizure or right, shall continue in effect and not released or discharged for more than fifteen (15) Business Days;
- (j) if one or more judgments for the payment of money in the aggregate in excess of \$150,000 from time to time, and not substantially covered by insurance, shall become enforceable against any Credit Party and such party shall not have (i) provided for its discharge in accordance with its terms within fifteen (15) Business Days from the date of entry thereof, or (ii) procured a stay of execution thereof within fifteen (15) Business Days from the date of entry thereof and within such period, or such longer period during which execution of such judgment shall have been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal;
- (k) if any Credit Party denies, to any material extent, its obligations under the Credit Documents or claims any of the Credit Documents to be invalid or withdrawn in whole or in part; or any of the Credit Documents or any material provision becomes unlawful or is changed by virtue of legislation or by a court, statutory board or commission;
- (I) if the Security is not enforceable or if any Credit Party shall dispute or deny any liability or obligation under the Security to which it is a party; or
- (m) if a Material Adverse Effect has occurred.

8.2 Acceleration, Demand and Termination of Rights

Upon the occurrence of an Insolvency Default, the Obligations shall become immediately due and payable without the necessity of any demand upon or notice to the Borrower by the Lender. Upon the occurrence and during the continuance of any Event of Default other than an Insolvency Default, the Lender may by written notice to the Borrower declare the Obligations to be immediately due and payable, whereupon they shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.

8.3 Remedies

Upon the occurrence of an Insolvency Default or the making of a declaration contemplated by Section 8.2, the Security shall become immediately enforceable and the Lender may take such action or proceedings as the Lender in its sole discretion deem expedient to enforce the same (that notice by which such enforcement is commenced or any filing by which such enforcement maybe be commenced on an exparte basis is herein referred to as an "Enforcement Notice"), all without any additional notice, presentment, demand, protest or other formality, all of which are hereby expressly waived by the Borrower.

8.4 Waivers

The Lender may from time to time waive an Event of Default, absolutely or for a limited time and subject to such terms and conditions as the Lender may specify. No such waiver shall be construed to extend to the occurrence of any other Event of Default. Any such waiver may be given prospectively or retrospectively. No failure of the Lender to exercise, or delay by the Lender in exercising, any of its rights or remedies shall be construed as a waiver of any Event of Default.

8.5 Saving

The Lender shall be under no obligation to the Borrower or any other person to realize any collateral or enforce the Security or any part thereof or to allow any of the collateral to be sold, dealt with or otherwise disposed of. The Lender shall not be responsible or liable to the Borrower or any other person for any loss or damage upon the realization or enforcement of, the failure to realize or enforce the collateral or any part thereof or the failure to allow any of the collateral to be sold, dealt with or otherwise disposed of or for any act or omission on their respective parts or on the part of any director, officer, agent, servant or adviser in connection with any of the foregoing, except that the Lender will be responsible or liable for any loss or damage arising from the wilful misconduct or gross negligence of the Lender.

8.6 Perform Obligations

If an Event of Default has occurred and is continuing and if the Borrower has failed to perform any of its covenants or agreements in the Credit Documents, the Lender may, on notice to the Borrower, but shall be under no obligation to perform, any such covenants or agreements in any manner deemed fit by the Lender without thereby waiving any rights to enforce the Credit Documents. The reasonable expenses (including any legal costs on a solicitor and his own client basis) paid by the Lender in respect of the foregoing shall be added to and become part of the Obligations and shall be secured by the Security.

8.7 Third Parties

No person dealing with the Lender shall be concerned to inquire whether the Security has become enforceable, or whether the powers which the Lender is purporting to exercise have been exercisable, or whether any Obligations remain outstanding upon the security thereof, or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or other disposition or any other dealing with the collateral charged by such Security or any part thereof.

8.8 Remedies Cumulative

The rights and remedies of the Lender under the Credit Documents are cumulative and are in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise

by the Lender of any right or remedy for a default or breach of any term, covenant, condition or agreement herein contained shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Lender may be lawfully entitled for the same default or breach. Any waiver by the Lender of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained, and any indulgence granted by the Lender, shall be deemed not to be a waiver of any subsequent default.

ARTICLE IX MISCELLANEOUS PROVISIONS

9.1 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Agreement fail to provide for any relevant matter, the validity, legality or enforceability of this Agreement shall not hereby be affected.

9.2 Amendment, Supplement or Waiver

No amendment, supplement or waiver of any provision of the Credit Documents, nor any consent to any departure by any Credit Party therefrom, shall in any event be effective unless it is in writing, makes express reference to the provision affected thereby and is signed by the Lender and the Borrower and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No waiver or act or omission of the Lender shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or breach by any Credit Party of any provision of the Credit Documents or the rights resulting therefrom.

9.3 Governing Law; This Agreement to Govern

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. Each party to this Agreement hereby irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of Ontario and all courts competent to hear appeals therefrom.

9.4 Address for Notice

Notice to be given under the Credit Documents shall, except as otherwise specifically provided, be in writing addressed to the party for whom it is intended and, unless the law deems a particular notice to be received earlier, a notice shall not be deemed received until actual receipt by the other party of an original of such notice or an email thereof if sent by email transmission. For the purposes hereof: (i) concurrent notice shall be given for and on behalf of the Credit Parties, to Pathway Health Corp. at 16 Four Seasons Place, Suite 203A, Toronto, Ontario M9B 6E5, Attention: Ken Yoon, Chief Executive Officer, email: ken.yoon@pathwayhealth.ca; and (ii) notice shall be given to the Lender at P.O. Box 8 Caledon East, Caledon, Ontario L7C 3L8; Attention: David Dozzo, Director, email: ddozzo@capforminc.com, or in each case at such other mailing or facsimile address as each party from to time may notify the others as aforesaid.

9.5 Time of the Essence

Time shall be of the essence in this Agreement.

9.6 Further Assurances

The Borrower shall, at the request of the Lender do all such further acts and execute and deliver all such further documents as may, in the reasonable opinion of the Lender, be necessary or desirable in order to fully perform and carry out the purpose and intent of the Credit Documents.

9.7 Payments on Business Day

Whenever any payment or performance under the Credit Documents would otherwise be due on a day other than a Business Day, such payment shall be made on the next following Business Day.

9.8 Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto concerning the matters addressed in this Agreement, and cancels and supersedes any prior agreements, undertakings, declarations or representations, written or verbal, in respect thereof.

9.9 Assignment

The Lender may assign all or part of this Agreement or its commitment hereunder: (i) at any time to an affiliate of the Lender with notice to but without the consent of the Borrower, (ii) prior to the occurrence and continuance of an Event of Default, to any other person with prior notice to and the consent of the Borrower, and (iii) after the occurrence and continuance of an Event of Default, to any other person without notice to or the consent of the Borrower. The Borrower shall not assign or transfer all or any part of their rights or obligations under this Agreement at any time.

9.10 Conflicting Terms

In the event of any conflict between the terms of this Agreement and the terms of any other Credit Documents (or for any inconsistency between this Agreement and the other Credit Documents), the provisions of this Agreement shall prevail to the extent necessary to remove such conflict (or inconsistency).

9.11 Acknowledgements

The Borrower acknowledges that the Credit Facility and all accounts held by the Borrower with the Lender are for use by the Borrower, and will be used by the Borrower, only for business purposes.

9.12 Amendment and Restatement

Effective as of the Closing Date, the Promissory Note is hereby amended and restated as set forth herein without in any way affecting the rights or obligations of any party which may have accrued pursuant to the provisions of the Promissory Note prior to their amendment hereby, and is, as so amended and restated, hereby ratified and confirmed.

9.13 Continuing Effect

Each of the Credit Parties acknowledges and agrees that the Existing Security to which each is a party, as applicable, and any other documents entered into in connection therewith, continue in full force and effect and are hereby confirmed and the rights and obligations of all parties thereunder will not be affected or prejudiced in any manner except as specifically provided herein.

9.14 Counterparts and Facsimile

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. For the purposes of this Section, the delivery of a facsimile copy of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement, but the party delivering a facsimile copy shall deliver an original copy of this Agreement as soon as possible after delivering the facsimile copy.

[Signature Pages Follow]

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

Title: President

РАТНУАУЩБАЬТН CORP.
By: 75885565E204648B
Name: Ken Yoon
Title: President and CEO
РАТНWAYHEALTH SERVICES CORP.
By: K V 9 bv
Name: Ken Yoon
Title: Chief Executive Officer
PATHWAY HEALTH CARE TECHNOLOGIES CORP. Midnel Stell
Name: Michael Steele
Title: President and CEO
2563367 ONTARIO LIMITED
By: Leim Wei
Name: Kim Wei
Title: President and Chief Executive Officer
SLAWNER ORTHOLITEE.
By:lwa Balboa
Name: Aura Balboa

AVONLEA-DREWRY HOLDINGS INC.,

as Lender

By:

Name: David Dozzo Title: Director

David Dozzo

SCHEDULE A

FORM OF DRAWDOWN NOTICE

TO:	Avonle	a-Drewry Holdings Inc.	
1.	Health Holding to time	Corp., as borrower (the "Borrower"), gs Inc., as lender (the "Lender"), as ame	dated as of July 29, 2022, made among Pathway the guarantors party thereto, and Avonlea-Drewry nded, supplemented, restated or replaced from time sed herein but not otherwise defined shall have the in the Credit Agreement.
2.	the fo	Borrower hereby requests a drawdowrollowing in accordance with the Credi ement:	
	(a)	Date:	
	(b)	Amount of Advance:	
	(c)	Aggregate amount of all Advances, including this Advance:	
	(d)	Account to be credited or other payment arrangements:	
	(e)	Special Instructions (if any):	
3.	The Bo		Advance only for the purposes set out in the Credit
4.	There	has not occurred any unremedied Defau	ılt or Event of Default.
	DATE	O thisday of	, •.
		1	Pathway Health Corp.

Per:

SCHEDULE B

MILESTONE MATRIX

Key activity	Update
Closing of the Tilray Brands Inc. broker agreement for supply of Cannabis and Cannabis - Related Products to the various buyers introduced by Avida Global and its affiliates.	Draft brokerage and supply agreement reviewed by all parties. Current agreements are sitting with Tilray legal for a second round of comments.
Purchase order and supply agreement for the supply of Cannabis and Cannabis Related Products to various buyers introduced by Avida Global and its affiliates.	Draft brokerage and supply agreement reviewed by all parties. Current agreements are sitting with Tilray legal for a second round of comments.
Approval from Health Canada for a non- possession sales license (Cannabis license Class – Federal sale for medical purposes without possession).	Received comments from Health Canada with minor questions. The Consultant and Pathway have prepared the various answers. Health Canada is waiting for all security clearances to clear. Kenneth Howling's is outstanding.
Launch of e-commerce platform to sell curated Cannabis products under an approved non-possession sales license.	Continuing to work with our partners (Cropsify and various marketing partners) to develop the site and get it up and running. Cannot go live until sales license has been approved.
Securing additional sources of financing.	None sourced yet.

SCHEDULE C

2022 OPERATING PLAN

(see attached)

PATHWAY HEALTH CORP.

	Budget Q1 2022	Budget Q2 2022	Budget Q3 2022	Budget Q4 2022	Budget YE2022	Budget Q1 2023
REVENUE						
Revenue - Cannabis	581,797	657,878	853,110	990,816	3,083,601	789,882
Revenue - Product	1 354 005	1 340 030	0 1,082,342	0 1,071,760	0 4,748,146	0 1,074,145
Revenue - Provincial Billing Fees Revenue - Non-OHIP Income	1,254,005 156,768	1,340,039 174,033	152,475	152,475	635,751	152,975
Revenue - Other	44,734	60,779	57,414	57,414	220,341	45,900
Revenue - Sales	566,850	617,360	708,994	710,106	2,603,310	671,038
Total Revenue	2,604,154	2,850,089	2,854,335	2,982,571	11,291,149	2,733,940
Cost of sales						
Consultants	989,795	1,049,840	812,450	805,509	3,657,594	806,857
Cost of goods sold	192,183	221,112	251,311	251,560	916,166	237,880
Clinic and medical expenses	122,049	167,080	171,609	186,111	646,849	135,753
Total cost of sales	1,304,027	1,438,032	1,235,370	1,243,180	5,220,609	1,180,490
Gross Margin	1,300,127	1,412,057	1,618,965	1,739,391	6,070,540	1,553,450
Selling, general and administrative expenses						
Wages and benefits	1,846,539	1,856,592	1,916,406	1,907,565	7,527,102	2,076,112
Professional and consulting fees	240,938	212,348	160,287 227,025	140,287 227,025	753,860 908,080	100,287 227,619
Rent and utilities Marketing	189,213 18,256	264,817 65,017	188,074	101,693	373,040	129,701
Insurance	71,862	73,662	78,666	78,666	302,856	78,666
Research and development	0	3,000	65,250	68,250	136,500	12,000
Public company costs	172,023	272,522	106,527	111,027	662,099	52,722
Office expenses	211,567	183,543	161,671	153,701	710,482	157,641
Depreciation	237,651	238,435	238,890	238,890	953,866	238,890
Total SG&A	2,988,049	3,169,936	3,142,796	3,027,104	12,327,885	3,073,638
Other expense/(Income)						
Finance expense	98,040	100,158	151,775	207,222	557,195	262,618
Amortization	65,816	70,600	83,006	83,631	303,053	84,256
Share-based compensation	132,136	95,668	72,726	72,726	373,256	69,874
	295,992	266,426	307,507	363,579	1,233,504	416,748
Income/(Loss) before income tax	(1,983,914)	(2,024,305)	(1,831,338)	(1,651,292)	(7,490,849)	(1,936,936)
Non-controlling interest						
EBITDA	(1,582,407)	(1,615,112)	(1,357,667)	(1,121,549)	(5,676,735)	(1,351,172)
Adjustments for one time costs:						700 80 65
	(1,582,407) 132,136	(1,615,112) 95,668	(1,357,667) 72,726	(1,121,549) 72,726	(5,676,735) 373,256	(1,351,172) 69,874
Adjustments for one time costs: Share-based compensation	132,136	95,668	72,726	72,726	373,256	69,874
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA	132,136 (1,450,271)	95,668 (1,519,444)				100 80 60
Adjustments for one time costs: Share-based compensation	132,136 (1,450,271)	95,668 (1,519,444)	72,726	72,726	373,256	69,874
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA	132,136 (1,450,271) illities and accretio	95,668 (1,519,444) n expense.	72,726 (1,284,941)	72,726 (1,048,823)	373,256	69,874 (1,281,298)
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing fac Balance Sheet	132,136 (1,450,271) illities and accretio	95,668 (1,519,444) n expense. Budget	72,726 (1,284,941) Budget	72,726 (1,048,823) Budget	373,256	69,874 (1,281,298) Budget
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing fac Balance Sheet Assets	132,136 (1,450,271) illities and accretio	95,668 (1,519,444) n expense. Budget	72,726 (1,284,941) Budget	72,726 (1,048,823) Budget	373,256	69,874 (1,281,298) Budget
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing fac Balance Sheet	132,136 (1,450,271) illities and accretio	95,668 (1,519,444) n expense. Budget Q2 2022	72,726 (1,284,941) Budget	72,726 (1,048,823) Budget Q4 2022	373,256	69,874 (1,281,298) Budget Q1 2023
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing fact Balance Sheet Assets Current Cash Accounts and other receivables	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905	72,726 (1,284,941) Budger Q3 2022 58,802 1,004,719 0 421,955 63,679	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452	373,256	(1,281,298) Budget Q1 2023 15,739 964,809 0
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905	72,726 (1,284,941) Budger Q3 2022 58,802 1,004,719 0 421,955 63,679	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494	373,256	(1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets	132,136 (1,450,271) illities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027	373,256	(1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304
Adjustments for one time costs: Share-based compensation *this figure includes interest expense, financing expense, fair value of financing fact Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets	132,136 (1,450,271) illities and accretion Budget 01 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293	95,668 (1,519,444) n experse. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 4,505,807 851,692	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and the state of the stat	132,136 (1,450,271) iilities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662	373,256	(1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662
Adjustments for one time costs: Share-based compensation *this figure includes interest expense, financing expense, fair value of financing fact Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets	132,136 (1,450,271) illities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0	373,256	(1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0
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Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and the state of the stat	132,136 (1,450,271) iilities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 6,304,196	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 5,995,161	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745	373,256	15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and the state of the stat	132,136 (1,450,271) illities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and the state of the stat	132,136 (1,450,271) iilities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 6,304,196	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 5,995,161	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745	373,256	15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and the state of the stat	132,136 (1,450,271) iilities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 6,304,196	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 5,995,161	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745	373,256	15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current	132,136 (1,450,271) iilities and accretio Budget Q1 2072 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 6,304,196 9,460,612	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current Accounts payable and accrued liabilities	132,136 (1,450,271) illities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0 6,304,196 9,460,612	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	(1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current	132,136 (1,450,271) illities and accretion Budget 01 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0,6,304,196 9,460,612	95,668 (1,519,444) n experse. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,098 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current Accounts payable and accrued liabilities	132,136 (1,450,271) illities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0 6,304,196 9,460,612	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget 01 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current Accounts payable and accrued liabilities	132,136 (1,450,271) iilities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 6,304,196 9,460,612 2,167,779 0 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420 1,918,751 0 1,918,751	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902 1,833,907 0 0 1,833,907
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current Accounts payable and accrued liabilities	132,136 (1,450,271) iilities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 6,304,196 9,460,612 2,167,779 0 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902

	Government loan payable	70,446 0	73,474 200,000	76,668 1,960,000	80,000 3,500,000		80,000 5,000,000
Total liabilities	Line of credit						
Sharbholden Carleleney							
\$1,000,000 \$1,	Total liabilities	6,410,100	6,635,929	7,772,526	9,017,911		10,435,637
\$1,000,000 \$1,	Shareholders' Deficiency						
Canting distributed surplus Canting distributed Canting distri		42,644,224	42,644,224	42,644,224	42,644,224		42,644,224
Non-controlling interest 44,645 48,464 48,464 48,646 48,646 18,349,87 18,3	Warrants	1,866,866	1,866,866	1,866,866	1,866,866		1,866,866
Deficit 11,497,006 13,521,311 15,532,649 17,003,941 128,948,771 128,948,	Contributed surplus		(29,819,738)				
Cash Flow S. Cash	_						
Cash Flow	Deficit	(11,497,006)	(13,521,311)	(15,352,649)	(17,003,941)		(18,940,877)
Net loss (1,983,914) (2,024,305) (1,831,338) (1,651,292) (7,490,849) (1,936,936) (1,		3,050,512	1,218,506	(540,106)	(2,118,672)		(3,985,734)
Net loss	Total Nabilities and shareholders' deficiency	9,460,612	7,854,435	7,232,420	6,899,239		6,449,902
Net loss		-		14	15.		
Nems not affecting cash Amortization of intangible assets. Cash	Cash Flow						
Name not affecting cash	Net loss	(1,983,914)	(2,024,305)	(1,831,338)	(1,651,292)	(7,490,849)	(1,936,936)
Amountation of Intangible assets. 65,817 70,601 83,006 83,631 30,055 84,256 238,800 238,809 238,	Operating activities						
Despeciation. 237,651 238,434 238,890 238,890 953,866 238,890 7338,890	Items not affecting cash						
Pinance expenses 9,4,21 95,502 151,775 207,222 546,920 262,618 Share-based compensation. 132,135 95,667 72,726 373,254 69,874 132,135 95,667 72,726 373,254 69,874 132,135 95,667 72,726 373,254 69,874 132,135 95,667 72,726 373,254 69,874 132,135 1	Amortization of intangible assets.						
Share-based compensation. 132,135 95,667 72,726 72,726 373,254 69,874	· ·						
Changes in non-cash working capital balances (1,455,889) (1,524,101) (1,284,941) (1,048,823) (5,313,754) (1,281,298)							
Accounts and other receivables (79,768) (6,626) 14,780 (33,866) (105,481) 73,766 (1ventory 15,360 (95,828) (2,077) 12,132 (70,413) 17,734 (15,035) 179,710 12,126 (12,026) 188,127 11,785 (15,035) 179,710 121,226 (12,026) 188,127 11,785 (15,035) 199,101 19	Share-based compensation.	132,135	95,667	/2,726	/2,/26	3/3,254	69,874
Newstropy 15,360 (95,828) (2,077) 12,132 (70,413) 17,734 Prepailds (15,035) 179,710 22,1226 12,263 198,127 11,785 13,730 12,755 14,8781 146,623 139,228 61,779 12,2136 14,623 139,228 61,779 12,2136 14,623 139,228 61,779 12,2136 14,623 139,228 61,779 12,200 146,623 139,228 61,779 12,200 146,623 139,228 61,779 12,200 146,623 139,228 61,779 12,200 146,623 139,228 14,204,954 14	Changes In non-cash working capital balances	(1,455,889)	(1,524,101)	(1,284,941)	(1,048,823)	(5,313,754)	(1,281,298)
Prepaids (15,035) 179,710 21,226 12,226 198,127 11,785 Accounts payable and accrued liabilities 363,719 227,756 478,781 1146,623 33,928 61,779 0.00	Accounts and other receivables	(79,768)	(6,626)	14,780	(33,866)		
Accounts payable and accrued liabilities 363,719 227,756 (478,781) (146,623) (33,928) 61,779 Deferred revenue 0 0 2,000 0 0 0 2,000 0 0 0 0 0 0 0 0 0	Inventory						
Deferred revenue 0 2,000 0 0 2,000 0 0 0 0 0 0 0 0 0	Prepaids						
Net cash used in operating activities (1,171,613) (1,270,900) (1,729,793) (1,204,954) (5,323,449) (1,116,224)	, ,						
Financing activities Net advances from related parties 0	Deterred revenue	0	2,000	U	0	2,000	
Net advances from related parties 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Net cash used in operating activities	(1,171,613)	(1,217,090)	(1,729,793)	(1,204,954)	(5,323,449)	(1,116,224)
Repayment of lease liability (148,297) (200,320) (141,678) (145,095) (635,390) (137,730) Repayment of bridge loan 0	Financing activities						
Repayment of bridge loan 0 0 0 0 0 0 Repayment of loan payable (5,956) (4,021) 0 0 (9,977) 0 Proceeds from line of credit 0 200,000 1,760,000 1,540,000 3,500,000 1,500,000 Share issuance 0 0 0 0 0 0 0 0 Interest paid (89,549) (95,088) (154,719) (210,119) (549,475) (268,941) NCI proportionate investment in 10030712 Manitoba Ltd 0 87,710 0 0 87,710 0 Proceeds from senior secured notes, net 0 0 0 0 87,710 0 Net cash provided by financing activities (243,802) (11,719) 1,463,603 1,184,786 2,392,868 1,093,328 Investing activities 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Net advances from related parties						
Repayment of loan payable (5,956) (4,021) 0 0 (9,977) 0 Proceeds/repayment from government loan 0 <td>• •</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	• •						
Proceeds/repayment from government loan 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0							
Proceeds from line of credit					24		
Share issuance 0					-	_	
Interest paid (89,549) (95,088) (154,719) (210,119) (549,475) (268,941) NCI proportionate investment in 10030712 Manitoba Ltd 0 87,710 0 0 87,710 0 0 87,710 0 0 0 87,710 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0					2.5		0
NCI proportionate investment in 10030712 Manitoba Ltd 0 87,710 0 0 87,710 0 0 0 87,710 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0			(95,088)	(154,719)	(210,119)	(549,475)	(268,941)
Net cash provided by financing activities (243,802) (11,719) 1,463,603 1,184,786 2,392,868 1,093,328 Investing activities						87,710	0
Investing activities	Proceeds from senior secured notes, net	0	0	0	0	0	0
Acquisition of NCC Technology/E-commerce platform Purchase of property and equipment (2,543) (2,543) (10,000) (10,000) (12,543) (10,000) (12,543) (10,000) (12,543) (10,000) (12,543) (10,000) (12,543) (10,000) (12,543) (10,000) (1	Net cash provided by financing activities	(243,802)	(11,719)	1,463,603	1,184,786	2,392,868	1,093,328
Acquisition of NCC Technology/E-commerce platform Purchase of property and equipment (2,543) (2,543) (10,000) (10,000) (12,543) (10,000) (12,543) (10,000) (12,543) (10,000) (12,543) (10,000) (12,543) (10,000) (12,543) (10,000) (1	Investing activities						
Technology/E-commerce platform 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		0	0	0	0	0	0
(2,543) 0 (10,000) 0 (12,543) 0 Increase (decrease) in cash (1,417,958) (1,228,808) (276,190) (20,168) (2,943,124) (22,895) Cash, beginning of period 2,981,758 1,563,800 334,991 58,802 2,981,758 38,634		0	0	0	0	0	0
Increase (decrease) in cash (1,417,958) (1,228,808) (276,190) (20,168) (2,943,124) (22,895) Cash, beginning of period 2,981,758 1,563,800 334,991 58,802 2,981,758 38,634		(2,543)	0	(10,000)	0	(12,543)	0
Cash, beginning of period 2,981,758 1,563,800 334,991 58,802 2,981,758 38,634		(2,543)	0	(10,000)	0	(12,543)	0
	Increase (decrease) in cash	(1,417,958)	(1,228,808)	(276,190)	(20,168)	(2,943,124)	(22,895)
Cash, end of period 1,563,800 334,991 58,802 38,634 38,634 15,739	Cash, beginning of period	2,981,758	1,563,800	334,991	58,802	2,981,758	38,634
	Cash, end of period	1,563,800	334,991	58,802	38,634	38,634	15,739

									10	(2)		17690			1000
PATHWAY HEALTH CORP.	O ACTUAL	e Armiti	O Actual Co	Admi	Artist	0 00	a a	The second	Fugur.	- O	A. Series	Parket O	Subject Co.		0
REVENUE	10:71	Feb 22	Mar 27	1911	MN/11	300.22	MI	Aug II	Sep 77	Out 22	hitedil	Dec #	JH= 23	ten2	May 23
Revenue - Cannabis Revenue - Product	222,101	211,364	148,332	203,095	195,599	258,884	270,972	254,345	297,790	313,301	328,907	348,608	276,247 tt	263,124	250,511
Revenue - Provincial Billing Fees	335,074 38 193	401,856 49,267	517,075 69.308	506,650 47,678	408,450 75,580	424,939 50,825	360,561 50,825	355,938 50,825	365,843 50,825	354,357 50,825	358,798 50,825	358,60S 50,82S	333,605 50,075	348,812 50,075	391,728 52,825
Revenue - Other Revenue - Sales	9,909	15,357 tm0.878	19,468	20,343	21,798 203,64%	19,138	19,138 234,561	19,138 232,574	19,138	19,138 233,278	19,136 245,667	19,138	15,300 221,247	15,300	15,300
Yotal Revenue	772.106	\$58,723	971.325	951.NA	908,916	387,605	331.057	942,923	975.455	920,099	1,003,337	1,008.135	E16,534	900,718	\$34,708
Cost of sales										266 467	269,673	269,369	252,316	262,244	292,297
Consultants Cost of goods sold	261.375 58,517	318,281 59,231	410,139 74,435	395,064 62,534	341,373 73,436	313,403 85,342	270,689 81,778	267,565 83,970	274,196 85,563	82,380	86.077	83,103	78,832	79,541	79,507
Clinic and medical expenses Total cost of sales	331,558	50,752 428,364	334,305	50,119	58.547 473.796	456,509	96,043 408,009	40E437	418,164	59,765 408,612	416,081	66,015 418,482	373,394	383,859	43,413
Gross Maryin	420 548	430,459	449,120	443,641	435.120	533,296	527,548	514,176	557,291	562,287	567,256	589,848	523,120	514,859	\$15,471
Selling, general and administrative expenses															
Wages and benefits Professional and consulting fees	599,398 74,129	584,826 60,367	662,315 106,442	627,268 84,070	615,402 85,099	613 922 43,179	538,30S 43,429	639,204 63,429	638,897 53,429	637,391 53,429	636,133 43,429	634,041 43,429	684,408 33,429	692 285 33,429	699,419 33,429
Rent and utifities	61,587	61,005	66,621	115,746	78,174	70,897 56,459	75,675 59,459	75,675 78.262	75,675 50,353	75,675 43,353	75,675 28.820	75,675 29,520	75,873 43,567	75,873 42,567	75,873 43,567
Marketing Insurance	5 998 23,954	7,419 23,954	4,839 23,954	6,041 23,954	2,517 23,954	25,754	26 222	26,222 22,750	26 222 22 750	26,222	26,222 22,750	26,222 22,750	26,322	26,222	26,222
Research and development Public company costs	0 81,566	0 155,548	(65 091)	0 29,784	133,429	3,000 109,309	19,750 38,759	18,259	49,509	43,259	43,259	24,509	13,324	13,324	26,074
Office expenses Oeoreciation	53,763 74.426	76,033	81,771	57,972 79,413	69.786 79.393	55,785 79,430	53,036 78,630	56,794 79,610	51,841 21,635	52,031 24,632	51,835 79.630	49,835 78,630	258,22 248,65	50,369 79,430	51,409 75,638
Total SG&A	978.321	1,648,365	960,263	1,014,249	1,082,753	1,057,933	1,034,365	1,00,215	1.048.306	1,011,740	1,007,753	985,811	1.016,314	1.017.699	1,511,523
Other attenua/(income) Finance attenue	32,607	32,069	33,364	33,335	33,119	34294	44,219	50.848	56,678	62 133	69.308	75,781	81,361	87,540	93,897
Americation	21,535	21,535	12,746	21,535	21,535	27,530	27,599 24,298	27,669 24,218	27,738	27,8n8	27,877	27,546	28,016	28,085	28,155 21,419
Share-hased compensation	98,709	96,606	100 677	R9 308	35,060 88,814	26,070 88,304	96,146	102,815	108,546	114,239	121,315	128 025	132,856	138,581	145 311
Income/(Loss) before Income tax	1656.9821	pistir	1611.820	neam)	DITAIN	1612-9413	1602,8435	182929141	(100(542)	(545.093)	(5/1.612)	nanani	(600,053)	(\$41,021)	4649,4633
	1														
CONTDA Adjustments for one time units:	(524,414)	(581,695)	(475,298)	(535,732)	(608,301)	(471,079)	(451,385)	(470,767)	(435,515)	(416,121)	(364,997)	(340,431)	(437,025)	(446,166)	(467,981)
Share-based compensation	44,567	43,002	44,567	34,538	35,060	26,070	24,298	34,298	34,139	34,298	24,130	24,298	23,459	22,956	23,459
ADDUSTED EMPTOA			(431,731)	(S01,194)	[573,241]	(445,009)	(427,087)	(416,469)	(4),1,385)	(391,423)	(340,867)	(316,153)	[413,566]	(4123,210)	(444,522)
"this figure enduces interest expense, for unlarg expense, for value of financing facilities	ties and accretion	erpense													
Subnor Sheet															
Assets Current												38,634	91,950	33.208	15,739
Cash Accounts and other reconsisting	2.584 104 866.570	1,941,665	1,563,799	1,333,528 896,346	882,363 795,991	334,991 1,019,499	68,214 964,139	114,363 975,108	58,802 1,004,719	12,979	94,093 1,033,437	1,038,585	923,409	927,740	964,809
Inventory Prepards	342,028 J13.084	335,935	324,050	335,321	344,719	419 878 84 905	403,289 27,829	414,099 20,734	421,955 51,579	406,258 #5.503	424,489 54338	409,823 53,452	388,761 44,177	392 257 45 481	392,089 39,667
Total current assets	4.005,797	3,505,523	3,156,416	2,800,856	2,142,543	1,659,273	1,533,472	1,570,314	1,549,154	1,484,866	1,610,547	1538,494	1,448,457	1,391,668	1.412,364
Due from related parties	146 90	293.80	4,744,241	4,664,879	4.585.437	4.505 807	4.431.177	4.356.547	4,276,917	4,197,287	4,117,657	4,038,027	3,958,397	3 878 767	3,799,137
Property and equipment intangible assets	4.914,711 966,575	4,852,449 945,039	522.255	900,757	879,222	851,692	824,093	796,424	768,686 637,662	340,629 637,662	713.002 637.662	685,065 637,662	657,039 637,662	628 954 637 662	600,799 637,662
Goodwill .	637,662 6.559,094	637,662	637,662 6,104,596	637,662	637,662	5,995,161	537,663	5,790,634	5.683,365	5,575,828	5.404,321	3,360,745	5,253,099	5,145,341	5,017,599
Tobi suseta	BESTA NO	9,940,967	9,450,612	9.904,191	D19564	2354.435	7,436,404	7,360,958	7102.06	2,060,694	7.074 mar	6,959,229	6.701.596	£540071	6,443,502
I COI I BLASCIA			370011	200,111											
Liabilities and Shareholders' deficiency															
Current Accounts psyable and accrued labelines	1,970,684	2,028,748	2,157,779	2,389,967	2,302,310	2.397,532	1,838,892	3,896,256	1,918,751	L916359	1,929,568	1,772,128	1,724,699	1,733,655	£833,903
	1,990 588	2,026,748	2,167,779	3,381,567	2,302,315	1397532	1,850,032	L896,256	1318251	L016.359	1,929,568	1,772,128	1,724,699	1.733,655	LX33,907
Lease liability	3,773,127	3,724,355	3,673,216	3,621,997	3,574,875	3,472,310	3,425,459	3,376,234	3,330,632	3,282,651	3,234,287	3,185,537	3,140,013	3,094,106	3,047,807
Line of cradit Leasehold improvement loss	502 640	500,654	498,659	496,654	494,638	200,000 492,613	957,000 490,578	1,487,000 488,532	1,960,000 486,476	2,401,000 484,410	2.973,000 482,333	3,500,000 480,245	4,000,000 478,149	4,500,000 476,041	5,000 000 473,923
Government loan payable	4344315	4294453	70,446 4.242,321	71,411 4,190,092	72,462 4,141,976	73,474	74,535 4,947,571	75,611	76,668	77,775 6,245,835	78,861 6.768.881	80,000 7,245,783	80,000 7,658,167	80,000	80,000 8,501,738
			COLUMBA	117777411774	6.444.764	6.635.529	6.796.464	7,0540	7,772,536	8.182.194	E-6740.058	9,017,911	5,422,561	5.881.007	10.435,637
Total Rabilities	8,735,005	8.323.201	£418,100	6360349	E-644,755	CCDSIV	6.726,464	1,31,5541	1,174,100	0.104,170	E-9-9-3-9-11	JOKEP JAMES	0.7450077		111111111111111111111111111111111111111
Shareholders' Deficiency	42,644,224	42,644,224	42,644,224	42,644,224	42,644,224	42,644,224	42,644,224	42,644,224	42,544,224	47,644,224	42,644,224	42,644,224	42,644,224	42,644,224	42,644,224
Warrenta Contributed surplus	1,866,866 (30,099,605)	1,866,866 (30,056,603)	1,866,856	1,866,866	1,866,866 (29,845,808)	1 866,866 (29,819 738)	1,865,866 (29,795,440)	1,866,866 (29,771,142)	1,866,866 (29,747,012)	1,864,866 (29,722,714)	1,866.866 (29,698,584)	1,866,A66 (29,674,286)	1,866,866 (29,650,827)	1,866,866 (29 627,871)	1 866,865 (29,604,412)
Non-Controlling Interest	48 464	48 464	48,464 (11,497,006)	48,464	48,464	48,464 (13,521,311)	48,464 (14,124,174)	48,464 (14,753,087)	48,464 (15.352.649)	48,464 (15,938,340)	48 464 (16.480,152)	49,464 (17,003.941)	48,464 (17,629,992)	48,464 (18,271,414)	48,454 (18,940,877)
Defreit	(10 170,074)	1417,765	1050512	(12,166,921) 2,424,054	1,805,170	1.718.506	515,540	15.325	(140,006)	11.101.500	(3.849.162)	(0.111.02)	(2,32)(365)	0.03300	(1.935.734)
Total liabilities and shareholders' deficiency	10 514 860	8.943,966	9.450,612	9,004,103	8,249,664	2,854,435	7,426,604	7,360,958	7,312,420	T.061854	7,572,364	4,090,219	A,202,596	6544,071	6,486,902
Coah Flow												_		_	_
	,	Li ance socie	O Merce	160	- Charles		1600 pro*	Manage	SEPARATE	(Spe con)	DATE OF THE OWNER OWNER OF THE OWNER	(523,788)	(626,052)	(641,431)	(669,463)
Net toes	(656,982)	(115,132)	(611,600)	(669,915)	(34),40)	(417,941)	(602,863)	description.	(SMS61)	(585 692)	natain	[323,788]	(020,032)	AND PARTY.	g-0-2/462
Operating activities															
Items not affecting cosh Ameritation of integration	21.535	21,535	22,745	21,535	21,535	27,530	27,599	27,669	27,738	27,808	27,877	27,946	28,016	28 CBS	28,155
Depreciation,	78,426 30 947	79,813 35,541	79,412 25,933	79,413 30,898	79,392 29,900	79,630 34,704	79,630 44,249	79,630 50,848	79,630 56,678	79,630 42,133	79,630 69,308	79 630 75,781	79,630 81,381	79,630 87,540	79,630 93,697
Shere-based componantion	44,567	43,002	44,567	34,538	35,060	26,070	24,298	24,298	24,130	24,298	24 130	24,298	23,459	22,956	23,459
Changes in non-cash working capital balances	(481.501)	(335,220)	(415,142)	(503,532)		(445,009)	(427,087)	(446,469)	(411,385)	[331,027]	(140,667)	(316,133)		(423,210)	(444,522)
Accounts and other receivables inventory	\$7,614 (7,633)	(160,430)	23,048 11,885	116,526 (11,271)	100,355 (9,398)	(223,508) (75.159)	55,360 16,589	(6,961) (6,861)	(33,611) [7,856]	1,693	(33,411)	(S,148) 14,666	21,062	(4,331) (3,436)	(37,069) 168
Propaids	34,497	12,163	(63,693)	28,951	111,393 (87,656)	39,366 95,222	7,075 (558 639)	7,075 57,364	7,075 22,494	(1,925) (2,392)	7 075 13 209	7,075 (157,440)	7,075 (47,430)	£1,10G	5,816 100,252
Accounts payable and actrued flabilities Deferred revenue	86,629 ©	138,059	139,031	220,190 2,000	(87,656)	95,222	(558 639)	5/,364	0	0	0	0			0
Net cash used in operating activities	(ME SAL)	(311310)	Oleveni	110,114	1460,8643	(62).000	1996,7031	(300,000)	(423,292)	(87)(743)	(372,214)	\$456.98m	(117,643)	[423,286]	(m.m)
Financing activities															
Net advances from related parties Repayment of lease kability	(48,300)		(51 139)	(50,554)		(102.565)	(46,852)	(47,225)	(47,607)	(47,981)	(411)64)	(48,750)	(65310)	(45,907)	(46,299)
Repayment of bridge loss Repayment of loss payable	(1,976)	(1.985)	(3,995)	(20.005)	(2,015)						223.7-0				
Proceeds from line of credit	(30,049)	(21),508)		(30,579)		(35,717)	757,000 (45,224)	530,000 (51,818)	473.000 (\$7,677)	441,000 (63,092)	572.000 (70,298)	(76,729)	500,000 (R3,478)	500 000 (89 648)	500,000 (95,815)
Interest paid	(20,000)	-			87,710							411.00	244.147	354,445	217.886
Interest paid NCI proportionals investment in 19030712 Manitoba Lld	_		262,533	(83,138)	9,705	\$1,718	664,923	430,957	367,771	325,516	453.338	431,521	375.998	354,445	357,236
	(10.40)	(82,400)	162,533												
NCI proportionate investment in 10030712 Manitoba Ltd Nel cash provided by financing activities Investing authorities		, III	33,854		12	19 19	1,000	5,000	90	100	390	- 36	1063	90	100
NCI proportionate investment in 10030712 Manitoba Lld Net cash provided by financing activities	13,787 - 13,787	+ 22,615			- 1	3 6	1,000	5,000	- E	-	- 1		12	- 1	- 2
NCI proportionale investment in 18030712 Maniloba Lid Net cash provided by Enginering activities	13,787	+ 22,615 + 22,615	33,854 13,854	(130,273)	(451,165)	(547,371)			(55,561)	(45,823)	41,114	(35,459)	53,314	(54.747)	(17,47)))
NCI proportionals investment in 10000712 Maniloba Lid Not cash provided by Impramay activities investing activities Prestings of proporty and equipment	= 13,787 = 11.787 (397,654)	+ 22,615 + 22,615	33,854 13,854	(130,273)	(451,165)	(547,371)	\$,000	5,000	(22,561)	(45,823) 14,800	81,314 12,979	(15,459) SL003	53,314 38,614	(SE343) 91.650	(17,47)III 33,298
NCI proportionals investment in 10000712 Manitoba Lid Not cash provided by Inpramay activities investing a stituities Prochase of proceedy and opvomment Norsess (decrease) in costs	- 13,787 - 13,787	22,615 22,615 (642,440) 2,584,104	33,854 33,854 (377,865) 1,941,664	1,563,600	1,333.328	41.004000	(146,771)	26,149							

	(V												7,000		
Details Day in bivectory	150 150	Febras	Marza	Apr 31	May 22	b= 77	3477	Awa II	Sep 77	Ostrad	He= 22	Dec 27	Jan 23	fer El	May 23
Prepaids				156 313	125,843	95,374	84,905	77,829	70,754	63,679	65,603	58.528	51.452	44.377	45,483
Opening Balance Amolization Addition	238,279 (30,469)	207 810 (30,469)	185,522 (30,469)	(30,469)	(30 469)	(30,469)	(7,075)	(7,075)	(7,075)	(7.075) 9.000	(7,075)	(7,075)	(7,075)	(7.075)	(7,075) 1,210
Ending	207.810	185,522	156,313	125,843	95,374	84,90\$	77,829	70,754	63,679	65,603	SA,528	51,452 Drs 22	44,377	45,483	39,667
Accounts payable and secreted liabilities Expenses	8m6,452 30,000	1,127,378	1 014,180	1,064,322	May 77 L(M2,872	1,498,990	973,746	1,011,620	1,008,402	974,484	340,594	102,128	824,695	833 655	908,907
To be paid out to shares (contingent) Ave employee: Ilshitest (est.) Actured Interest on LOC Additional accural - provincial brings AP	450,000	450,000	900,000	900,000	900,000	900,000 2,625	850,000 15,146	850,000 34,637	850,000 60,349	850,000 91,875	850,000 130,974	850.000 6	900,000	900,000	925,000
Ending	1,966,452	1,577,378	1.914,180	1,964,377	2,082,872	2,402,635	1,818.892	1,816,256	1518351	1,416,359	1,929,568	1,772,128	1,724,699	L733,655	1,831,907
Dr. Sohampel loan Repayment		20,000	(000,2)	(5 000)	(000,2)	(5 000)									
Interest		20,000	(5,083)	(5,083)	(5,083)	(5,083)									
Government Loan	67.574	68,549	69.443	70,446	71,430	72,462	73,474	74.535	549 21 75,611	76,668	77,775	78,861	80,000	80,000	80,000
Opening Accretion expense Payout	976	894	T 003	984	1 031	1.012	1 061	1,076	1 056	1 107	1 087	1,139			
Ending	68,549	89,443	70,446	71,430	72,462	73 474	74,535	75,611	N.668	27,775	29,862	90,000	80,000	80,000	80,000
Lease liability	2m22	Philip	101/22	April2	May 22	Am 22	3,472,110	A01272	3,378,234	1310632	3,282,651	3,234,787	3,185,537	3,140,011	3,094,106
Opening Add interest Flum lease		3,717,154 29,586	3,663 460 29 198	3 614,378 28,806	1,564,905 28,412	3,518,791 29,844	27,673	27,300	26,923	24,544	26.161	25,775	25,390	25,230	24,842
Fluro lease payments Less payments		(78,288)	CHE2001	(74,245)	(24,53))	(7ASTH	(HAME)	(74,528)	(73,525)	[FeS25]	3,234,287	3,185,537	3,140,013	3 094 106	3,047,807
Ending Balance per consol	3,712,154	3,663,460	3,614,378	3 564 905	3,518,791	3,472,310	3,425,459	3,378,134	3,330,632	3 284,651	3,424,481	3,003,037	342-1913	3 22 4 100	210-11001
Winnipeg + Selkirk - Lease Beg Bal.	504,615	302,640	500,654	498,659	496,654	494,638	492,613	490 578	488.532	486 476 4.499	484,410 4,499	482,333 4.499	480,246 4,499	478,149 4,499	476,041 4,499
Payment Principal Interest	4,499 1,975 2,523	4,499 1,985	4,499 1,995 2,503	4,499 2,005 2,493	4,499 2,015 2,483	4,499 2,025 2,473	4,499 2,035 2,463	4 499 2 046 2 453	4,499 2,056 2,443	4,499 2,066 2,432	4,199 2,077 2,422	4,499 2,087 2,412	4,499 2,097 2,401	4,499 2,108 2,391	2,118 2,380
Interest Ending Bal	502,640	500,654	498 659	496,654	494,638	492,613	490,578	488 532	486,476	484,410	482,333	480,246	478,149	476,041	473,923
Inventory - Product Opening Balance	24m 72	Feb 22	Var-27	Apr 22	May 22	A=71	Jul 21	Fig.II	Sepli	00.0	Her 22	Des. 27	3=22	Feb 23)tie 7)
purchases Inventory - COGS								1151					a		
Ending balance	•		0	0	6	0		0	c	0	a	0	19.	2.99	((4)
fired start additions	Line 22	Feb FR	19 × 12	North:	May 27	3m22	OH 27	Aug27	Sep Ti	Oct 77	Nev21	Que 22	Jan 21	fort	Marzi
Unto sound machine for NMI C-Arm Machine New Fluroscopy suite at silver															
3 pain clinics in BC. AlLa									11.292	9,292	9,213	9,292	2,500	2,500	2,500
Investment in technology Misc Chnic Set up IRP	1,292	9,299	9,293	9 292	8,191	9 192	9,292	3,312	1711	1001	1010	3,232	2,300	2,100	2,300
Slawner location expansion	9,292	1,212	9.292	9,292	9,297	1,292	3,009 14,292	\$4,252	9,292	9,211	9.292	6,292	3,500	2500	2,580
New Fluroungry such at silver															
Construction Cost Depreciation - Construction Cost	(950)	(950)	(950)	(950)	(950)	(950)	(950)	(950)	(950)	(950)	(950)	(950) IJA/G	(950)	(950)	(950)
New Fluroscopy machine	(2 600)	(2,600)	(2,600)	(2,600)	(1,600)	(2,600)	(2 600)	(2 600)	[2,600]	(2,500)	(2,600)	[2,600]	(2,600)	(2,600)	(2,600)
Internal Development costs															
E-commerce platform		1	M1,000	30,000 34,000	50,000 25,000	25,000 25,000	110,000 4,000	114,000 4,000 118,000	4,000 122,000	122,000 4,000 126,000	£000 130,000	130,000 4,000 134,000	4,000 118,000	188,000 4,000 142,000	141,000 4,000 144,000
		-	30.000	60,000	25,000	110.000	114.000	118.000	127.000	nesso	12000	1,50,000	110.000	1-2.000	3-500
Technology	43375	41.875	48.375	50.125	\$1.175	55.125	\$8.175	60,875	eurs	65.875	64,375	20.875	73,375	75,875	78,375
my spark (APP) - Beg my spark (APP)-Spend my spark (backend) - Spand	3,590	1,500	2,500	1,900	1,500	2,500	3,500	2,500	2,900	2,500	2,500	2,500	2,500	2,500	3,500
my spark (APP) - End Amortization - technology	(L 274)	(3,344)	50,875 (1,413)	\$3,375 (1,483) (6,71%	(1.552) (1.552)	(L627) (MA91)	(1,09D) (11,58B)	(1,250) (1,250) (1)7,344)	11.84m (15.174)	(1,899)	(2,565)	17,030 (21,080)	(2,100) (2,100)	(2,177)	(7,247)
Accumulated amortization my Spark - ending balance	43.3%	44,332	61,639	ACASE	47,60A	45,483	49,292	50,031	50.701	\$1,302	51,633	\$2,295	52.614	53.010	53,264
cannRr - Beg	87,917 0	87,917 0	87 917	67,917	87,957	#1351	£7,917	\$7 917 \$1,917	87,917 87,917	87.917 87.917	87,917	#7,917 #7,917	#7,917 #7,917	87,917	87,917 87,917
cannRx - End Amortization - technology Accumulated amortization	87,917	87,917	87,917 (2,442) (2,442)	(2,442) (4,884)	(2,441) (7,320)	(2,442) (9,700)	(12,442)	(14,653)	(17,095)	(2,442)	(11.979)	(2.442) (24.421)	(2,442)	(2,442)	(2,442) (31,748)
cann8x - ending balance	87517	87,917	85,475	R3 (13.2	20,590	78.148	75,706	71,364	30.822	10,000	10 000	10 000	10,000	10 000	10,000
canntracker - Begt canntracker - Spend canntracker - End	10.000 3 10.000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	\$0,000	10,000
Amortization - technology Accumulated amortization			(278)	(\$56)	(833)	(1,111)	(1782)	(1,667)	(1,944)	(2,222)	(2,500)	(2,778)	(3,056)	(3 333)	(3,611)
cantracker - ending balance	10,000	10,000 71,000	9,732	21.000	21,000	31,000	21.000	21,000	11.000	2,778	21,000	21,000	21,000	21 000	21,000
medtracker - Beg medtracker - Spend medtracker - End	11,000	71,000 21,000	71,000	21,000	21.000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	31,000	21,000
Amortization - technology Accumulated amortization	21.000	21.000	21,000	0 21.000	(583) 1583)	(L147) (E33)	(1A1) (1,751) (3,250	(2,333) 18,667	(543) (2,317) 18,083	(583) (3,500) 17,500	[583] [4 083]	[583] [4 667]	(5,250) 15,750	(S83) (S833)	(5.81) (6,417)
moderasker - ending balance biotracker - Beg	21.000 27.000	27,000	27,000	17,000	27,000	27,000	27,000	27,000	27,000	77,000	27,000	27,000	27,000	27,000	27,000
biotracker - End	27,000	17,000	27,000	27,000	27,000	27,000	27,060	27,000	17.000 (750)	27,000	27,000	27,900 (750)	27,000 (750)	27,000 (750)	27,000 (75t)
Accumulated amortization biotracker - ending balance	27,800	27,000	27,000	(750) (750) 26,250	(1,500) 25,500	(2 250) 24 750	[3,000] 24,000	(3,750) 23,250	(4,500) 22,500	(5,250) 21,750	[6,000] 21,000	16,7501 20,250	(7,500) 19,500	(#,250) (#,750	18,000 18,000
Total spend Technology - mg Spark	0,292	9,250	B,292	9,292	9,292	9,292	9,291	9,282	9,232	0,292	8,292	9,292	2,500	2,500	2,500
Total monthly Ameritzation - Technology Total Technology BV bal. before Amort.	(1,274) 191,792	(L344) 194,292	(4,133) 196,792	(4,953) 199,292	(S,60S) 201,792	(5,675) 204,292	206,791	(5,814) 209,292	(1,001) 211,792	(5,953) 214,292	510'333 H'033)	(10,091) (119,191)	(8,141) 221,792	(6,230) 234,232	(6,300) 226,792
Depreciation - Tech to be depn over 3 years *my Spark to be released Dec 2021															

	Loan Principal			Interest	12%		PIK	2%		Annual fee 1%	Total fees
Date	Opening	Draw	Ending	Opening	Addition	Ending	Opening	Addition	Ending	Opening Addition Ending	
1-Jun-22		100,000	100,000	-	-	-		52			5.0
30-Jun-22	100,000	100,000	200,000	-	953	953		159	159		1,112
31-Jul-22	200,000	757,000	957,000	953	2,038	2,992	159	340	499		2,975
31-Aug-22	957,000	530,000	1,487,000	2,992	9,754	12,745	499	1,626	2,124		12,370
30-Sep-22	1,487,000	473,000	1,960,000	12,745	14,666	27,412	2,124	2,444	4,569		1/1775
31-Oct-22	1,960,000	441,000	2,401,000	27,412	19,976	47,388	4,569	3,329	7,898		79-24E
30-Nov-22	2,401,000	572,000	2,973,000	47,388	23,681	71,069	7,898	3,947	11,845		27/528
31-Dec-22	2,973,000	527,000	3,500,000	71,069	30,300	101,369	11,845	5,050	16,895	35,000	70.3:0
31-Jan-23	3,500,000	500,000	4,000,000	101,369	35,671	137,040	15,895	5,945	22,840		41,516
2B-Feb-23	4,000,000	500,000	4,500,000	137,040	36,822	173,862	22,840	6,137	28,977		42,959
31-Mar-23	4,500,000	500,000	5,000,000	173,862	45,863	219,725	28,977	7,644	36,621		53,507
30-Apr-23	5,000,000		5,000,000	219,725	49,315	269,040	36,621	8,219	44,840		57,534
31-May-23	5,000,000		5,000,000	269,040	50,959	319,999	44,840	8,493	53,333		5.,45
30-Jun-23	5,000,000		5,000,000	319,999	49,315	369,314	53,333	8,219	61,552		47,534
31-Jul-23	5,000,000		5,000,000	369,314	50,959	420,273	61,552	8,493	70,045		59,452
31-Aug-23	5,000,000		5,000,000	420,273	50,959	471,232	70,045	8,493	78,539		55,454
30-Sep-23	5,000,000		5,000,000	471,232	49,315	520,547	78,539	8,219	86,758		57,534
31-Oct-23	5,000,000		5,000,000	520,547	50,959	571,506	86,758	8,493	95,251		50.452
30-Nov-23	5,000,000		5,000,000	571,506	49,315	620,821	95,251	8,219	103,470		7.514
31-Dec-23	5,000,000		5,000,000	620,821	50,959	671,780	103,470	8,493	111,963		5/1,452
31-Jan-24	5,000,000		s,000,000	671,780	50,959	722,739	111,963	8,493	120,456		59,452
29-Feb-24	5,000,000		5,000,000	722,739	47,671	770,410	120,456	7,945	128,402		55,616
31-Mar-24	5,000,000		5,000,000	770,410	50,959	821,369	128,402	8,493	136,895		50,452
30-Apr-24	5,000,000		5,000,000	821,369	49,315	870,684	136,895	8,219	145,114		59.534
31-May-24	5,000,000		5,000,000	870,684	50,959	921,643	145,114	8,493	153,607	50,000	109,452

SOOKUP - Outu For	eçast	•	5	•	7	•	9	10	11	12	13	14	15	16	D	18
		Tarecut	Forecast	Forecast	-	Furecast	2022 forest	Parecent	forecast	Forecast	Forecast	Porecast	Forecast	·	Toront	hantasi
		Jan 2022				May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023
	Available Facility					1,500,000.00	2,300,000 00	2,546,000.00	2,015,000.00	1,541,000 00	1.038,000.00	\$21,000.00	0.00			
	Commitment Fee Loan Oraw						(100,000,00)	(754,000,00)	(531,000.00)	(474,000.00)	(443,000,00)	(577,000 00)	(521,000.00)	(500,000:00)	(500,000.00)	(500,000.00)
	Total toan Draws Cumulative Loan Owing						(200,000.00)	(754,000 00) (954,000 00)	(531,000.00) (1,485,000.00)	(474,000.00) (1,959,000.00)	(443;000.00] (2,402,000.00)	(577,000,00) (2,979,000,00)	(521,000.00) (3,500,000.00)	(500,000.00) (4,000,000.00)	(500,000,00) (4,500,000,00)	(500,000,00)
	Assuming draws are made at the beginning of the month								(41.00)	(-)	(-),,,			1,1-1,1-1		
	Base Lending Rate						13%	13%	23%	13%	us	13%	13% 2%	13% 2%	13% 2%	13% 2%
	PK Aczusi Annual Work Fee						3% 1%	2% 1%	2% 1%	13% 2% 1%	13% 2% 1%	13% 2% 1%	1N	ix	in .	1%
	Annual Interest Rate Monthly Interest Rate						16% 1,31%	16%	16% 1.31%	16%	16% 1.31%	16% 1.31%	16% L31%	16%	16% 1.31%	16% 1,31%
6510	5510 - Legal Fers										_,					
	#206 - Interest Expense (Credit Facility)						2,625.00	12,521.25	19,490.63	25,711.88	31,526.25	39,099.38	45,937.50	52,500.00	59,062.50	65,675.00

VLOORUP - Data Forecast Check ->			A	\$	6	7		9	10	11	12	13	14	15	36	17	18
4.4			2022 - Q1	2022 - Q1	2022 - Q1	3022 - Q2	2022 - QZ	2022 - Q2	3022 - Q1	3022 - Q3	2022 - Q3	2023 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	7023 - Q1	2023 - QI
			Forecast	Faircest	Forecast	Forecast	Forecast	2022 Foresast	Forecast	Forecast	Forecast	forecast	Forecast	Forecast	teriori	Commen	Herena
European Revenues			Jan 2022	Fab 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Ján 2023	Feb 2023	Mar 2023
	Kilograms shipped								50	50	50	250	250	310	500	500	500
4040	4040 - European Cannabis Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Revenue		0.00	0.00	0.00	0.00	9.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00	8.00
5060	5060 - COCS - European Cannabis Revenue									0.00	0.00	0.00	0.00	0.00	0.00	6.00	0.00
	Total Cost of Sales	2	0.00	0.00	9.00	0.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00	0.00
	Gross Margin	-	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6510	6510 - Legal Fees		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	p.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total SG&A		0.00	0.00	9.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	EMIDA		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00	0.00	0.00	0.00
	Total Other Expense		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	9.00	0.00
	California California		0.00	0.00	0.00	0.00	0.00	0.00	500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

VLOOKUP - Data Fore Check ->	cast		<u></u>	*	*	(7		٠	10	11	12	n	1#	15	16	17 2023 - Q1	18
		9	2022 - Q1	3022 - Q1	2022 - Q1	2022 - 02	2022 - Q2	2022 - 02	3013 - G3	2022 - Q3	2022 - Q3	3022 - Q4	2022 - Q4	2022 - Q4	2013 - Q1	1023-01	2023 - Q1
			Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Aug 2022	Forecast Sep 2022	Forecast Oct 2022	Nov 2022	Paresett Dec 2022	Jan 2023	Feb 2023	Mar 2023
Shared Services			Jan 2022	Felt 2022	Mar 2022	Apr 3022	May 2022	June 2022	July 2022	AUB 2022	265 1011	00 2022	Web Sires	Sec. since	300		
4390	4390 - Revenue - Management Fees	Para Marriaga	3,000 00	3,000 00	3,000.00	3,000 00	3,000.00	3,000 00	3,000 00	3,000 00	3,000 00	3,000 00	3,000.00	3,000.00	3,000 00	3,000.00	9,000,00
	Total Revenue		3,000 00	3,000 00	3,000 00	3,000 00	3,000.00	3,000.00	3,000 00	3,000.00	3,000 00	3,000 00	3,000.00	3,000.00	3,000 00	3,000.00	3,000 00
6010	6010 - Wages - Bus Develop Consultant		18,000.00	18,000.00	18,000.00	18,000,00	18,000.00	18,000.00 2,000.00	18,000.00 2,500.00	18,000,00	18,000.00 2,000.00	18,000.00 2,500.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00 2,000.00
6105 6130	6105 - Advertising & Marketing 6130 - Website Design		2,000.00	2,000,00	2,000.00	2,200.00	2000,00	-,		-,	-,			-			
6135	6135 - Printed Materials		1,300.00	1,300.00	1,300.00	1,300.00	1,600.00	1,300.00	1,300,00	1,500,00	1,300.00	1,300.00	1,600.00	1,300.00	1,300.00	1,300.00	1,300.00 150.00
6150	6150 - Bus, Develop - Meals		150.00	150.00	150.00	150.00	150.00	150.00	150.00 2.250.00	1,250,00	150.00 2,250.00	150.00 2,250.00	150,00 1,250.00	150.00 2.250.00	150.00 2,250,00	1.250.00	2,250.00
6155	6155 - Bus Develop - Travel		2,250.00	1,250.00	1,250.00	2,250.00	1,250.00	2,250.00									
6205	6205 - Rent		7,479 69	7,479.69	7,479.69	7,479 69	446.75	4,865.75	13175	4,645.73	4.665.75	A.585-75	4,645.75	0.001.75	4,685,75	AMELYS	AA61.75
6206	6206 - Rent - IFRS 16 Adj		(3,755 00)	(3,755 00)	(3,755.00)	(3,755 00)	8.50	AM:	4.66	9.00	0.00	1 171 44	1,575.00	1,573.00	1,575.00	1,575.00	1.575.00
6220	6220 - Telephone & Internet		1,575 00	1,575.00	1,575.00	1,575.00	1,171.00	1,375,00	1,575.00	1,575.00	1,575.00	2,575.00		1			.,
630S	6305 - Wages - Sales		9,810.21	9,810 21	9,810 21	9,810.21	5,476 88	5,476.88	5,476.88	5,476 88	5,476.48	5,476.88	5,476.88	5,476.88	5,586.42 31,790.00	5,586 42 33,405.00	5,586.42 33,405.00
6320	6320 - Wages - Management		0.00	0 00	0.00	0,00	29,583.33 49,242.92	29,583.33 49,242.92	31,166.67 49,242.92	32,750.00 49,242.92	32,750 00 49,242.92	32,750.00 49,242.92	32,750.00 49,242.92	32,750 00 49,242 92	50,227.78	50.227.78	50.227.78
6330	6330 - Wages - Shared Services		64,367,92	64,367.92 92,083 33	64,367.92 92,083.33	64,367.92 92,083.33	49,242.92 92,083.33	49,242.92 75,416.66	49,242.92 75,416.66	75,416.66	75,416,66	75.416.66	75.416.66	75,416 66	76,924.99	76,924 99	76,924.99
6335 6350	6335 - Wages - Shared Services - Mgmt 6350 - CPP		92,083 33	92,083 33	7,799 60	5,639,58	5.035.99	4.082.21	3,724,35	2,846 89	2,496 28	2,060 18	695,40	44.10	8,966.84	9,054 86	9,054.86
6355	6355 - EI		3,677.71	3.677.71	3.214.31	2,434.95	2,092 64	1,705.54	1,565.43	1,247 67	1,013.18	933 46	427 04	67.72	3,636,10	3,671.79	3,671.79
6360	6360 - EHT - Admin	1,95%	3,242 10	3,242 10	3,242,10	3,242 10	3,439.54	3,114.54	3,145.41	3,176.29	3,176.25	3,176.29	3,176.29	3,176.23	3,208.32	3,239.81	3,239.81
6375	6375 - Benefits		7,085 32	7,085.32	7,085.32	7,085.32	6,392 60	6,392 60	12,917,00	15,372,16	1537235	19,172.00	19,172-15	\$9,172.34	8,856 65	8,856 65 800.00	8,856 65 800.00
6380	6380 - Payroll Expenses		800.00	800.00	800.00	800.00	0.00	0.00	0.00	0.00	800.00 D.00	0.00	0.00	0.00	0.00	0.00	0.00
6386 6393	6386 - Severance 6395 - Bonus		0.00	0.00	0.00	0.00	0.00	0.00	00.0	000	0.00	0.00	0.00	0.00	0.00	0.00	0 00
6393	6399 - Options Expense		40,994.43	39,775.31	40,994,48	31,081.09	31,487.48	26,070.09	24,297.96	24,297.96	24,130.19	24,297,96	24,130.19	24,297,96	23,458.95	22,955,64	23,458.96
									1,000.00	1.000.00	1,000.00	1,000,00	1,000,00	1,000.00	1,000.00	1,000.00	1,000.00
6405	6405 - Office Expenses		1,000.00 200.00	1,000.00	1,000.00	1,000.00	9,000.00	1,000.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
6410 6415	6410 - Postage & Courler 6415 - Computer Expenses		225.00	723.00	223.00	225.00	225.00	225.00	225.00	225 00	225.00	225.00	225.00	225 00	225.00	225.00	225.00
6420	6420 - Software Expenses		6,000.00	6,000.00	8.002.00	6,000,00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
6435	6435 - Dues & Fees					3,600.00	500.00								200.00	700.00	703.00
6450	6450 - Meals & Ent - Admin		700.00	700.00	700.00	200.00	700.00	700.00	700.00	700.00	700.00 11.693.33	700,00	700.00 9,693 33	700.00 9.693 33	700.00	8.603.33	10,603.33
6455	6455 - Travel - Admin		10,603.33	8,603 33	10,603.33	9,603.33	9,693.33 5,000.00	10,693.33	11,693.33	9,693 33	11,693 33	10,693.33	3,033 33	9,053 33	10,003.33	8,003.33	10,00322
6495	6495 - Other Expenses					3,000.00	3,000.00	3,000.00				,					
650\$	6505 - Accounting Fees		16,686 67	16,666,67	10,664.67	16,666,67	15,666.67	16,666.67	16,666.57	16,666.67	16,664.67	16,646.67	16,666.67	16,666.67	16,666.67	16,666.67	16,666.57
6510	6510 - Legai Fees		5,000.00	5,000.00	5,008.00	5,000.00	13,000.00	13,000.00	13,000.60	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00
6515	6515 - Comultants - Other				15,467,00	26,667,00	26,947,00	18,000,00	10,000.00	10,000 80	10,000.00	10,000.00	(0,000,00	\$1,000.00			
6705	6705 - Technology Expense																
6805	6805 - Bank Fees & Interest		1,500,00	1,500,00	1,416.63	TAIL (1)	1,416.07	1,416.67	1,500.00	1,500,00	1,500,00	1,500.00	1,500 00	1,500.00	1,500.00	1,500.00	1,500.00
6805	DBUS - Dank Fees of Interest		-								15,242,44	16.242.44	16.242.44	16,242.44	16,242,44	16,242,44	16,242.44
6605	6605 - Insurance D&O	10.00% 15.00%	14,765.85 3.120.00	14,765.85 3,120.00	14,765.85 3,120.00	14,765.85 3,120.00	14,765.85 3.120.00	15,242,44	16,242,44 9,588.00	15,242.44 3,588.00	3,588.00	3.589.00	3,588.00	3,588.00	3,588.00	3,588,00	3,588 00
6615 6620	6615 - Insurance - General Liability 6620 - Insurance - Cyber Liability	13,00%	2AR.12	248.17	248.12	248.12	248.12	248.12	248.12	248.12	248.12	248.12	248.12	248.12	248.12	248.12	248.12
0020	outo-manance apper basining								or invade						1,113,80	1.113.80	1,113,60
6905	6905 - Press Release Costs		1,091.96	1,091.96	1,091.96	1,091.96	1,091.96	1,091.96	1,091,96	1,091.96	1,091.96	1,091,96	1,091.96	1,091.96	1,760.00	1,700.00	1,700.00
6910	6910 - TSX Filing Fees		1,666.67	1,666.67 500.00	1,866-67	1,666.67	32,066,67 500.00	16,466.67 500.00	11,000,00	1,666.67 500.00	500.00	500.00	500.00	500.00	510.00	510.00	510.00
6915 6920	6915 - Transfer Agent Fees 6920 - AGM Costs		500.00	500.00	500.00	50020	300.00	0.00	10,000.00	300.00	200.00	200.00	200.00	300.00	0.00	0.00	0.00
6925	6925 - Board of Director Fees				6,250.00			6,250.00			6,250.00			6,250.00	0.00	0.00	12,750.00
6930	6930 - Investor Relations Consulting		72,879.05	53,500.00	25,500.00	25,500.00	35,000.00	85,000 00	15,000.00	15,000.00	40,000.00	40,000.00	40,000 00	15,000.00	10,000.00	10,000.00	10,000.00
6935	6935 - Other Consulting Fees		-34104-36	Contraction													
	Total SGBA		396,288.71	372,690.45	370,018 22	369,015.45	430,756 73	425,666 37	363,811.81	341,010.56	374,207 69	367,109 64	362,870.67	343,977.82	326,714.16	324,981 04	341,234.36
	EBITDA		(393,28L71)	(369,690.45)	(367,018 22)	(366,015 45)	(427,756.73)	(422,666.37)	(360,811.81)	(338,010.56)	(371,207 69)	(364,109 64)	(359,870 67)	(340,977.82)	(323,714 16)	(321,981.04)	(338,234.36)
			200	200		200	0.00	0.00	0.00	0.00	0.00	6.00	0.00	0,00	0.00	0.00	0.00
8215	8215 - Interest Expense (Lease)		117,42	85.41	59.18	25.71			-						1,897,18		1,897.18
B405	8405 - Depreciation		1,897-18	1,897.18	1,897.18	1,697-16	1,897,18	1,897.18 11.375.59	1,897.18	1,897.18	1,597.10 11,375.59	11,375,59	1,897.18 11,375.59	1,897.18	11,175.50	1,897.18 11,375.59	11,375.59
8410	8410 - Amortization		11,375.59	11,375.59	11,375.59	11,375.59 3.061.63	4,500.00	11,375.59 4.500.00	11,375.59 4.500.00	11,375.59 4,500.00	4,500.00	4,500.00	4,500.00	4.500.00	4,500.00	4,500.00	4,500.00
8450	8450 - Depreciation (Lease)		3,061.63	3,061.63	50.1db,c	2,001.63	4,500 00			450000			- Promising				
	Total Other Expenses		16,451 82	16,422 81	16,393.58	16,364 11	17,772,77	17,772.77	17,772.77	17,772.77	17,772.77	17,772.77	17,772.77	17,772.77	17,772.77	17,772,77	17,772 77
	NetIncome		(409,740.54)	(386,113 26)	(383,411 60)	(382,379.56)	(445,529.50)	(440,439 14)	(378,584,58)	(355,783.33)	(388,980.46)	(381,882.41)	(377,643 44)	(358,750.59)	(341,485.93)	(339,753 81)	(356,007.13)

VLDOKUP - Data Fore Check>	ecast		4	3	6	9		,	10	11	12	13	14	15	16	19	24
		Ī	2022 - Q1	2022 - Q1	2022 - Q1	2022 - G2	2022 - OZ	2022 - Q2 2022	3022 - Q3	2022 - 03	3033 - Q3	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - Q1
Virtual		ļ	forecast Jan 2022	Feb 2022	Forecast Mar 2022	Apr 2022	May 2022	Forecast June 2022	Forecast July 2022	Forecast Aug 2022	Sep 2022	Personal Oct 2022	Foretast Nov 2022	Pergess Dec 2022	Jan 2023	Feb 2023	Mar 2023
	LP Revenue - Growth LP Revenue Less Manitoba portion	12.50%	203,558,77 [23,444.85]	2% 207,629,94 (25,953,74)	2% 211,782,54 (26,472,82)	216,018,19 (27,602,27)	250,338.55 (27,542.32)	214,745,33 (28,008.17)	2% 229,240 23 [28,655,03]	2% 233,825 04 (29,228 13)	2% 238 501 54 (29,812 69)	2% 243,271 57 (30,408,95)	2% 248,137.00 (31,017,12)	2% 253,099.74 (31,637,47)	230,320,76 (28,790,10)	230,320 76 (28,790,10)	230,320 76 (28,790 10)
	Loss of revenue to products *LP Revenue (previous business)	0.00%	178,113 92	181,676 20	185,309 72	189,015 92	192,795 24	196,652,16	200,585 20	204,596 91	208,684 85	212,862.62	217,119 87	221,462 27	201,530 67	201,530 67	201,530 67
	OCC Patients OCC Patient Loss N		326	326	326	326 0	326 0	326	326 0	326 0	326	326	326	326 D	326	326 0	326
- April - Apri	- Pathway-Provest Pathway-Provest Patient Loss %	-30.00%	20 (6)	40 (12)	(18)	80 (24)	100 (30)	(36)	140 (42)	160 (48)	130 (54)	200 (60)	220 (66)	240 (72)	260 (78)	280 (84)	(90)
	Patients		340	354	368	382	396	410	424	438	452	444	480	494	508	522	536
	OCC Patients (a Pathway-Provost	77,64 41.67	25,291 23 583 33	25,291 23 1,166 67	25,291 23 1,750 00	25,291 23 2,333 33	25,291 23 2,916 67	35,291 23 3,500 00	15,781.13 4,083.33	25,291 23 4,666 67	25,291,23 5,250.00	25,291 23 5,833 33	25,291 23 6,416 67 31,707 90	35,291 23 7,000 00 32,291 23	25,291 23 7,583 33 32,874 56	25,291 23 8,166 67 33,457.90	25,291,23 8,750 00 34,041,23
	*LP Revenue (acquisitions/collabora Active Pharmacies	rtions)	25,874 56	26,457 90	27,041 23	27,624 56	28,207 90	28,791 23	29,374 56	29,957.90	30,541 23	31,124,56	31,70790	32,291,23	32,874,36	33,57.90	34,041,23
	Sobeys PC Metro							147 290	60 25	34 63		17 143		98 229		69 88	
	Other (Save-On Foods, PharmaSave, etc) Onbounded and Active Pharmacies				0			437	135	97		160		327		157	
Named and Parliet	Cumulative Pharmacles Pharmacy Loss (%)		-30%	-30%	30%	-30%	-30%	437 -30%	572 -30%	-30%	669 -30%	-30N	829 -30%	1,156 -30%	-50%	157	157
	Pharmacy Loss (#) Franciscos Reference Monthly				0	0	0	(131)	(172)	(201)	(201)	(249)	(249)	(347) 809	0	110	110
	New patients directed to TCNC/month/ph	armacy	1	¥ .	4	4	130	1 106	1 400	468	1 468	1 580	1 580	1 809	0 0		0
Name and Salar	Monthly Patient Referrals Comulative Patients Patient Loss (%)		-30%	-30%	-30%	30%	-30%	306 -30%	706 -30%	1,175	1,643 -30%	2,223 -30%	2,604 -30%	3,613 -30%	-30%	-30%	-30%
	Patient Loss (A) Total Ordering Patients		9	0	0	0		(92)	(212)	(352) 823	(493) 1,150	1,556	(841) 1,963	(1,084)	0	0	0
	Total S spent per new patients/month	100	۰	0	0	9	0	21,390	49,430	82,250	114,990	155,620	196,250	252,870 63,218	155,620 38,905	155,620 38,905	155,620 38,905
	Monthly LP Revenue (company portion) Total LP Revenue	25%	203,988 48	208,134 10	212,850.95	216,640 48	221,004 13	5,348	12,358	20,565	28,748	38,905	49,063	316,971 00	273,310 23	273,893.56	274,476.90
	Pharmacy Fees	25	0 00	0 00	0 00	0.00	0.00	7,647 50	10,010 00	11,707.50	11,707 50	14,507 50	14,507.50	20,230 00	0 00	0 00	0 00
Need &C partent build up Need &C pattent build up	Dr. Lasner - Patient Appointments Average Billing/Appointment		1,400 21,00	1,400 21,00	1,400 21 00	1,400 21,00	1,400 21.00	1,400 21,00									
	Provincial Billing Dr. Wysocki - Patient Appointments		29,400 00 785	29,400.00 785	29,400 00 785	29,400.00	29,400 00 785	29,400 00 785	0.00 785	0.00	0 00 795	0.00	785	785	0 00	202	9.00
	Average Billing/Appointment Provincial Billing		33 00 25,905 00	33,00 25,905 00	33 00 25,905 00	33 00 25,905 00	33 00 25,905 00	33 00 25,905 00	33.00 25,905 00	25,905 00	25,905 00	33.00 25,905.00	25,905 00	25,905 00	25,905 00	25,905 00	33 00 25,905 00
	Dr. Wong - Patient Appointments Average Billing/Appointment Provincial Billing		37.50 23,310 00	37.00 23,310 CO	37.00 23,310 00	37.00 23,310 00	17.00 23,310 00	633 87.00 23,310 00	673 87.00 23,310 00	37.00 23,310 00	23,310 00	37.00 23,310.00	630 37,00 23,310,00	630 37,00 21,210.00	630 37,00 23,310.00	630 37.00 23,310 00	630 37,00 23,310 00
	Or, Mahabir - Patient Appointments Average Billing/Appointment Provincial Billing		120 32.50 3,900 00	120 32:50 3,900 CO	120 32.50 3,900 DD	120 32,50 3,900,00	120 32,50 3,900,00	120 32 50 3,900 00	32,50 3,500,00	120 32.50 3,900 00	32.50 3,900.00	120 32,50 3,900,00	32.50 3,900 00	120 32.50 3,900.00	32.50 32.50 3,900.00	32.50 3 900 00	32.50 3,900 00
	Dr. Lewis - Patient Appointments Average Billing/Appointment		3,900 00	3,900 00	3,900 00	3,900 00	3,300 00	3,900 00	3,500.00	5,500 00	3,500 00	3,300 00	3,300 00	3,500 00	2,300 00	3,300 40	3,300
Ave mo Bill S	Provincial Billing Or, Bekasia's - Patient Appointments		0.00	0.00	0.00	D 00	0 00	0.00	0 00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00
Ave mo biii 3	Average Billing/Appointment Provincial Billing		0.00	D 00	0 00	0 00	0 00	0 00	0.00	0 00	0 00	9.00	0.00	0.00	9.00	0.00	0.00
	Dr. Saraf - Patient Appointments Average Blang/Appointment											_				0.00	0.00
	Provincial Billing Revenue - Provincial Billing Group	-	82,515 00	B5,573 SO	0 00 85,573 50	85,573.50	85,573.50	85,573 50	54,752.50	54,752 50	54,752 50	54,752 50	54,752 50	54,752,50	54,752 50	54,752.50	54,752,50
	Dr. Lasner	75%	22,050.00	22 050 00	22,050 00	22,050.00 18,133.50	22,050.00 18,133.50	22,050 00 18,133 50	0.00 18.133.50	0.00 18,133 SO	0.00	0,00 18,133.50	0.00 18.133.50	0 00 18.133 50	0.00 18.133.50	0.00 18.133.50	0.00 18,133.50
	Dr. Wysocki Dr. Wong Dr. Mahabir	70% 70% 70%	18,133 50 16,317 00 2,730 00	18,133.50 16,317.00 2,730.00	18,133 50 16,317 00 2,730 00	16,317.00	16,317 00	16,317 00 2,730.00	16,317.00 2,730.00	16,317 00 2,730 00	16,317 00 2,730 00	16,317 00 2,730 00	16,317 00 2,730 00	16,317.00 2,730.00	16,317 00	16,317.00 2,730.00	16 317 00 2,730.00
	Dr. Lewis Dr. Bekasiak Dr. Saraf	75% 77% 70%	0 00 0 00 0 00	0 00 0 00 0 00	0 DD 0 DD 0 DD	0 00	0.00 0.00 0.00	0.00 0.00 00.0	0.00 0.00 0.00	0 00 0 00	0 00	0.00 0.00	0 00 0 00	0 00 0 00	0.00 0.00 0.00	0.00 0.00	0 00 0 00 0 00
	Consultants - MDs	70%	59,230 50	59,230 50	59,230 50	59,230 50	59,230.50	59,230 50	37,180 50	37,180 50	37,180 50	37,180,50	37,180 50	37,180.50	37,180 50	37,180.50	37,180 50
4005	AEVENUE 4005 - Revenue - LP		203,988.48	208,134 10	212,350 95	216,640 48	221,004.13	230,790 89	242,317 27	255,119 80	267,977,58	282,892 19	297,890 27	316,971 00	245,979.21	232,809.53	219,581.52
4015 4105	4015 - Revenue - General (Other) 4105 - Provincial Billing - Group		82,515 00	85,573.50	85,573 SD	85,573 50	85,573.50	85,573.50	54,752.50 225.00	54,752 S0 225 00	54,752 50 225 00	\$4,752.50 225.00	54,752 S0 225 00	\$4,752 50 225.00	54,752 50 225.00	54,752.50 225.00	54,752 S0 225 D0
4210 4230 4035	4210 - Non-Provinical Billing 4230 - Photocopying Files 4035 - Revenue - LP Marketing		225 00 400 00 0 00	225,00 400,00 0,00	400.00 0.00	225 00 400 00 0 00	225 00 400 00 0 00	225 00 400.00 0.00	400,00 0,00	400.00	400.00	400,00	400 00	400 00	400 00	400 00 0 00	400,00
2	Total Reservice		287,128,48	294,332 60	298,549 45	302,838 98	307,202.63	316,989 39	297,694,77	310,497 30	323,355 08	338,269,69	353,267.77	372,348 50	301,356.71	288,187.03	274,959.02
5005	5005 - Consultants - MDs		59,230 50	59,230.50	59,230.50	59,230 SO	59,230.50	59,230.50	37,180 50	37,180.50	37,180.50	37,180,50	37,180 50	37,180.50	37,180 50	37,180.50	37,180.50
504S 5050 5835 5835	5045 - Consultants - Nurses 5050 - Consultants - NP 5805 - Pharmacy Fees 5855 - Training Material/Forms		0.00	0.00	0 00	0.00	0.00	7,647.50	10,010.00	11,707-50	11,707-50	14,507-50	14,507.50	20,230.00	0.00	0.00	0,00
	Total COS	-	59,230 50	59,230 50	59,230 50	59,230 50	\$9,230 50	66,878 00	47,190.50	48,518.00	48,888 00	51,6#8 00	51,688.00	57,410 50	37,180,50	37,180.50	37,180 50
	GROSS MARGIN		227,897,98	235,102 10	239,318 95	243,608 48	247,972 13	250,111 39	250,504.27	261,609.30	274,467.08	286,581.69	301,579 77	314,938 00	264,176.31	251,006.53	237,778.52
	SG&A																
6010 6105	6010 - Wages - Bus Develop - Consulatant 6105 - Advertising		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000,00	5,000.00	5,000 00
6130 6135	6)30 - Printed Materials 6315 - Website		5,000.00														
		# ad phones	2	3		- 1											

6205 6215 6220	6205 - Rent (\$/month/clinic) 6215 - Utilities 6220 - Telephone & Internet	2,500 6.58%	6,200 00 408 06 7,075.00	8,700.00 572.59 7,075.00	8,700.00 572.59 7,075.00	6,116 67 402.57 7,075.00	6,116 67 402 57 7,075.00	6,116 67 402.57 7,075.00	6,116 67 402.57 7,075.00	6,116 67 402 57 7,075 00	6,116 67 402 57 7,075 00	6,116.67 402.57 7,075.00	6,116 67 402 57 7,075.00	6,116 67 402.57 7,075.00	6,116.67 402.57 7,075.00	6,116 67 402 57 7,075.00	6,116 67 402.57 7,075.00
6305 6310 6315 6320 6325 6330 6350 6355 6360 6375 6395 6386	6305 - Wages - Sales 6310 - Wages - Educators 6315 - Wages - Nunding 6320 - Wages - Nunding 6320 - Wages - Admin 6330 - Wages - Shared Services 6350 - CP 6350 - EP 6350 - EP 6350 - ED 6360 - EHT 6375 - Benefits 6386 - Severance	195%	45,173 21 10,166.67 7,631 51 3,073 17 2,768 49 11,987 78 0.00	0.00 14.53.1 45,173.21 10,166.67 7,858.44 3,165.60 2,268.49 11,987.78 0.00	0.00 3434 35 4,201 11 45,173 21 10,166 67 7,858.44 3,165 60 2,268.49 11,987 78 0.00	0 00 14 97 2 36 4 32 1 31 45,173 21 10,166 67 7,858 44 3,165 60 2,268.49 11,987 78 0 00	0 00 25,207 00 42,002 23 10,166 67 49,993.75 0.00 6,947.28 2,817,72 2,483.71 9,663.93 0 00	0 00 25,207 00 42,002 23 10,166 67 49,204 39 0 00 6,225 66 2,523 28 2,468 32 9,863 93 0.00	0.00 25,207.00 42,002.23 10,166.67 48,415.03 0.00 5,687.45 2,308.69 2,431.32 0.00	0.00	0.00 25,207.00 42,002.23 10,166.67 48,415.03 0.00 5,687.45 2,308.69 2,43.92 10.327,44 0.00	0 00 25,207.00 42,002.23 10,166 67 48,415 03 0.00 5,674.70 2,308.69 2,457.92 10,127.04 0 00	0 00 25,207 00 42,002.23 10,166 67 48,415 03 0 00 5,369 53 2,223 20 2,452 92 9,803 96 0 00	0 00 25,207 00 42,002 23 10,166 67 48,415 03 0 00 5,369.53 2,179 66 2,452 92 9,803 96 0.00	0,00 25,711 14 42,842 28 10,370.00 49,383 33 0,00 6,992,72 2,835 58 2,501.98 14,984 73 0,00	0 00 25,711.14 42,842.28 10,370 00 49,383.33 0 00 6,992.72 2,835.58 2,501.98 14,984.73 0 00	0.00 25,711 14 42,842 28 10,370.00 49,383.33 0.00 6,992,72 2,835 58 2,501.98 14,984.73
6405 6410 6415 6420 6435	6405 - Office Expenses 6410 - Postage & Courier 6415 - Computer Expenses 6420 - Software Expense 6435 - Dues & Fees		175.00 175.00 7,250.00	175 00 175 00 7,250.00	175.00 175.00 7,250.00	175.00 175.00 7,250.00	175.00 175.00 7,250 00	175.00 175.00 7,250.00	175.00 175.00 7,250.00	175.00 175.00 7,250.00	175.00 175.00 7,250.00	175.00 175.00 7,250.00	175.00 175.00 7,250.00	175.00 175.00 7,250.00	175.00 175.00 7,250,00	175 00 175 00 7,250.00	175 00 175 00 7,250 00
6450 6455 6480	6450 - Meals & Enterrainment - Admin 6455 - Travel - Admin 6480 - Bad Debt Expense		3,532 88	3,532.88	3,532 88	3,532 88	1,540.00	1,540.00	1,540 00	1,540 00	1,540.00	1,540.00	1,540 00	1,540,00	2,166 67 125.00	2,166 67 125 00	2,166 67 125 00
6495 6620	6495 - Other Expenses 6639 - Insurance - Cyber Liability		125,00	125.00	125.00	125.00	125.00	125.00	125,00	125.00	125.00	125,00	124.06	124,06	124.06	124,06	124.06
5805	6805 - Bank Fees & Interest		30.00	30.00	30.00	30.00	30.00	30.00	30.00	30 00	30.00	30.00	30.00	39.00	30.00	30.00	30.00
	Total SG&A		186,555 40	184,539.30	184,539 30	181,785 95	177,495.59	175,774.78	180,650 30	180,590.33	180,590 33	180,577.58	173,653.84	173,610.30	184,261 72	184,261.72	184,261.72
	EBITDA		41,342 58	50,562.79	54,779 65	61,822 53	70,476.54	74,336 61	69,853.97	81,018 97	93,876 74	106,004 10	127,925 93	141,327.70	79,914.49	66,744.81	53,516 BD
	Total Other Expenses Net Income	3	0.00 41,342.58	0.00 50,562.79	54,779 65	61,822 53	0.00 70,476.54	0.00 74,336 61	69,853.97	81,018.97	93,876 74	106,004 10	0 00 127,925 93	0.00 141,327,70	0.03 79,914.49	66,744.81	0 00 53,516 80
	200000000000	3									7.70						
	Net Income NP Model	5	41,342.58	50,562.79	54,779 65	61,822 53	70,476.54	74,336 61	69,853.97	81,018.97	93,876 74	106,004 10	127,925 93	141,327,70	79,914,49	66,744.81	53,516 80
	Net Income NP Model hours/month Active Patients New Patient Renewal Nurse Practitioner # of patients/month # of patients/month # of FTER required	9	41,342.58 150 1150 0 1250 3 450 3	\$50,562.79 \$50 \$2250 \$1250 \$3 \$450 \$3	54,779 65 150 1150 0 1250 3 450 3	150. 1250 0 1250 1250 3 450 3	70,476.54 150 1250 1250 3 450 3	74,336 61 150 1136 364 0 1556 3 450 4	150 1219 400 0 1650	150 1150 468 0 1718 3 450 45	93,876 74 150 1159 448 306 2024 3 450 5	106,004 10 150 1250 580 400 2231	150 150 150 2299 3 463 2299	141,327,70 150 1250 809 468 2528 3 450 6	79,914.49 159 1250 0 18930 3 450 5	66,744.81 130 1250 0, 580 1830	1149 1250 0 809 2059
	Net Income NP Model hours/month Active Patients New Patient Renewal Nurse Practitioner # of patients/mour # of patients/mour	88.00	41,342.58 150 1150 0 1250 3 450	50,562.79 150 1250 1250 3 450	159 1250 3 450	150 1250 0 1250 3 450	150 1250 0 1250	74,336 61 150 1335 1556 3 450	150 1219 400 0 1650	150 150 150 468 0	93,876.74 150 1158 441 306 2024	156 156 1250 580 400 2231	127,925 93 150 150 540 443 2299	141,327,70 150 1250 809 468 2528	79,914.49 150 1250 0 1830 3 450	66,744.81 130 1250 0,580 1830	130 1250 0 809 2059
	Net Income NP Model hours/month Active Patients New Patient Renewal Nurse Practitioner # of patients/mour # of patients/mour # of patients/mour # of FTEs required Current FTES	65.00	41,342.58 150 1150 9 1250 3 450 3 5 0	150 1250 0 1250 1250 0 1250	150 1150 0 1250 3 450 3 5	150. 1250 0: 1250 3 450 3 5 0	70,476.54 150 1250 1250 3 450 3 5 0	74,336 61 150 1230 364 0 1556	150 1215 400 0 1650 3 450 4 5	150 1250 468 0 1718 3 450 45 45 0	93,876 74 150 159 442 306 2024 3 450 5 D	156,004 10 156 1250 580 400 2231 3 450 5 5	159, 159, 159, 159, 159, 159, 159, 159,	150 1250 809 468 2528 450 6 5 5	79,914,49 159 1250 0 1830 1930 5 5 0	66,744.81 130 1250 0, 580 1830 3 450 5 5	\$3,516.80 110 1250 0 809 2059 3 450 5 5
	Net Income NP Model hours/month Active Patients New Patient Renewal Nurse Practitioner # of patients/mour # of patients/mour # of patients/mour # of FEs required Current FTE Required FTES Partic/Educaturs (see 1 he) # of FTEs required Current FTES Current FTES		41,342.58 150 1250 3 450 3 5 0 0.00 0.75 2 19 0	150 1250 1250 3 450 3 5 0 0.00	\$4,779.65 150 1250 0 2250 3 450 3 5 0 0.00 0.75 2 19 0	152 1250 0 0 1250 3 450 3 5 0 0.00 0.75 2	70,476.54 150 1250 0 1250 3 450 3 5 0 0.00 0.75 2 19 0	74,336.61 150 1236 364 0 1556 4 5 0 0,00 0.00	150 1259 400 0 1850 450 4 5 0 0 0.00	150 1259 4647 0 1718 3 450 4 4 5 0 0.00	93,876 74 150 1150 488 306 2024 3 450 5 5 0 000 0.75 4 4 19 0 0	106,004 10 1\$0 1250 580 400 2231 3 450 5 5 5 0 0.000 0.75 4 19 0	127,925 93 159 1150 593 444 2299 3 450 6 5 5 11 (9,750 00) 9,75 5 19 0	141,327,70 150 1250 809 468 2528 3 450 6 5 19 0	79,914,49 159 1250 0 1850 3 450 5 0 0.000 0.75 4 19 0	66,744.81 130 1250 0,580 1850 3 450 5 5 5 0,000 0.75 4 19	1140 1250 0 809 2059 3 450 5 5 0 0.00 0.00

W.OOKUP - Data Forecast Check ->				5		7		,	10	11	12	n	14	15	16	17	18
		5	2022 - Q1	2022 - Q1	2022 - Q1	2022 - 02	2022 - Q2		2022 - Q1	2022 - 03	2022 - Q3	2022 - 04	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - QX
			Forecast	Forecast	Forecast	Torecast	Forecast	2022 Fermant	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast Dec 2022	Jan 2023	Feb 2023	Eseatast Mar 2023
Nature Medic	w # FTE Dactors		13m 2033	Feb 2022	Mar 2022 0.6	Apr 2032	May 2022	June 2022	July 2022 0.6	Aug 2022	Sep 2022 0.6	Oct 2022	Nev 2022 0.6	0.6	0.6	0.6	0.6
dien pd as ter	4 Patients/Hour		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
	Hours/Month (7.5 hr/cay = 5 days/se = 4 wis/yr) Pain Patient #5 - initial/treatments with doctor		150 180	150	150 180	150 180	150 180	150 180	150 180	150 160	150 180	150 180	150 180	150 180	150 180	150 180	150 180
	Pain Patient - Revenue	150	27,000.00	27,000,00	27,000 00	27,000.00	27,000 00	27,000.00	27,000 00	27,000.00	27,000.00	27,000 00	27,000.00	27,000,00	27,000 00	27,000 00	27,000 00
	→ # FTE Nurses		1	- 1	1	- 1	1	1	1	1	1	1	1	1	1	1	1
H INCOME IN	Patients/Hour		4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
	Hours/Month (7 S his/day = 5 days/wk = 4 wks/yr)		150 600	150 600	150 600	150 600	150 600	150 600	150 600	150 600	150 600	150 600	150	150 600	150 600	150 600	150 600
	Pain Patient #s - followups Pain Patient - Revenue	:10	6,000 00	6,000,00	6,000,00	6,000,00	6,000,00	6 000.00	6,000,00	6,000,00	6.000.00	6.000.00	6.000.00	6,000,00	6,000.00	6 000 00	6,000,00
				44	-	-											
	Total Private Pay		33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00	33,000.00
	Consultants - MDs - FTE	150	0.6	0,6 13,500.00	0.6	0.6 13,500.00	0.6	0.6	0.6 13.500.00	13,500.00	0.6 13,500.00	0.6 13,500.00	0.6 13,500.00	0.6 13,500.00	0.6	0.6 13,500.00	0.6 13,500.00
	Cost - Consultants - MD (per hour)	150	13,500.00	13,500.00	13,500.00	13,500.00	13,300.00	13,300.00	13,300.00	13,300.00	13,200.00	13,300.00	13,300.00	24,700.00	14,300.00	13,300.00	15,300.00
			-	33,000,00	10,000,00	15,000.00	30,000.00	10.0			_	-		The same of	-		-
4210	4210 - Revenue - Private Pay		13,000.00	33,000.00	10,000.00	15,000.00	30,000.00					-					
	Total Revenue		33,000 00	33,000 00	10,000 00	15,000 00	20,000 00	20,000,00	20,000 00	20,000 00	20,000 00	20,000 00	20,000 00	20,000.00	20,000.00	20,000.00	20,000 00
5005	5005 - Consultants - MDs		13,500.00	13,500.00	13,500 00	13,500.00	14,750.00	14,750 00	14,750.00	14,750.00	14,750.00	14,750.00	14,750.00	14,750.00 250.00	14,750.00 250.00	14,750.00 250.00	14,750.00 250.00
5305	S305 - Medical Supplies		250 00	250.00	250 00	250 00	250 00	250 00	250,00	250 00	250.00	250.00	250.00	250.00	250.00	250.00	250 00
	Total Cost of Sales		13,750 00	13,750,00	13,750 00	13,750.00	15,000 00	15,000.00	15,000 00	15,000.00	15,000 00	15,000 00	15,000.00	15,000.00	15,000.00	15,000.00	15,000 00
	Gross Margin		19,250.00	19,250.00	(3,750 00)	1,750.00	5,000.00	5,000.00	5,000.00	5,000 00	5,000 00	5,000.00	5,000 00	5,000 00	5,000.00	5,000.00	5,000.00
6205	6205 - Rent		4,681.17	4,681,17	4,681 17	4,681.17	4,681.17	4,681.17	4,681.17	4,681 17	4,681,17	4,681.17	4,681,17	4,681,17	4,681.17	4,681.17	4,681.17 (4.385.07)
6205	6206 - Rent Adj - IFRS 16	6,58%	(4,385.07) 308.09	(4,385 07)	(4,385 D7) 308.09	(4,385.07)	(4,385.07) 308.09	(4,385.07)	(4,385.07) 308.09	(4,385 07) 308 09	(4,385 07) 308 09	308.09	(4,385 07) 308 09	(4,385 07) 308.09	308.09	308.09	308.09
6215 6220	6215 - Utilities - COGS 6220 - Telephone & Internet - COGS	7.83%	368.09	366.56	366.56	366.56	366.56	366.56	366.56	366.56	366.55	366.56	366 56	366.56	366.56	366.56	366.55
6230	6230 - Janitorial Expense - COGS	5,46%	255.47	255.47	255.47	255.47	255.47	255.47	255.47	255.47	255.47	255.47	255.47	255,47	255.47	255.47	255.47
5520 6010	5520 - Training Fee		1,250.00	1,250,00	1,250.00	1,250,00	1,250.00	1,250.00	1,250.00	1 250.00	1,250.00	1,250.00	1.250.00	1.250.00	1.250.00	1.250.00	1.250.00
6105	6010 - Consultants - Bus Develop 6105 - Advertising/Marketing		300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
6130	6130 - Printed Materials		300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300,00
6155	6155 - Bus Dev - Travel		500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00 0.00	0.00	500.00 0.00	500.00
630\$ 6310	6305 - Wages - Call Centre 6310 - Wages - Educators		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6315	6315 - Wages - Rursing (QC)		6,586.67	6,586.67	6,586.67	6,586.67	6,586.67	6,586.67	6,586.67	6,586.67	6,586.67	6,586.67	6,586.67	6,586.67	6,718.40	6,718.40	6,718.40
6325	6325 - Wages - Admin (QC)		4,029.56	4,029,56	4,029.56	4,029.56	1,578.72	4,776.03	3,986.67	3 986.67	3,986.67	3,986.67	3,986.67	3,986.67	4,066.40	4,065.40	4,066.40
6370 6355	6370 - QPP 6355 - EI		616.80 234.83	616,80 234,83	616.B0 234.B3	616.80 234.83	474.41 180.62	660.18 251.35	614.32 233.89	614.32 233.89	545.72 233.89	231.63	231.63 88.19	231.63	366.15 148.48	366.15 148.48	366.15 148.48
6360	6360 - EHT		0.00	0.00	0.00	D.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6365	6365 - WSIB		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6375	6375 - Benefits 6395 - Bonus		932.03	932.03	932.03	932.03	929.28	929.28	687.59	687.59	687.59	687.59	687.59	687.59	1,165.04	1,165.04	1,165.04
6395 6405	6405 - Office Expenses		0.00 500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
6420	6420 - IT/Software		750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00
6455	6455 - Travel - Admin		0.00	1,000.00	100.00	100.00	1,000.00	100.00	100.00	1,000.00	100.00	100.00	1,000.00	100.00	100.00	0.00 100.00	100.00
6495 6615	6495 - Other 6615 - Insurance - General Liability		100.00 133,49	133.49	133.49	133,49	133,49	133,49	133.49	133.49	133.49	133.49	133,49	133,49	133.49	133.49	133.49
5620	6620 - Insurance - Cyber tlability		124.06	124.06	124.06	124.06	124.06	124.06	124.06	124.06	124.06	124.06	124.06	124,06	124.06	124.06	124.06
6805	6805 - Bank Fees		40.24	40.24	40.24	40.24	40.24	40,24 365,99	40.24 365.99	40.24 365.99	40.24 365.99	40.24 365.99	40.24 365.99	40.24 365.99	40,24 365,99	40.24 365.99	40.24 365.99
6810	6810 - Credit Card Fees	1.83%	603.88	603.88	182.99	274.49	365.99	165.99	365.99	303.99	305.99	303.55	363.99	303.93	303.33		
	Total SG&A		18,227.77	19,227.77	17,806 89	17,898.39	16,339 70	18,793 51	17,699.14	18,699 14	17,630 54	17,193 29	18,170 75	17,170.75	18,054.47	18,054 47	18,054 47
	EBITDA		1,022 23	22 23	(21,556 89)	(16,648 39)	(11,339.70)		(12,699 14)	(13,699 14)						(13,054 47)	
8410	8410 - Amortization		370 22	370 22	370 22	370 22	370 22	370 22	370.22	370.22 3.579.88	370 22 3.579 88	370 22 3.579 88	370.22 3 579.RB	370.22 3 579 88	370 22 3 579 88	370 22 3 579 88	370 22 3.579 88
8450 8215	8450 - Depreciation (Lesse) 6215 - Interest Expense (Lesse)		3,579 #8 1,156 75	3,579 B8 1,131.01	3,579 #8 1.105 06	3,579 88 1,078 90	3,579 &B 1.052 \$4	3,579 48 1,025 97	3,579 A8 999 18	972 18	944 96	917 53	889 BB	862 01	833.92	805.59	777 06
9213	Total Other Expense		5,106 85	5,081 11	5,055 16	5,029.00	5,002.64	4,976 07	4,949 28	4,922 28	4,895 06	4,867.63	4,839.98	4,812,11	4,784.02	4,755.69	4,727.16
						_											(47 Pet 50)
	Net Income		(4,084 62)	(5,058 88)	(26,612,05)	(21,677 39)	[16,342,34]	(18,769 58)	(17,648 42)	(18,621.42)	(17,525.60)	(17,060,92)	[18,010.72]	(16,982 86)	(17,838 49)	(17,810 17)	[17,/81 bd]

VLOOKUP - Data Fore	reast		5	6	,		,	10	11	12	13	14	15	16	17	10
		2022 - Q1	2022 - Q1	2022 - QI	2022 - Q2	2022 - Q2	2022 - 02	2022 - Q3	2022 - Q3	2622 - Q3	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - Q1
Silver		Forecast Jan 2022	Ferecast Feb 2022	Forecast Mar 2022	Forecast Apr 2022	Forecast May 2022	Forecast June 2022	Forecast July 2022	Foretzst Aug 2022	Forecast Sep 2022	Forecast Oct 2022	Forecast Nov 2022	Forecast Dec 2022	Sonicast Jan 2023	Feb 2023	Mar 2023
	PROVINCIAL BILLING REVENUE								-	AFN	Arm	0.5%	0.646	2%	2%	2%
	Growth % over PY Friedlander, M Average Billing/Appointment	0,5% 15 254.00	0.5% 45 254.00	0.5% 60 254.00	0,5% 60 254.00	0.5% 60 254 00	0.5% 60 254.00	0.5% 70 547.00	0.5% 76 747.00	0.5 N 30 347.00	0.5% 20. 347.00	76 347.00	0.5% 70 347.00	50 428.00	70	20 425.00
359	Provincial Billing - Group 6 Consultants - MDs	3,810 00 2,476 50	11,430 00 7,429 50	15,240 00 9,906 00	15,240 00 9,906 00	15,240 00 9,906 00	15,240.00 9,906.00	24,290.00 15,788 50	24,290.00 15,788.50	24,290.00 15,788.50	24,290.00 15,788.50	24,290.00 15,788.50	24,290 00 15,788 50	21,250 00 13,812 50	29,750 00 19,337.50	34,000 00 22,100 00
grawth % ave	Gofeld, M Average Billing/Appointment	160 200 00	185 200.00	236	186	200.00	134	14500	114	554) 545.20	154	134	19.00	130 125.00	125.00	110 125.00
309	Provincial Billing - Group 6 Consultants - MDs	32,000 00 22,400 00	37,000 00 25,900 00	47,200 00 33,040 00	37,200 00 26,040 00	26,800 00 18,760 00	19,430 00 13,601 00	19,430 00 13,601 00	19,430 00 13,601 00	19,430.00 13,601.00	19,430.00 13,601.00	19,430.00 13,601.00	19,430.00 13,601.00	16,250 00 11,375 00	10,625.00 7,437.50	13,750 00 9,625 00
галтореті ыр (г	Kunnumpurath, S Average Billing/Appointment	110 173.78	121 173,78	134 173,78	121 173.78	134 173.78	141	190	200 40	200.00	185,00	181 DO	203.00	55 178.00	50 175.00	60 175.00
455	Provincial Billing - Group Consultants - MDs	19,115 80 10,513 69	21,027,38 11,565.06	23,286 52 12,807 59	21,027 38 11,565 06	23,286 52 12,807 59	25,012 00 13,756 60	10,140 00 5,577 00	10,140 00 5,577 00	10,140,00 5,577,00	10,140.00 5,577.00	10,140.00 5,577.00	10,140 00 5,577 00	9,625 00 5,293 75	10,500 00 \$,775 00	10,500 00 5,775 00
president	Morgan, A Average Billing/Appointment	48 225 00	47 225 00	57 225 00	35 225 00	225.00	46 230.71	49	220 71	230.71	24	40 260 / L	27	40 215.00	40 215 00	40 315 00
309	Provincial Billing - Group Consultants - MOL	10,800 00 7,560 00	10,575.00 7,402.50	12,825 00 8,977 50	7,875 00 5,512 50	9,000 00 6,300 00	10,612 66 7,428 86	11,304 79 7,913 35	5,075 62 3,552 93	9,459,11 6,621,38	5,537,04 3,875,93	9,228 40 6,459 88	6,229.17 4,360.42	8,600 00 6,020 00	8,600 00 6,020 00	8,600 00 6,020 00
pushkee	Motioni, F Average Billing/Appointment	230 250 00	206 250 00	224 250.00	214 250 00	196 250 00	217.00	176 217.00	198	201	186	201	201 237.00	160 240.00	210 249.80	250 240 GO
325	Provincial Billing - Group Consultants - MOs	57,500 00 39,100 00	51,500,00 35,020,00	56,000.00 38,080.00	53,500 00 36,380 00	49,000 00 33,320 00	52,851 00 35,938 68	41,712 00 28,364 16	46,926 00 31,909 68	47,637,00 32,393,16	44,082.00 29,975,76	47,637.00 32,393.16	47,637.00 32,393.16	38,400 00 26,112 00	50,400.00 34,272.00	60,000 00 40,800 00
grawth % ove	- Smith, K Average Billing/Appointment	147 200 DO	151 200 00	126 200.00	146 200 00	148 200.00	169	120 190.00	120 196.00	110	110 190.00	190.00	190,00	110 189.00	105 180.00	140 180,00
359	Provincial Billing - Group Consultants - MOs	29,400 00 19,110 00	30,200.00 19,630.00	25,200.00 16,380.00	29,200 00 18,980 00	29,600 00 19,240 00	32,110.00 20,871.50	14,820 00	22,800 00 14,820 00	22,800 00 14,820 00	22,800.00 14,820.00	22,800 00 14,820 00	22,800 00 14,820 00	19,800 00 12,870 00	18,900 00 12,285 00	25,200 00 16,380 00
STUE	FTE - Q1 2022 Average Billing/Appointment	40 275 00	40 275.00	40 275,00	40 275.00	210 157,02	100 E	100	430 19100	100.00	320 310.00	XXX Aut all	210 200 mil	115 205.22	118 205.22	115 205.22
355	Provincial Billing - Group Consultants - MOs	11,000 00 7,150 00	11,000.00 7,150.00	11,000 00 7,150 00	7,150 00	18,590.00 12,083.50	18,590.00 12,083.50	18,590 00 12,083 50	18,590.00	18,590 00 12,083 50	18,590.00 12,083.50	18,590 00 12,083 50	18,590 00 12,083 50	23,600 00 15,340 00	23,600 00 15,340 00	23,600.00 15,340.00
SHE	FTE - Q3 2022 Average Billing/Appointment		1	275,00	275 00	275 00	275.00	275.00	275.00	275,00	275,00	275.00	275.00	275.00	275 00	275.00
35%	Provincial Billing - Group Consultants - MDs			0 00	0 00 0 00	0 00	0.00	0.00	0 00	0.00	0 00	0 00	0 00	0 00	0.00	0.00
	Grawth % over PY	0,5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
reduced busines	Djurrc, V Average Billing/Appointment Provincial Billing - Non-Group	94 227,98 21,430,12	79 227,98 18,010,42	105 227,98 23,937,90	227 98 26,901 64	227 98 23,937 90	124 227,98 28,269,52	227 98 36,476 80	227.98 36,476.80	227 98 36,476 80	227.98 36,476.80	227 98 36,476 80	227 98 36,476 80	230.00 36,800.00	230.00 29,900 00	160 230.00 36,800 00
339	Consultants - MOs	14,358 18	12,066 98	16,038,39	18,024 10	16,038 39	18,940 58	24,439 46	24,439.46	24,439,46	24,439,46	24,439 46	24,439 46	24,656.00	20,033 00	24,656 00
	Glazman, T Average Billing/Appointment Provincial Billing - Non-Group	146 369 00 53,874 00	164 369 00 60,516 00	182 369 00 67,158 00	178 369 00 65,682 00	168 369 00 61,992 00	201 369 00 74.169 00	369 00 61,992 00	369 00 61,992 00	369.00 61,992.00	165.00 61.992.00	369 00 61,992 00	169.00 61.992.00	335.00 46,900.00	335.00 53,600 00	190 325.00 63,650 00
33%	6 Consultants - MOs	36,095 58	40,545,72	44,995.86	44,006 94	41,534 64	49,693 23	41,534.64	41,534.64	41,534 64	41,534.64	41,534 64	41,534 64	31,423 00	35,912 00	42,645 50
	Isles, K Average Billing/Appointment Provincial Billing - Non-Group	84 400,86 33,672,24	79 400.86 31.667.94	102 400.86 40,887.72	96 400 86 34,473 96	83 400 86 33,271 38	95 400 86 38,081 70	400 86 34,073 10	76 400 86 30,465 36	88 400 86 35,275 68	78 400.86 31,267.08	71 400 86 28,451 06	78 400 86 31,267 08	75 400 86 30,064 50	400 86 30,064 50	75 400 86 30,064 50
369	6 Consultants - MDs	21,550 23	20,267 48	26,168 14	22,063 33	21,293 68	24,372 29	21,806 78	19,497.83	22,576 44	20,010 93	18,215 08	20,010 93	19,241 28	19,241 28	19,241 28
Ruar escopy	Provincial Billing - Group 6 Consultants - MDs	7,500.00 5,025.00	10,000.00	15,000.00	20,000 00	25,000 00 16,750 00	25,000 00 16,750 00	25,000 00 16,750 00	25,000 DD 16,750 OD	25,000 00 16,750 00	25,000 00 16,750,00	25,000 00 16,750 00	25,000 00 16,750 00	25,000 00 16,750 00	25,000 DO 16,750 DO	25,000 00 16,750 00
-	Provincial Billing - Group	171,125 80					198,845 66	173,266 79	172,251.62		169,869.04			162,525 00 113.764 50		200,650 00
	Provincial Billing - Non-Group Consultants - MDs				213,027 93				128,934 16 199,554 54	206,185.07	198,456,72	201,662 21			192,403 28	,
	N-N-2/18-7-15N/6															
	NON-OHIP REVENUE Non-OHIP Growth Non OHIP Revenue	17,500 00	17,500,00	20,000.00	20,000 00	20,000.00	20,000.00	20,000.00	20,000 00	20,000,00	20,000,00	20,000 00	20,000 00	19,250,00	19,250 00	22,000 00
00,000	Non-OHIP - Ketamine (patients)	6,000 00	10 6,000 00	9.000 00	15 9,000 00	9,000.00	9.000 00	15 9.000 00	15 9.000 00	15 9,000.00	15 9,000.00	15 9,000 00	15 9,000 00	15 9.000 00	9,000 00	9,000 00
	Non-OHIP Revenue	23,500 00	23,500 00	29,000 00	29,000.00	29,000 00	29,000 00	29,000 00	29,000 00	29,000.00	29,000.00	29,000 00	29,000 00	28,250 00	28,250 00	31,000 00
32%	Doctor's % - Non-OHIP patients REVENUE	12,920.00	12,920.00	15,130.00	15,130 00	15,130.00	15,130 00	15,130.00	15,130 00	15,130 00	15,130 00	15,130 00	15,130 00	14,620 00	14,620.00	16,490 00
4105 4110	4105 - Provincial Billing - Group 4110 - Provincial Billing - Non-Group	108,976 36	110,194,36	131,983 62	127,057 60	119,201 28	140,520 22	132,541 90	172,251 62 128,934 16	133,744.48	129,735.88		174,116 17 129,735 88 29,000 00	162,525 00 113,764.50 28,250 00	177,375 00 113,564 50 28,250 00	200,650 00 130,514 50 31,000 00
4210 4220 4230	4210 - Non OHIP Patients 4220 - Medico Legal Reports 4210 - Photocopying Files	23,500 00 200 00 1,000 00	23,500.00 200.00 1,000.00	29,000.00 200.00 1,000.00	29,000 00 200 00 1,000 00	29,000.00 200,00 1,000.00	29,000,00 200,00 1,000,00	200 00 1,000 00	200,00 1,000.00	200 00	200.00	200 00				
430S 4320	4305 - Allied Health 4320 - Research Projects	0,00 4,000,00	0,00 4,000,00	0,00 4,000.00	0,00 4,000,00	0.00 4,000 00	0.00 4,000.00	0.00 4,000.00	0.00 4,000.00	0,00 4,000.00	4,000.00	0 00 4,000 00	0,00 4,000,00	0,00 4,000,00	4,000 00	0 00 4,000 00
4315 4380 4385	4315 - Other Revenue 4380 - Rental Revenue 4385 - Sundry Income	2,000 00 2,800 00 6,500 00	2,000.00 2,800.00 6,500.00	2,000,00 2,800,00 6,500,00	2,000.00 2,800.00 6,500.00	2,000.00 2,800.00 6,500.00	2,000.00 2,800.00 6,500.00	2,000 00 2,800 00 6,500 00	2,000 00 2,800 00 6,500.00	2,000.00 2,800.00 6,500.00	2,000.00 2,800.00 6,500.00	2,000 00 2,800 00 6,500 00	2,000 00 2,800,00 6,500.00	2,000.00 2,800.00 6,500.00	2,000 00 2,800 00 6,500 00	2,000.00 2,800.00 6,500.00
4303	Total Revenue					361,217 80	384,865 88		346,685.78		345,104.92	349,545 26	349,352 05	321,039 50	335,689 50	378,664 50
5005	COS 5005 - Consultants - MOs	185,339.18	193,677.24	223,593.48	213,027.93	208,033 80	223,342.24	202,678 39	199,554.54	206,185 07	198,456,72	201,662 21	201,358 61	182,893,53	192,403 28	219,332,78
32% 5010 5015	S010 - Doctor's % - Non-OHIP patients S015 - Doctor's % - Medico Legal Reports	12,920.00 200.00	12,920,00 200,00	15,130,00 200,00	15,130 00 200 00	15,130.00 200.00	15,130.00 200.00	15,130.00 200.00 750.00	15,130,00 200,00 750,00	14,620.00 200.00 750.00	14,620,00 200,00 750,00	16,490,00 200,00 750,00				
5045 5305 0.06% 5310	5045 - Consultants - Nurses 5305 - Medical Supplies 5310 - Linens & Laundry	750 00 16,974 37 227 43	750.00 17,654,44 236.54	750.00 20,322,19 272,28	750.00 19,493.09 261.17	750 00 19,154 65 256 64	750.00 20,408.66 273.44	750 00 18,629 19 249 60	750.00 18,384.05 246.31	750,00 18,909 28 253,35	750,00 18,300 22 245,19	18,535 68 248 35	18,525,44 248,21	17,024 08 228.09	17,800.94 238.50	20,079 82 269 04
2 02% 5315 0 26% 5320	5315 - U/S Needles 5320 - Orug/Medical Tests	7,094.76 923.02	7,379 01 960 00	8,494,05 1,105,07	8,147.51 1,059.98	8,006 05 1,041 58	8,530 19 1,109 77	7,786 43 1,013 01	7,683.96 999.68	7,903 50 1,028 24	7,648.93 995.12	7,747 34 1,007 92	7,743.06 1,007.37	7,115,54 925,73 796,50	7,440 24 967,97 632 84	8,392 74 1,091 89 939 46
0 23% 5325 0 30% 5330 0 24% 5335	5325 - Patient Record Expenses 5330 - Medical Waste 5335 + PRP Kits	794 17 1,037 04 857 10	825.99 1,078.58 891.44	950.80 1,241.57 1,026.14	912.01 1,190.91 984.28	896 18 1,170 24 967 19	954 85 1,246 85 1,030 S1	971 59 1,138 14 940 66	860 13 1,123 16 928 28	884.70 1,155 25 954.80	856,20 1,118 04 924.05	867 22 1,132 42 935 93	866,74 1,131 80 935,42	796,50 1,040.07 859,61	1,087,53 898,83	1,226.76 1,013.90
0 04% 5340 0 06% 5345	5340 - Patient Lounge Expense 5345 - Oxygen	131 99 209 89	137,28 218,30	158,02 251,28	151 58 241 03	148 95 236 85	158.70 252.35	144 86 230 35	142 95 227 32	147.04 233.81	142 30 226 28	144 13 229 19	144,05 229,07	132,38 210.50	138 42 220 11	156,14 248,29
3 24% 5360	5360 - Other Pharmaceuticals 5505 - Clinic Equipment - R&M	11,389 30 255 93	11,845 60 265,19	13,635 59 306.41	13,079 28 293 91	12,852 20 288 80	13,693 61 307.71	12,499 64 280 88	12,335 15 277_19	12,687.57 285.11	12,278 91 275,92	12,436 89	12,430,02	11,422.65 256.68	11,943 90 268 39	13,472 96 302 75
\$510 \$515	5510 - Ultrasound Equipment - Rental 5515 - Staff Development	815.44	815.44	815 44	815.44	815,44 485,00	815.44	815,44	815.44	815.44	815.44	815,44	815.44	815,44	815.44	815.44
5320 5390	5520 - Training Fee 5390 - CPSO Fee	347.02	147.92	347,92	347,51	1,540,00 347,92	347 92	347,92	347,92	347,92	347,92	347,92	347,92	347.92	347.92	347,92

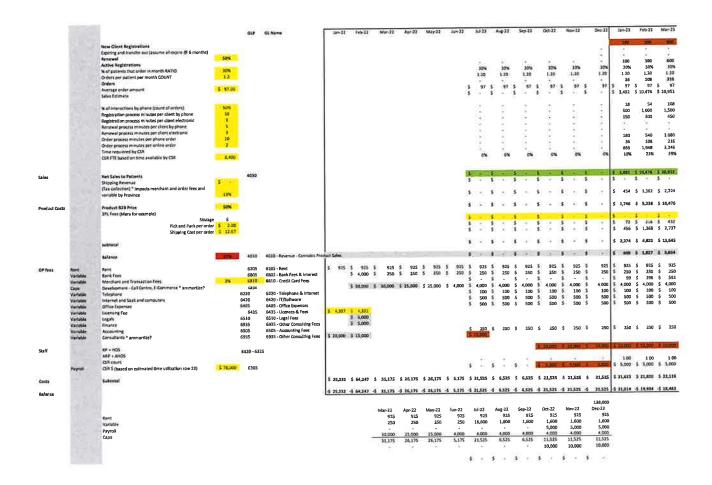
	Total COGS	240,267.55	250,203 97	288,600.25	276,086.06	272,321,50	288,552,25	263,706 10	260,006.08	267,871.07	258,711,23	262,470 14	262,142 45	239,638.72	250,974.33	285,129.90
	Gross Margin	79,834 61	82,722.77	94,634.89	91,513,92	88,896.30	96,313,63	87,602 59	86,679.70	88,719 52	86,393.69	87,075 12	87,209 50	81,400.78	84,715,17	93,534,60
	SG&A															
5115	5115 - Wages - Cilnic Management	3,292 50	3,292 50	3,292.50	3,292.50	3,292,50	3,292,50	3,292.50	3,292.50	3,292 50	3,292,50	3,292.50	3,292.50	3,292.50	3,292,50	3,292 50
6205	6205 - Rent - COGS	47,634 24	47,634.24	47,634.24	47,634,24	47,634,24	47,634.24	47,634 24	47,634 24	47,634 24	47,634,24	47,634,24	47,634 24	48,428,15	48,428 15	48,428 15
6206	6206 - Rent Adj - IFRS 16	(31,829.00)	(31,829,00)	(31,829 00)	(31,829 00)	(31,829.00)	(31,829.00)	[31,829.00]	(31,829.00)	(31,829.00)	(31,829.00)	(31,829.00)	(31,829,00)	(32,552 00)	(32,552 00)	(32,552.00)
5 71% 6215	6215 - Utilities - COGS	2,982 80	2,982 80	2,982.80	2,982,80	2,982,80	2,982.80	2,982.80	2,982 80	2,982 80	2,982.80	2,982 80	2,982 80	3,032,51	3,032,51	3,032,51
2 58% 6220	6220 - Telephone & Internet - COGS	1,349 64	1,349.64	1,349 64	1,349 64	1,349 64	1,349 64	1,349.64	1,349 64	1,349 64	1,349 64	1,349 64	1,349 64	1,372,13	1,372 13	1,372,13
1,45% 6225	6225 - Repairs & Maintenance - COGS	757.47	757,47	757.47	757.47	757.47	757.47	757.47	757.47	757.47	757.47	757.47	757.47	770,10	770.10	770 10
4 92% 6230	6230 - Janitorial Expense - COGS	2,570.72	2,570.72	2,570 72	2,570.72	2,570.72	2,570.72	2,570 72	2,570.72	2,570 72	2,570.72	2,570.72	2,570,72	2,613,56	2,613 56	2,613 56
6235	6235 - Security & Monitoring - CDGS	42.75	42.75	42.75	42.75	42.75	42.75	42 75	42.75	42.75	42.75	42.75	42.75	42,75	42.75	42.75
6010	6010 - Wages - Business Development - Consultants	12,000 00	12,000 00	12,000,00	12,000,00	12,000,00	12,000.00	12,000.00	12,000.00	12,000.00	12,000,00	12,000.00	12,000 00	13,170,00	13,170,00	13,170.00
6105	6105 - Advertising Expense	2,500.00	2,500,00	2,500.00	2,500.00	2,500,00	10,000.00	10,000 00	10,000.00	10,000.00	2,500,00	2,500.00	2,500 00	2,500,00	2,500.00	2,500.00
6120	6120 - Finder's/Training Fee	1,000 00	1,000 00	1,000.00	1,000,00	1,000,00	1,000.00	1,000.00	1,000.00	1,000.00	1,000,00	1,000 00	1,000 00	1,000 00	1,000 60	1,000 00
6315	6315 - Wages - Nursing	40,785 53	40,785 53	40.785.53	40,785.53	44,407,14	44,407.14	44,407,14	44,407 14	44,407,14	44,407,14	44,407.14	44,407.14	45,445,98	45,445,98	45,445.98
6320	6320 - Wages - Management	0.00	0.00	0.00	0.00	0.00	0.00	7,000 00	7,000 00	7,000 00	7,000.00	7,000.00	7,000 00	7,000.00	7,000.00	7,000 00
6325	6325 - Wages - Admin	34,775.72	34,775.72	34,775 72	34,775,72	28,845.33	28,845,33	28,845,33	28,845 33	28,845.33	28,645,33	28,845.33	28,845.33	29,422,24	29,422 24	29,422 24
6350	6350 - CPP	4,118.11	4,118.11	4,118 11	4,118.11	3,992.25	3,992.25	3,992.25	3,992.25	3,794.75	2,986.95	2,439 02	1,670.31	4,080 32	4,080 32	4,080.32
6355	6355 - EI	1,671,40	1,671.40	1,671.40	1,671,40	1,620 32	1,620,32	1,620 32	1,620 32	1,614 96	1,332 24	1,041 69	772 20	1,654,59	1,654,59	1,654,59
1.95% 6360	6360 - EHT	1,473.44	1,473,44	1,473 44	1,473 44	1,428 42	1,428 42	1,564.92	1,564 92	1,564 92	1,564 92	1,564 92	1,564 92	1,596.43	1,596 43	1,596 43
0.70% 6365	6365 - WSIB/CSST	528,93	S28,93	528.93	528,93	512.77	512,77	561.77	561.77	561.77	561.77	561.77	561.77	573.08	573 08	573 08
6375	6375 - Benefits	4,860,72	4,860,72	4,860 72	4,850,72	3,596.15	3,596,15	3 596 15	3,596.15	3,596,15	3,596,15	3,596 15	3,596 15	4,957,94	4,957,94	4,957.94
6380	6380 - Payroll Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0 00	0.00
6395	6395 - Bonus	0 00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00
6405	6405 - Office Supplies	750.00	750.00	750.00	750.00	750.00	750.00	750 00	750 00	750.00	750.00	750.00	750.00	750.00	750 00	750.00
6410	6410 - Postage & Courier	350.00	350.00	350.00	350.00	350.00	350.00	310.00	350.00	350,00	350.00	350.00	350.00	350.00	350,00	350 00
6420	6420 - Software Expenses	6,035,50	6,035.50	6,035 50	6,035.50	6,035.50	6,035.50	6,035,50	6,035.50	6,035.50	6,035.50	6,035.50	6,035.50	6,046.21	6,046.21	6,046.21
6450	6450 - Meals & Entertainment	500.00	500.00	500 00	500.00	500.00	500.00	500.00	500.00	500.60	500.00	500,00	500 00	500.00	500.00	590.00
6455	6455 - Travel - Admin	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6480	6480 - Bad Debt Expense	0.00	0.00	0.00	0,00	0.00	0,00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00
6495	6495 - Other Expenses	1,000.00	1,000 00	1,000 00	1,000 00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000 00	1,000 00	1,000,00	1,000.00
6515	6515 - Consultants - Other	3,512 00	3,512.00	3,512 00	3,512.00	3,512 00	3,512 00	3,512.00	3,512 00	3,512 00	3,512,00	3,512.00	3,512 00	3,512 00	3,512 00	3,512.00
5% 6615	6615 - Insurance - General Liability	1,334.89	1,334.89	1,334 89	1,334.89	1,334.89	1,334.89	1,334.89	1,334.89	1,334.89	1,334.89	1,334.89	1,334.89	1,334.89	1,334 89	1,334.89
6620	6620 - Insurance - Cyber Liability	124 06	124 06	124.06	124,06	124.06	124.06	124,06	124 06	124.06	124,06	124.06	124 06	124.06	124 06	124 06
6805	6805 - Bank Fees & Interest	150.00	110.00	150.00	150.00	150.00	150.00	150,00	150 00	150.00	150,00	150.00	150.00	150.00	150.00	350.00
0.09% 6810	6810 - Credit Card Fees	300 68	312,73	359.99	345 30	339 31	361.52	330 00	325 66	334.96	324 17	328 34	328 16	301 56	315.33	355 69
	Total SG&A	144,572.11	144,584,15	144,631.41	144,616,72	140,799.25	148,321.47	155,475,45	155,471,10	155,277,55	146,676,24	145,841,93	144,803 55	152,468 99	152,482.75	152,523 12
	EBITDA	(64,737,50)	(61,061,38)	(49 996 52)	(53.102.00)	(51,902.96)	(57.007.84)	(67.872.86)	(68,791.41)	(66.558.03)	(60.282.55)	(58.766.81)	(57,593.95)	(71,068.22)	(67,767.59)	(58,988.52)
	EUIDA	(04,707.30)	(ox,sozza)	(10,0000)	(sujaoniae)	(01)388870)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,	,_,_,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			,			
8205	8205 - Interest Expense	1,002.74	990 13	977.38	964.52	951 53	938.41	925.16	911.78	898 27	884.62	870.85	856.93	842 87	828 68	B14.36
8215	B215 - Interest Expense (Leases)	5,583.79	5,374 51	5,163.56	4,950.92	4,736.60	4,520 56	4,302.80	4,083 30	3,862.05	3,639.04	3,414 25	3,187.66	2,959.27	2,723.30	2,485.44
8325	8325 - Accretion - Finance Fees	487.83	446.98	501 32	492 16	515 67	506 24	530 42	538.08	528.24	553.48	543.36	569.31	0.00	0.00	0.00
8405	8405 - Depreciation	7,949.77	7,949.77	7,949.77	9,599,77	9,599.77	9,599.77	9,599,77	9,599.77	9,599.77	9,599,77	9,599,77	9,599,77	9,599,77	9,599.77	9,599.77
8450	8450 - Depreciation (Leases)	24,536.07	24,536.07	24,536,07	24,536.07	24,536.07	24,536 07	24,536.07	24,536 07	24,536 07	24,536.07	24,536.07	24,536.07	24,536 07	24,536.07	24,536.07
																22.425.52
	Total Other Expenses	39,560 20	39,297 46	39,128 10	40,543 44	40,339 63	40,101 04	39,894 21	39,669 00	39,424 40	39,212.97	38,964 29	38,749 74	37,937,98	37,687 81	37,435 63
	Net Income	пинининия	######################################	(89,124 62)	(93,646.24)	(92,242 59)	(92,108 88)	#esesess##	HHANHUREN	Helithhelill	(99,495.52)	(97,731 10)	(96,343,69)	KARRESSAN	nnnipessen	(96,424 15)

VLOOKUP - Data Fore Check ->	ecast		s#	5	6	*	*	,	10	n	12	13	14	15	16	17	18
			2022 - QI	2022 - Q1	2022 - Q1	3055 + Q2	2022 - Q2	2022 - 92	2022 - 03	2022 - Q3	2022 - Q3	2022 - Q4	2022 - Q4	2022 - Q4			2023 - Q1
Slawner Ortho			Forecast Jan 2022	Forecast Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jun 2023	Feb 2023	Mar 2023
4445 4450 4455 4460 4465 4470 4475 4480 4485	REVENUE 4450 - Admin 4450 - Admin 4450 - Admin 4450 - Externation 4450 - Externation 4450 - Externation (Custom) 4470 - Medical 4475 - Orthotic 4480 - Shoes 4480 - Shoes 4485 - Prosthetic 4495 - Sales Discounts		287.50 27,059.01 4,723.28 274.93 21,403.07 131.731.67 28,929.99 345.00 (5,906.40)	287 50 28,525 55 6,735 23 149 66 21,526 20 11,021 22,632 67 345 00 (6,022 38)	287 50 23,099 27 5,276,70 49.55 21,833.32 142,407.65 28,941.07 345.00 (6,116.13)	287 50 24,853 62 4,784 03 747 21 22,178 38 142,210 32 32,082 88 345 00 (6,211,87)	287.50 31,520.64 5,309.94 318.06 22,874.77 136,632.68 30,879.76 1,610.00 (6,291,37)	287, S0 34,524,75 5,679,65 2,223,94 26,501,94 140,244,68 31,430,11 1,610,00 (5,483,50)	287.50 24,270.34 3,535.46 242.60 25,123.92 154,629.91 31,534.12 1,610.00 (6,672.84)	287 50 30,234,10 3,827,63 1,093 89 30,953,65 139,868,70 31,429,53 1,610,00 (6,741,15)	517,50 26,400,47 5,934.10 521,21 29,476.21 153,508.05 30,796.34 1,610.00 (6,904.60)	517.50 24,290 08 3,756 56 309.50 30,925 34 152,354.16 26,409.10 00 (6,903,80)	1,414,50 27,468,81 3,801,33 98,35 25,926,14 157,298,07 35,225,47 1,610,00 (7,173,62)	1,414,50 37,666,00 5,420,62 441,58 25,476,70 135,363,24 35,225,47 1,610,00 (6,459,15)	316,25 29,764,91 5,195,61 302,43 23,543,98 136,459,34 31,822,99 379,50 (6,497,04)	316.25 31,378,11 7,408,75 164.62 23,678.82 141,809,78 24,895.94 379.50 (6,624.62)	316 25 25,409 19 5,804,37 54 51 24,016 66 145,255 80 31,835 18 379 50 (5,727,74)
4496	4496 - Cash Over/Short Total Revenue		210,900 05		216,123,93	221,277.07	223,141 98	236,019 07	234,561 02	232,573.86	241,859.28	233,278 44	245,669 05	231,158 95	221,287.36	223,407.15	226,343 71
5305	COST OF SALES 5300 Clinic & Medical Supplies 5305 - Medical Supplies		400.00	400 00	400.00	400.00	400.00	400.00	300.00	300 00	300,00	300.00	300 00	300 00	300.00	300,00	300.00
Sales	5300 Clinic & Medical Supplies 5400 Cost of Goods Sold		400.00	400 00	400 00	400.00	400.00	400 00	300 00	00 00E	300,00	300 00	300 00	300.00	300,00	300 00	300 00
\$445 \$450 \$455 \$460 \$465 \$470 \$475 \$480 \$485 \$490	5445 - Product COS 5450 - Admin 5455 - Compression 5450 - Electrotherapy 5465 - Fabrication (Custom) 5470 - Medical 5475 - Orthotic 5480 - Shoes 5485 - Prosthetic 5485 - Prosthetic	9,86% 44,00% 34,00% 31,00% 44,63% 22,00% 30,00% 42,00% 6,15%	28 34 11,905 97 1,605 91 85 23 9,552 12 29,432 41 8,679 00 144 90 12,970 35	28 34 12,551.24 2,289.98 46.39 9,607.08 30,586.42 6,789.80 144.90 13,112.33	28 34 10,163.68 1,794.08 15 36 9,744 14 31,329.68 8,682 32 144.90 13,291.62	28 34 10,935,59 1,626,57 231,64 9,898,14 31,286,27 9,624,86 144,90 13,608,54	28 34 13,869 08 1,805 38 98 60 10,208 94 30,059,19 9,263,93 676 20 13,723 23	28 34 15,190 89 1,931 08 689 42 11,827 73 30,853 83 9,429 03 676 20 14,515 17	28 34 10,678 95 1,202 06 75,21 11,212 73 34,018 58 9,460 24 676,20 14,425 50	28 34 13,303 01 1,301 39 339 10 13,818 98 30,771 11 9,428 86 676 20 14,303 29	\$1,00 11,616 21 2,017,59 161,58 13,155,14 33,771,77 9,238,90 676,20 14,874,35	\$1 00 10,687 63 1,277 23 95 95 13,801 #8 33,517,92 7,925 73 676 20 14,346 62	139 41 12,086 28 1,292 45 30 49 11,570 75 34,605 58 10,567 64 676 20 15,108 65	139 41 14,373 04 1,843 01 136 89 11,370 17 29,779 91 10,567 64 676 20 14,216 28	31 17 13,096 56 1,766 51 93.75 10,507 33 30,021 05 9,546 90 159 39 13,609 17	31.17 13,806.37 2,518.98 51.03 10,567.78 31,198.15 7,468.78 159.39 13,739.54	31.17 11,180.04 1,973.48 16.90 10,718.56 31,956.28 9,550.55 159.39 13,920.14
5905 5915	5900 - Shipping, Freight & Delivery 5905 - Courier & Postage 5915 - Freight in	0.10%	210.90	213,21	216 12 0 00	221 28 0.00	223,14 0.00	236,02 0,00	234.56 0.00	232 57 0 00	241,86 0.00	233,28 0.00	245 67 0 00	231,16 0.00	221.29 0.00	223,41 0.00	226 34 0 00
	5900 - Shipping, Freight & Delivery		210 90	213.31	216.12	221,28	223,14	236,02	234.56	232.57	241.86	233.28	245 67	231,16	221 29	223.41	226.34
	Total COGS Gross Margin		75,015 12 135,884 93	75,769,69 137,438,94	75,810 24 140,313 69	78,006.12 143,270.94	80,356 02 142,785 95	85,777,72 150,241,36	82,312,36 152,248.66	84,502,86 148,071,00	86,104 60 155,754 68	150,365 00	86,623 12 159,045 94	83,633.71 147,525.24	79,353 13	80,064 60 143,342 56	80,032 86 146,310 86
	Sales, General & Administration																
	6205 - Rent 6205 - Rent	Name from	36,519 33 3,300 00	36,519,33 3,300,00	36,519 33 3,300 00	36,519.33 3,300.00	36,519 33 3,300 00	36,519.33 3,300.00	40,519.33 3,300.00	40,519.33 3,300.00	40,519 33 3,300 00	40,519 33 3,300 00	40,519 33 3,300 00	40,519.33 3,300.00	40,519 33 3,300 00	40,519 33 3,300 00	40,519 33 3,300 00
6205	6205 - Rent 6206 - Rent Adj - IFRS 16 6205 - Rent Adj - IFRS 16 6206 - Rent Adj - IFRS 16 6206 - Rent Adj - IFRS 16	ITW IGH CHA Alleun Circ	39,819 33 (18,090 00) (3,750.00) (3,103 48) (3,300.00)	39,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	39,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	39,619 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	39,819 33 (18 090 00) (3,750 00) (3,103,48) (3,300 00)	39,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	43,819,33 (18,090,00) (3,750,00) (3,103,48) (3,300,00)	43,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	43,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	43,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	43,819 33 (18,090.00) (3,750.00) (3,103.48) (3,300.00)	43,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	43,819 33 (18,090,00) (3,750,00) (3,103,48) (3,300,00)	43,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)	43,819 33 (18,090 00) (3,750 00) (3,103 48) (3,300 00)
6205 6215 6220 6225 6230 6235	6206 - Rent Adj - IFRS 16 6215 - Utilities - COGS 6220 - Telephone & Internet - COGS 6225 - Repairs & Maintenance - COGS 6230 - Janitorial Expense - COGS 6235 - Security & Monitoring - COGS	Macue (tre 4.17% 3.59% 5.92% 5.76%	(26,243,48) 1,660 28 1,430 60 2,358 63 2,294 14 0 00	(28,243.48) 1,660.28 1,430.60 2,358.63 2,294.14 0.00	(28,243,48) 1,660 28 1,430 60 2,358 63 2,294 14 0 00	(28,243 48) 1,660 28 1,430 60 2,358.63 2,294 14 0 00	(28,243,48) 1,660,28 1,430,60 2,358,63 2,294,14 0,00	(28,243,48) 1,660,28 1,430,60 2,358,63 2,294,14 0,00	(28,243,48) 1,827 06 1,574 31 2,595 57 2,524 59 0 00	(28,243,48) 1,827 06 1,574 31 2,595,57 2,524 59 0 00	(28,243 48) 1,827 06 1,574 31 2,595,57 2,524 59 0,00	(28,243,48) 1,827,06 1,574,31 2,595,57 2,524,59 0,00	(28,243,48) 1,827 06 1,574 31 2,595 57 2,524 59 0 00	(28,243,48) 1,827,06 1,574,31 2,595,57 2,524,59 0,00	(28,243,48) 1,827,06 1,574,31 2,595,57 2,524,59 0,00	(28,243 48) 1,827,06 1,574 31 2,595 57 2,524 59 0 00	(28,243 48) 1,827.06 1,574 31 2,595 57 2,524 59 0 00
610S 6130 6155	6105 - Advertising Expense 6130 - Printed Materials 6155 - Business Development - Travel		\$50.00 \$80.00 \$00.00	850 00 500 00 500 00	850 00 500 00 500 00	850,00 500,00 500,00	850.00 500.00 500.00	850 00 500 00 500 00	850.00 500.00 500.00	850 00 500 00 500 00	850,00 500,00 500,00	850.00 500.00 500.00	500.00 500.00	850 00 500 00 500 00	650 00 500 00 500 00	850 00 500 00 500 00	850,00 500,00 500,00
6325 6340 6345 6355 6360 6365 6375 6375 6380	6325 - Wages - Admin (QC) 6340 - Wages - Clinicians 6345 - Wages - Clinicians 6345 - Wages - Warehouse/Production 6350 - EHT 6365 - WSIB/CSST 6370 - QPP 6375 - Benefits 6380 - Payroll Expense 6385 - Bonus	,	34,015 76 29,665 50 24,174,10 1,567 34 423,30 261,36 4,697,75 12,317,79 100,00 0,00	29,665.50	34,015,76 29,665,50 24,174,10 1,567,34 423,30 261,36 4,697,75 12,317,79 100,00 0,00	34,015.76 29,665.50 24,174.10 1,567.34 423.30 261.36 4,697.75 12,317.79 100.00	38,680.00 34,811.00 24,828.00 1,683.00 424.00 270.00 5,902.00 10,00	38,680 00 34,811 00 24,828 00 1,683 00 424 00 270 00 5,902 00 12,584 00 0 00	38,680 00 34,811 00 24,828 00 1,683 00 424 00 270 00 5,902.00 10,000 0 00	38,680 00 34,811 00 24,828 00 1,683 00 424 00 270 00 5,902 00 12,584 00 0,00	38,660,00 34,811,00 24,828,00 1,683,00 424,00 270,00 5,902,00 12,584,00 100,00	38,680.00 34,811.00 24,828.00 1,683.00 424.00 270.00 5,902.00 100.00	38,680 00 34,811 00 24,928 00 1,683 00 424 00 270 00 5,902 00 10,000	38,680 00 34,811,00 24,828,00 1,683,00 424,00 270,00 5,902,00 10,584,00 0,00	39,453,60 35,507,22 25,324,56 1,716,65 432,48 275,40 6,020,04 15,730,00 0,00	40,242 67 36,217,36 25,831 05 1,750 99 441.13 280 91 6,140 44 19,662 50 100 00 0.00	41,047.53 36,941.71 26,347.67 1,786.01 449.95 286.53 6,263.25 24,578.13 100.00 0.00
6405 6410 6415 6420 6425	6405 - Office Supplies 6410 - Postage & Courter 6415 - Computer Expenses 6415 - Office Repairs & Mainteneance 6425 - Office Repairs & Mainteneance 6430 - Equipment Rental		2,268 34 192,98 350 00 1,035 93 90 00	2,268 34 192 98 350 00 1,035 93 90 00	2,268 34 192 98 350 00 1,035 93 90 00	2,268.34 192.98 350.00 1,035.93 90.00	2,268.34 192.98 350.00 1,035.93 90.00	2,268 34 192,98 350 00 1,035 93 90 00	2,268 34 192 98 350 00 1,035 93 90 00	2,268 34 192,98 350 00 1,035,93 90 00	2,268 34 192 98 350 00 1,035 93 90 00	2,268 34 192 98 350 00 1,035 93 90 00	2,268.34 192.98 350.00 1,035.93 90.00	2,268.34 192.98 350.00 1,035.93 90.00	2,268 34 192 98 350 00 1,035 93 90 00	2,268 34 192 98 350 00 1,035 93 90 00	2,268 34 192,98 350 00 1,035,93 90 00
6430 6435 6440 6450 6455 6480 6495	6435 - Dues & Fees 6440 - Donations 6450 - Meals & Entertainment 6455 - Travel 6400 - Bad Debt Expense 6495 - Other Expense		375 00 300 00 270 18 1,845 77 42 51 735 72	375 00 300 00 270 18 2,845.77 42 51 735,72	375 00 300 00 270 18 1,845 77 42 51 735 72	375 00 300 00 270 18 1,845 77 42 51 735 72	375 00 300 00 270 18 2,845.77 42 51 735 72	375 00 300 00 270 18 1,845,77 42 51 735,72	375 00 300 00 270 18 1,845 77 42 51 735 72	375 00 300 00 270,18 2,845,77 42,51 735,72	375 00 300 00 270 18 1,845 77 42 51 735,72	375,00 300,00 270,18 1,845,77 42,51 735,72	375 00 300 00 270 18 2,845 77 42 51 735 72	375,00 300,00 270,18 1,845,77 42,51 735,72	375 00 300 00 270 18 1,845 77 42 51 735 72	375 00 300 00 270 18 2,845 77 42 51 735 72	375 00 300 00 270 18 1,845 77 42 51 735 72
6505 6510 6515	6505 - Accounting Fees 6510 - Legal Fees 6515 - Compiliants - Other		0 00 0 00 0 00		0 00 0 00 0 00	0 00 0 00 0 00	0 00 0 00 0 00	0 00 0 00 0 00	0 00 0 00 0 00	0 00 0 00 0 00	0.00 0.00 0.00	0 00 0 00 0 00	0 00 0 00 0 00	0.00 0.00 0.00	0 00 0 00	0 00 0 00	0.00 0.00 0.00
6615 6620	6615 - Insurance - General Liability 6620 - Insurance - Cyber Liability		1,304 09 124 06	1,304.09	1,304,09	1,304.09 124.06	1,304.09 124,05	1,304 09 124 06	1,304.09 124.06	1,304 09 124 06	1,304 09 124,06	1,304 09 124.06	1,304 09 174 06	1,304.09 124.05	1,304 09 124 06	1,304 09 124 06	1,304,09 124,06
8805 6810	6805 - Bank Fees & Interest 6810 - Credit Card Fees		80 00 1,191 29		80 00 1,191 29	#0.00 1,191.29	80.00 1,191.29	80 00 1,191 29	80 00 1,191 29	80 00 1,191 29	#0.00 1,191.29	80.00 1,191.29	80.00 1,191 29	80 00 1,191 29	80 00 1,191 29	80 00 1,191,29	1,191 29
	Total SG&A		138,598 27	139,598 27		138,598 27	151,657,37	150,657,37	155,435 25	156,435 25	155,435 25	155,435 25	156,435 25	155,435 25	160,713.21	167,820 31	173,954 03
#130 9110	EBITDA 8130 - Exchange Gain/Loss 8110 - Olher Income		(2,713.34)	(2,159,33)	1,715-42	4,672.67	(8,871.42)	(416.01)	(3,186 59)	(8,364.25)	319.43	(5,070 25)	2,610,69	(7,910.01)	(18,778.97)	(54/41,1°10)	(21,043.11)
#205	8205 - Interest Expense 8215 - Interest Expense (Leases) 8215 - Interest Expense (Leases) 8215 - Interest Expense (Leases) 8215 - Interest Expense (Leases)	ITW size Code Old Meanthry	11,849 49 1,208 96 1,620 77 1,099 13	1,608 95	1,168 28 1,597.03	11,699 01 1,147 69 1,585 02 1,099 13	11,648 04 1,126,94 1,572,91 1,099,13	11,596.67 1,106.02 1,560.70 1,099.13	11,544.90 1,084.94 1,548.40 1,099.13	11,492 70 1,063 69 1,536 00 1,099 13	11,440 10 1,042 26 1,523 50 1,099 13	11,387 07 1,020 67 1,510 90 1,099 13	11,333.62 998.91 1,498.20 1,099.13	11,279.74 976.97 3,485.40 1,099.13	11,725 44 954 86 1,472 50 1,099 13	11,170 70 932 57 1,459 50 1,099 13	11,115 52 910,10 1,446 39 1,099 13
8215	8215 - Interest Expense (Leases)	ACHIOTAL	_	15,696.50	15,614 00	15,530 84	15,447.02	15,362 53	15,277.37	15,191.52	15,104,99	15,017.78	14,929.86	14,841 25	14,751 93	14,661 89	14,571 14

8405	8405 - Depreciation		1,503.61	1,503.61	1,503.61 9.947.58	9,947,58	9 947 58	1,503.61 9,947.58	9,947.58	1,503.61 9,947.58	1,503.61 9,947.58	1,503 61 9,947.58	9,947.58	1,503.61. 9,947.58	9,547.58	3,947.58	1,503 61 9,947 58
	8450 - Depreciation (Leases)		9,947.58	9,547.58		2,630:10	2,630.10	2,630.10	7,630.10	2,610.10	2,630 10	2,630,10	2,630.10	2,630.10	2,630.10	2,630.10	2,630,10
	8450 - Depreciation (ceases)	split with HM	2,630.10		2,630.10 1,945.71	1.946.71	1.946.71	1,946.71	1,945.71	1,946.71	1,945.71	1,946,71	1.945.71	1,946.71	1,946.71	1,946.71	1,946.71
	8450 - Depreciation (Leases) 8450 - Depreciation (Leases)		1,946.71 2,614.62	2,614.62	2,614.62	2,614.62	2,614.67	2,614.62	2,614.62	2,614.62	2,614,62	2,614 62	2,614.62	2,614.62	2,614.62	2,614.62	2,614.62
8450	8450 - Depreciation (Leases)		17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139.01	17,139 01	17,139 01
	Total Other Expenses		34,420 97	34,339 12	34,256 62	34,173.46	34,089.64	34,005 15	33,919.99	33,834.14	33,747.61	33,660.40	33,572.48	33,483.87	33,394 55	33,304 51	33,213.76
	NET INCOME		(37,134.31)	(36,498.46)	(32,541.20)	(29,500.79)	(42,961.06)	(34,421 16)	(37,106 57)	(42,198.39)	(33,428.18)	(38,730.65)	(30,961.79)	(41,393.88)	(52,179.52)	(57,782 27)	(60,856 93)

Products improvement																		
			3	2022 - Q1	2022 - Q1	2022 - Q1	2022 - Q2	2022 - Q2	2022 - Q2	2022 - 03	2022 - Q1	2022 - Q3	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2071 - Q1	2023 - Q1
				Forecast	Forecast	Forecast	Forecast	Forecast	2022 Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	-	toretrie.	American
improveme				Inn 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 3022	Sep 2022	Oct 2022	Nov 2022 108.512 08	Dec 2022 113,442,93	Jan 2023	Feb 2021	Mar 2023
	nt between new Old @23%		23%		٥	8,277,34 7,615	8 277 34 7 615	11,781,51	13,450 74 12,159	43,964.46 33,955	52,852,18 40,703	78,818 25 60,130	104,976,98 78,622 104,977	81,357 108,512	85,172 113,443			
Ne		incremental revenue		126.186	0	662	8,277 6 62	11,782 943	13,451 1,292	43,964 10,009	52,852 12,149	78,818 18,688	26,355	27,155	28,271			
- Sizionio		Total 2022 Incremental reve		129,186														
	d LP Gross Reves	14,500,0	GU															
Monthly		RS Education Grant																
Net		(tist price less disc. & tax)	3%	- 6	lower, oil, vape	cencel aces	priet											
Up to SOK Op 10		3	48		75,000 75,000	26% 30%	7075											
00/10		30	6%	verage @ current			only applies to	AS.			Note: 75k at H2	= Current and s	new patients					
= =			=0.00															
Current	Products	Safes from Category	Convention	0.0%	0.0%	0.0%	0.0%	0.0N	0.0%	2.5%	3.0%	5.0%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
	RS DP	58% 1%	20% 250%	0.00	0.00	0 00	0 00	0.00	0.00	42,050 00 9,062 50	50,460 00 10,875 00	84,100 00 18,125 00	126,150 00 27,187 50	126,150 00 27,187 50	126,150 00 27,187 50	27,187.50	27,187,50	27,187,50
Flower, oil.	, vape, pre-roll,	40%	32%	0.00	0.00	0.00	0.00	0,00	0.00	17,400.00	20,880 00	34,800.00	52,200.00	52,200 00	52,200 00	52,200 00 205,537 50	52,200.00	52,200.00
	Revenue PHC Split	(overage booked here)		0.00	0.00	0.00	0.00	0.00	0.00	68,512,50 22,623,63	82,215 00 27,148 35	137,025 00 45,247 25	205,537,50 67,870,88	205,537 S0 67,870 88	67,870,88	67,870 88	67,870.88	67,870 \$8
	\$200k overage			no	no	ma	00	na	ne	PO	no	na	no	по	πo	no	na	no
					0 00									655	7-90-1	100	365	9 12
			Sew Patients Completes			0	0	0	306 306	400 706	468 1174	468 1642	2222	580	809 3611	3611	3611	3611
New atients			Patients						304	700	1174	1012			3855			
Patie	Products RS	An a Spenii 300	Conversion 23%	0.00	0.00	0.00	0.00	0.00	1,759.50	4,059,50	6,750 50	9,441 50	12,776 50	16,111.50	20,763,25	20,763.25		20,763,25
Flower, oil	DP , vape, pre-roll,	300 300	10%	0 00 0 00	0.00	0 00	0.00	0.00	765.00 1,530.00	1,765 00 3,530 00	2,935 00 5,870 00	4,105 00 8,210 00	5,555.00 11,110.00	7,005 00 14,010 00	9,027 50 18,055 00	9,027 50 18,055 00	9,027.50 18,055.00	
	Revenue			0.00	0.00	0.00	0.00	0.00	4,054.50	9,354,50	15,555 50	21,756 50	29,441,50	37,126.50		47,845,75		
	PHC Split			0.00	0 00	0.00	0.00	0.00	1,248.48	2,961,67	4,924 93	6,888 19	9,321.29	11,754 39	15,148 15	15,148 15	15,148 15	15,148 15
AVCN											110	Commitment	350,878.95					
Current Patients	Products	Sales from Category				e inc	d nev	2.00	2.0%	2.0%	2.0%	1.0%	3.0%	3.0%	3.0%	1.0%	3.0%	3.0%
	Micro Drops	58%	5%	0.00	0.00	1.0% 7,008.33 1.0%	1.0% 7,008 33 1.0%	2.0% 14,016 67 2.0%	14,016 67	14,016.67	14,016 67	21,025.00	21,025 00	21,025 00	21,025 00		21,025 00	
(Quick Dose Caps	58%	S% Conversion	0.00	0.00	7,008 33	7,008 33 1 0%	14,016 67	14,016 67 LON	14,016.67	14,016 67	21,025 00	21,025 00	21,025 00	21,025 00	21,025 00 1.0%	21,025 DO 1.0%	
	SL Spray	58%	1% Enversion	0 00	0.00	7,008 33 100.0%	7,008 33 100.0%	7,008 33 100 0%	7,008 33	7,008 33	7,008 33 150.0%	7,008 33 200,0%	7,008 33 200.0%	7,008.33 200.6%	7,008 33 200.0%	7,008 33 200.0%	7,008.33 200.0%	7,008 33 200.0%
	Topicals	1%	300%	0.00	0.00	12,083 33	12,083.33	12,083.33	12,083.33	12,083 33	18,125 00	24,166 67	24,166 67	24,166 67	24,166 67	24,166 67	24,166 67	24,166 67
	Revenue PHC Split		25%	0.00	0.00	33,109 35 8,277 34	33,109.3S 8,277.34	47,126,03 11,781,51	47,125 03 11,781 51	47,126 03 11,781 51	53,168 20 13,292 05	73,227.04 18,306.76	73,227.04 18,306.76	73,227.04 18,306.76	73,227,04 18,306,76	73,227 04 18,306 76	73,227.04 18,306.76	
					- 1	42	۰	0	200	400	468	468	580	560	809	:0	0	
			Sew Patients Completive Patients	0	0	0		0	306 306	706	1174	1642	2222	2802	3611	3611	3611	
New attents																		
Z ž	Products Micro Drops	Annual Seems 300	6%	0 00	0.00	0.00	0.00	0.00	459 00	1,059 00	1,761 00	2,463 00	3,333 00	4,203.00	5,416 50	5,416 50	5,416 50	
C	Quick Dose Capt 5L Spray	300 300	12% 1%	0.00	0 00	0.00	0.00	0.00	918 00 76 50	2,118 00 176 50	3,522 00 293 50	4,926 00 410 50	6,666 00 555,50	8,406 00 700 50	10,833 00 902 75 2,708 25	10,833 00 902 75 2,708 25	10,833 00 902 75 2,708 25	902,75
	Topicals	300	3%	0.00	0 00	0.00	0.00	0.00	229 50	3.883.00	880 50 6,457 00	9,031 00	1,666 50	2,101.50 15,411.00	19,860 50		19,860 50	
	PHC Split		25%	0.00	0.00	0.00	0.00	0.00	1,683 00 420.75	970.75	1,614.25	2,257.75	3,055,25	3,852,75	4,965 13	4,965 13	4,965 13	
PILL											,	Avicanna	155,5\$4.91					
Current	Products	Sales from Category																
_	IR	SEX	Conversion 2%	0%	0.00	0.00	0,00	0.00	0.00	1% 7,008 33	7,008 33	1% 7,008 33	1% 7,008 33	7,008.33	1% 7,008 33	7,008 33	7,008 33	
	ODT	SIN	Comercian 1%	0.00	0% 0.00	0.00	0.00	0.00	0%	7,008.33	7,008 33	7,008 33	1% 7,008 33	1% 7,008 33	7,008 33		7,008.33 1%	1% 7,008.33 1%
	XR	SIN	Conversion 5%	0.00	0.00	0.00	0.00	0.00	0 00	1% 3,504.17	1% 3,504 17	1% 3,504.17	1% 3,504 17	1% 3,504.17	1% 3,504 17	3,504.17	3,504.17	
	Revenue			0.00	0.00	0.00	0.00	8.00	0.00	17,520.85	17,520 B5	17,520 85 5,256 25	17,520 85 5,256 25	17,520 85 5,256 25	17,520.85 5,256.25		17,520 85 5,256 25	
	PHC Split		30%	0.00	0.00	0.00	0.00	0,00	0.00	5,256 25	5,256.25							
			New Pytients Completes	0	0	٥	٥	0	306	400	468	468 1642	3222	580 2802	809 3611	3611	3611	
3 5			Patients	0	0	٥	۰		306	706	1174	1942	1112	2002	3011	2011	3911	3011
New	Products IR	Annual Spend 300	Conversion 3.00%	0.00	0.00	0.00	0.00	0.00	0.00	529 50	880.50	1,231,50	1,666 50	2,101 50	2,708 25	2,708.25	2,708.25	
	IR ODT XR	300 300 300	3.00% 3.00% 1.00%	0.00 0.00	0 00	0.00	0.00	0.00	0 00	529 50 176 50	880 S0 293 S0	1,231 50 410 50	1,666 50 555 50	2,101 50 700 50	2,708 25 902.75	2,708 25 902 75	2,708 25 902 75	2,708 25
	Revenue	300	2.5076	0.00	0.00	0.00	0.00	0.00	0.00	1,235.50	2,054.50	2,873.50	3,888 50	4,903 50	6,319 25	6,319.25	6,319 25	6,319 25
	PHC Split		30%	0.00	0.00	0.00	0.00	0.00	0.00	370 65	616 35	862 05	1,166 55	1,471.05	1,895.78	1,895.78	1,895.78	
		Total Product Revenue		0 00	0.00	8,277.34	8,277.34	11,781 51	13,450.74	43,964.46	52,852 18	78,818 25	104,976.98	108,512 08	113,442 93	113,442.93	113,442 93	113,442 93
												Carretals	37,920					
		1020 8	and the second				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- 0	4030	4030 - Revenue - Cannabis Po	roduct Sales	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0 00		0.00	0.00	0.00	_
		Total Revenue		0.00	0.00	0 00	0.00	.0.00	0.00	UVU	0 00	14.500					5.44	5 50

	Total COGS		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	
	Gross Margin		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(
6050	6050 - Manufacturing Scale-Up	Product Co.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6055	6055 - Process Validation	Promot Co.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	- (
6060	6060 - Stability	Product Co	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	- 1
6065	6065 - Clinical Trial	Product Co	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6070	6070 - Third Party Testing	Production	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4
6075	6075 - Development - Call Centr	Chamistra	S 781	TIPE	West ID		500	3,000.00	19,750.00	22,750.00	22,750.00	22,750.00	22,750.00	22,750.00	4,000.00	4,000,00	4,000
6105	6105 - Advertising			15.000.00			35,750.00	35,809.03	38,309,03	58,312.36	29,703.33	29,703.33	16,370.00	16,370.00	30,416,67	30,416.67	30,41
6130	6130 - Printed Materials																
6135	6135 - Website																
6205	6205 - Rent		924.54	924,54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	- 91
6220	6220 - Telephone & Internet	Sente Co	100.00	100.00	100.00	100.00	100.00	100,00	100.00	100.00	100.00	100,90	100.00	100,00	100.00	100.00	10
6305	6305 - Wages - Sales	Secreta						0.00	0.00	8.00	0.00	1.00	0.00	9.00	6,500.00	6,500.00	- 63
6320	6320 - Wages - Management	Promot Co	13,750.00	13,750.00	13,750.00	13,750.00	13,750 00	13,750.00	13,750.00	13,750.00	13,750.00	13,750 00	13,750.00	13,750.00	14,025.00	14,025.00	14,0
6325	6325 - Wages - Admin	hecetile	3,600 00	8,233.33	8,233.33	8,233 33	0.00	0.00	0.00	0.00	0.00	0.00	\$,398.00	8,338.00	6,398 00	8,398.00	8,3
6350	6350 - CPP		945.58	1,198 10	1,198 10	1,198 10	168 93	448.72	448 72	448.72	448.72	448,72	448 72	448.72	1,222 05	1,222.05	1,2
		Product Co	383.78	486 27	486 27	486.27	117.24	182.12	182 12	182.12	182,12	182 12	182 12	182,12	495.55	495.55	4
6355	6355 - EI	Product Cor		952.72	952,72	952.72	952 72	952.72	952.72	952.72	1,502,72	2,052,72	2,052.72	2,052.72	2,290.90	2,290,90	2.2
6375 6395	6375 - Benefits 6395 - Bonus	Protect (A	952.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0 00	0.00	0.00	0.00	
										500.00	500.00	500.00	500.00	500.00	500.00	500.00	51
6405	6405 - Office Expenses	Sales Lic Co.	500.00	500.00	500 00	500,00	500.00	500.00	500.00		500.00	500.00	500.00	500.00	500.00	500.00	5
6420	6420 - IT/Software	Sales Co.	\$00.00	500.00	500.00	500.00	500,00	500.00	500.00	500.00				0,00	3,308.00	0.00	- 1
6435	6435 - Licences & Fees	Sales Lin Co	0.00	0.00	9,00	9.00	0.00	0.00	0.00	4,962.00	0.00	0.00	0.00			0.00	
6455	6455 - Travel - Admin		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		2
6505	6505 - Accounting Fees 6510 - Legal Fees								250,00	5,000.00	250.00	250 00	250.00	250 00	250.00	250 00	2
6510	6510 - LEGN FEES																
	6515 - Consultants - Other									5,000.00	STATE OF	- Constant					
	6515 - Consultants - Other									10,000.00	10,000.00	10,000.00					_
6515	6515 - Consultants - Other		0.00	0.00	0.00	0,00	0.00	0.00	0 00	15,000 00	10,000.00	10,000.00	0.00	0.00	0.00	0.00	_
	Total SG&A		21,656 62	41,644.96	26,644.96	26,644,96	52,763.43	56,167.13	75,667.13	123,632.46	80,611.43	81,161 43	66,226 10	66,226 10	72,930 70	69,622,70	69,6
	ЕВІТОА		(21,656.62)	(41,644.96)	(26,644.96)	(26,644.56)	(52,763 43)	(56,167 13)	(75,667.13)	(123,632 46)	(80,611 43)	(81,161.43)	(66,226 10)	(66,226 10)	(72,930.70)	(69,622.70)	(69,62
	Calculation						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Annual regulatory fee rate	2.30%	0.00	0.00	0.00	0.00											



VLODKUP - Data i Check ->	forecast			5	6	,		9	10	11	12	13	14	15	16	17	14
MOSSITE C			2022 - Q1	3032 - Q1	2022 - Q1	3032 - Q3	2022 - 02	2022 - 02	2022 - Q3	2022 - Q3	2022 - Q3	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - Q1
Manitoba			Forecast Jan 2022	Feb 2022	Forecast Mar 2022	Forecast Apr 2022	Forecast May 2022	Forecast		Forecast Aug 2022	Forecast Sep 2022	Porecast Oct 2022	Forecast Nov 2022	Forecast Dec 2022	Jan 2023	Feb 2023	Mar 2023
		2022 2023 201,485															
		2023 102,000															
	Number of patients driven by a X of reginal population Cannabis Patients (#) Provincial Health Care Patients (#) - Cannabis - Virtual		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0020%	0.0033%	0.0033%	0.0065%	0.0065%	0.0065%	0.0090%
	Provincial Health Care Patients (#) - Cannabis - In Person Provincial Health Care Patients (#) - Family Practice Provincial Health Care Patients (#) - Addiction		0.0000% 0.0000% 0.0000%	0.0000% 0.0000% 0.0000%	0.0000%	0.0000% 0.0000% 0.0000%	0.0000%	0.0000% 0.0000% 0.0000%	0.0000% 0.0000% 0.0000%	0 0000% 0 0000% 0 0000%	0.0000% 0.0000% 0.0000%	0.0000% 0.0000% 0.0005%	0.0000% 0.0000% 0.0008%	0.0000%	0.00094 0.00096 0.001496	0.0000% 0.0000% 0.0017%	0.0000% 0.0000% 0.0020%
	Provincial Health Care Patients (#) - Mental Health Provincial Health Care Patients (#) - Specialty (Pain) Fluoroscopy Patients #		0.0000%	0.0000%	0,0000%	0 0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0003%	0,0000%	0.0013%	0.0018%	0 0023%	0.002 6% 0.0000%	0.0033%
	Figure 15 Page																
	Clinic Model	-															
Sa sharana	Revenue Calculations Cannabis Patients (F) - new patients from Manifecta Monthly Re-Ordering	6% 45%		0	a	0	0	0	. 0	0	0	0	0	0	38	54	100
	Monthly Patient Ordering Core Patients Cannabis Patients - LP Ordering (#)	85%	0	0	0	0	0	0	0	0	0	0	0	0	0 49	3 51	7 71
	Cannabis Patients - LP Revenue Cannabis LP Revenue transferred from Pathway Virtual	90.08	25,444.85	25,953.74	0.00	0.00	0.00 27,542.32	28,093.17	0.00 28,655.03	0.00 29,228.13	29,812.69	0 00 30,408 95	0.00	31,637.47	1,477.64 28,790.10	1,524 57 28,790 10	2,139 83 28,790 10
	Total LP Revenue													31,637.47			
	Provincial Health Care Patients (#) - Cannabis - Virtual Provincial Health Care Patients Revenue (\$37.40)	37,40	0 00	0 00	00.0	0.00	0 00	0 00	0 00	0.00	0.00	0.00	0 00	0.00	0 00	0 00	0 00
	Provincial Health Care Patients (#) - Cannabls - In-Person Provincial Health Care Patients Revenue (\$87.96/pt)	87.96	0 00	0 00	0.00	0.00	0.00	0 00	0.00	0.00	0 00	0 00	0.00	0.00	0 00	0 00	0.00
	Provincial Health Care Patients (#) - Family Practice Provincial Health Care Patients Revenue (\$80/pt)	80.00	0 00	0 00	0.00	0.00	0.00	D 00	0.00	0.00	0 00	0 00	0.00	0,00	0.00	0.00	0.00
	Provincial Health Care Patients (#) - Addiction Provincial Health Care Patients Revenue (5/pt)	125.00	0.00	0 00	0,00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00
	Provincial Health Care Patients (#) - Mental Health Provincial Health Care Patients Revenue (\$/pt)	125,00	0.00	0.00	0,00	0.00	0.00	0 00	0.00	D 00	0 00	0 00	0.00	0.00	21 2,563.02	25 3,120 20	25 3,677 38
	Provincial Health Care Patients (#) - Specialty (Pain) Provincial Health Care Patients Revenue (\$125/pt)	125,00	0 00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0 00	0.00	0 00	0 00	0 00	1,114 36
	Provincial Mealth Revenue Consultants MDs	75%	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0 00	0 00	0.00	0.00	2,563 02 1,922 27	3,120 20 2,340 15	4,791 73 3,593 80
									90%	90%		90%	90%	-		90%	
	Characters & of Specialty (Pain)			90%	90%	90%											
Name of the last	Fluoroscopy % of Specialty (Pain) Fluoroscopy Patlents # Fluoroscopy Revenue	27	0.00	90% 0 0.00	90% 0 0,00	90% 0 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	90% 0 0.00	0.00 0.00	0.00	90% 8 216,63 802,34
No disease. No disease	Fluoroscopy Patients # Fluoroscopy Revenue X-Ray Facility Fee	27 109	0	0	0	0	0	0	0	0	0	0	0	0	0	0	В
No manda No manda	Fluoroscopy Patients # Fluoroscopy Revenue X-Ray Facility Fee Conversion Rate on A of Allied Health Services to Compression Compression Unit Salar Compression Revenue (Average \$130/pair)	27 100	0 0.00 0.00	0 0.00 0.00	0 0,00 0,00	0.00 0.00 0.00	0 0.00 0.00 40 0.00	0 0.00 0.00 50 0.00	0.00 0.00 50	0 0.00 0.00	0 0.00 0.00	0.00 0.00 0.00	0.00 0.00 60 0.00	0.00 0.00 0.00	0.00 0.00 70 0.00	0.00 0.00 70 0.00	80 216.63 802.34
No manual. No Phones	Fluoroscopy Patents # Fluoroscopy Newmue X-Ray Facility Fee Conversion Rate on 8 of Allied Health Services to Compression Compression Unit Sales	27 109 0: 130.00 55.00	0 0.00 0.00	0 0.00 0.00 0.00	0 0,00 0,00 2,00 0,00 0,00	30 0.00 0.00	0 0.00 0.00 0.00	0 0.00 0.00 0.00	0 0.00 0.00 50 0.00	0 0.00 0.00 50 0.00	0 0.00 0.00 0.00	0.00 0.00 0.00	0 0.00 0.00 0.00	0 0.00 0.00 0.00	70 0.00 0.00	70 0.00 0.00	80 216,63 802,34 80 0,00 0,00
to mana. No bisson	Fluoroscopy Patients # Fluoroscopy Newmue X-Ray Facility Fee Conversion Rate on # of Allied Health Services to Compression Compression Unit Sales Compression Exercise (Services Standypair) Compression Costs (Average \$53(pair))	27 100	0 0.00 0.00	0 0.00 0.00	0 0,00 0,00	0.00 0.00 0.00	0 0.00 0.00 40 0.00	0 0.00 0.00 50 0.00	0.00 0.00 50	0 0.00 0.00	0 0.00 0.00	0.00 0.00 0.00	0.00 0.00 60 0.00	0.00 0.00 0.00	0.00 0.00 70 0.00	0.00 0.00 70 0.00	80 216.63 802.34
Name of the second of the seco	Fluoroscopy Patients # Fluoroscopy Newmue X-Ray Facility Fee Conversion Rate on # of Allied Health Services to Compression Compression Dunit Sales Compression Revenue (Average \$130/pair) Compression Coasts (Average \$536/pair) Conversion Rate on # of Allied Health Services to Orthodic Orthodic Unit Sales Orthodic Revenue (Average \$400/pair) Orthodic Coast (Average \$100/pair) Brace Unit Sales	27 100 0 130 00 55.00	0 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 0.00 0 00 0 00	0 0,00 0,00 20 0,00 0,00	30 0.00 0.00	40 0.00 0.00 40 0.00 0.00	0 0.00 0.00 0.00 50 0.00 0.00	0 0.00 0.00 50 0.00 0.00	0 0.00 0.00 50 0.00 0.00	0 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 50 0.00 0.00	0.00 0.00 0.00 50 0.00 0.00	0 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 0.00 70 0.00 0.00	70 0.00 0.00 70 0.00 0.00	80 0.00 0.00
Name of States	Fluoroscopy Patients # Fluoroscopy Revenue X-Ray Facility Fee Conversion Rate on 8 of Allied Health Services to Compression Compression Unit Salve Compression Control (Salverage \$130/pair) Conversion Rate on 8 of Allied Health Services to Orthotic Orthotic Revenue (Average \$55/pair) Orthotic Revenue (Average \$400/pair) Orthotic Costs (Average \$100/pair) Brace Unit Sales Brace Revenue (Average \$200/pair) Brace Unit Sales Brace Revenue (Average \$200/pair) Brace Costs (Average \$22/pair)	27 109 130.00 55.00	0 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 0.00 0.00 0.00 0.00	20 0,00 0,00 20 0,00 20 0,00 0,00	30 0.00 0.00 30 0.00 0.00 0.00 0.00	0 0.00 0.00 40 0.00 0.00 0.00 0.00	0 0.00 0.00 50 0.00 0.00 0.00	0 0.00 0.00 50 0.00 0.00	0 0.00 0.00 50 0.00 0.00 0.00	0 0.00 0.00 60 0.00 0.00 60 0.00 0.00	0.00 0.00 0.00 50 0.00 0.00 0.00 0.00	0 0.00 0.00 60 0.00 0.00 0.00 0.00	60 0.00 0.00 60 0.00 0.00 0.00	0 0.00 0.00 70 0.00 0.00 70 0.00	0 0.00 0.00 70 0.00 0.00 0.00 0.00	80 0.00 0.00 0.00 0.00
Second Second	Fluoroscopy Patients # Fluoroscopy Newmue X-Ray Facility Fee Conversion Rate on # of Allied Health Services to Compression Compression Dunit Sales Compression Revenue (Average \$130/pair) Compression Coasts (Average \$536/pair) Conversion Rate on # of Allied Health Services to Orthodic Orthodic Unit Sales Orthodic Revenue (Average \$400/pair) Orthodic Coast (Average \$200/pair) Brace Unit Sales Brace Revenue (Average \$200/pair) Option 1 Allied Health Services # of Visits Allied Health Services # of Visits Allied Health Services * Revenue * Average Rater/Visit*	27 100 110.00 55.00 400.00 100.00 200.00 200.00 100.00	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0.00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	20 0,00 2,00 2,00 0,00 0,00 20 0,00 0,0	30 0.00 0.00 30 0.00 0.00 30 0.00 0.00	40 0.00 0.00 40 0.00 0.00 0.00 40 0.00 0.00	0 0.00 0.00 50 0.00 0.00 50 0.00 0.00	0 0.00 0.00 50 0.00 0.00 50 0.00 0.00	0 0.00 0.00 50 0.00 0.00 0.00 50 0.00 0.00	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00	60 0.00 0.00 60 0.00 0.00 60 0.00	70 0.00 0.00 70 0.00 0.00 70 0.00	0 0.00 0.00 70 0.00 0.00 0.00 0.00 0.00	80 0.00 0.00 0.00 0.00
Name of the State	Fluoriscopy Patients # Fluoriscopy Devenue X-Ray Facility Fee Conversion Rate on 8 of Allied Health Services to Compression Compression Unit Sales Compression Revenue (Average \$130/pair) Conversion Casts (Average \$55/pair) Conversion Casts (Average \$55/pair) Conversion Rate on 8 of Allied Health Services to Orthotic Orthotic Unit Sales Control Casts (Average \$400/pair) Orthotic Casts (Average \$200/pair) Brace Unit Sales Brace Revenue (Average \$200/pair) Brace Unit Sales Brace Revenue (Average \$200/pair) Brace Costs (Average \$200/pair)	27 100 0 1150.00 55.00 8 400.00 100.00 200.00 22,00 60%	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	20 0,00 0,00 0,00 0,00 0,00 0,00 0,00 0	30 0.00 0.00 0.00 0.00 0.00 30 0.00 0.0	40 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.000 0.001 50 0 00 0 00 0 00 0 00 0 00 0 00 0 0	0 0.00 0.00 0.00 0.00 0.00 50 0.00 50 0.00	50 0.00 0.00 0.00 0.00 0.00 50 0.00 0.0	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 50 0.00 0.00 0.00 0.00 0.00	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	70 0.00 0.00 0.00 0.00 0.00 70 0.00 0.0	70 0.00 0.00 70 0.00 0.00 70 0.00 0.00	80 216.53 44 80 234 80 234 80 234 80 200 80 80 80 80 80 80 80 80 80 80 80 80 8
Name of the Park	Fluoroscopy Patients # Fluoroscopy Newmue X-Ray Facility Fee Conversion Rate on # of Allied Health Services to Compression Compression Compression Compression Compression Revenue (Average \$130/pair) Compression Casts (Average \$55/pair) Conversion Rate on # of Allied Health Services to Orthodic Orthodic Units Sales Orthodic Revenue (Average \$400/pair) Orthodic Continue (Average \$200/pair) Birace Unit Sales Birace Revenue (Average \$200/pair) Option 1 Allied Health Services - # of Visits All Orthodic -	27 100 0 130.00 55.00 \$1 400.00 100.00 22.00 0 100.00 60%	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0.00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	20 0,00 2,00 2,00 0,00 0,00 20 0,00 0,0	30 0.00 0.00 30 0.00 0.00 30 0.00 0.00	40 0.00 0.00 40 0.00 0.00 0.00 40 0.00 0.00	0 0.00 0.00 50 0.00 0.00 50 0.00 0.00	0 0.00 0.00 50 0.00 0.00 50 0.00 0.00	0 0.00 0.00 50 0.00 0.00 0.00 50 0.00 0.00	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 50 0.00 0.00 0.00 0.00	60 0.00 0.00 60 0.00 0.00 60 0.00 0.00	70 0.00 0.00 70 0.00 0.00 70 0.00 0.00	70 0.00 0.00 70 0.00 0.00 0.00 70 0.00 0.00	80 216.53 802 34 802 34 802 34 802 30 80 80 80 80 80 80 80 80 80 80 80 80 80
Name of the second	Fluoriscopy Patients # Fluoriscopy Devenue X-Ray Facility Fee Conversion Rate on 8 of Allied Health Services to Compression Compression Unit Sales Compression Revenue (Average \$130/pair) Conversion Casts (Average \$55/pair) Conversion Casts (Average \$55/pair) Conversion Rate on 8 of Allied Health Services to Orthotic Orthotic Unit Sales Control Casts (Average \$400/pair) Orthotic Casts (Average \$200/pair) Brace Unit Sales Brace Revenue (Average \$200/pair) Brace Unit Sales Brace Revenue (Average \$200/pair) Brace Costs (Average \$200/pair)	27 100 0 1150.00 55.00 8 400.00 100.00 200.00 22,00 60%	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	20 0,00 0,00 0,00 0,00 0,00 0,00 0,00 0	30 0.00 0.00 0.00 0.00 0.00 30 0.00 0.0	40 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.000 0.001 50 0 00 0 00 0 00 0 00 0 00 0 00 0 0	0 0.00 0.00 0.00 0.00 0.00 50 0.00 50 0.00	50 0.00 0.00 0.00 0.00 0.00 50 0.00 0.0	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0.00 0.00 50 0.00 0.00 0.00 0.00 0.00	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	70 0.00 0.00 0.00 0.00 0.00 70 0.00 0.0	70 0.00 0.00 70 0.00 0.00 70 0.00 0.00	80 216.53 44 80 234 80 234 80 234 80 200 80 80 80 80 80 80 80 80 80 80 80 80 8
lents and and a second a second and a second	Fluoroscopy Patients # Fluoroscopy Newmue X-Ray Facility Fee Conversion Rate on # of Allied Health Services to Compression Compression Exercise (Services State (Services Sta	27 100 130.00 55.00 55.00 100.00 220.00 22.00 100.00 60% 0 500.00	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0,000 0,000 20 0,00 0,00 0,00 0,00 0,	30 0.00 0.00 30 0.00 0.00 0.00 0.00 0.0	40 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 50 0.00 0.00 50 0.00 0.00 0.	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	50 0.00 0.00 50 0.00 0.00 50 0.00 0.00	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	50 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 0.00 0.00 60 0.00 0.00 0.00 0.00 0.0	70 0.000 70 0.000 0.000 70 0.000 0.000 0.000 0.000	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	802.34 802.34 800.00 0.00 0.00 0.00 0.00 0.00 0.00 0
of the patients of the patient	Fluoroscopy Patients # Fluoroscopy Revenue X-Ray Facility Fee Conversion Rate on it of Allied Health Services to Compression Compression Linit Sales Compression Revenue (Average \$130/pair) Conversion Rate on it of Allied Health Services to Orthotic Conversion Rate on it of Allied Health Services to Orthotic Orthotic Linit Sales Orthotic Revenue (Average \$200/pair) Orthotic Costs (Average \$200/pair) Brace Linit Sales Brace Revenue (Average \$200/pair) Brace Costs (Average \$200/pair) Brace Costs Services - Revenue - Average Rate/Visit Allied Health Services - Rost - Average Rate/Visit Allied Health Services - Cost - Average Rate/Visit Allied Health Services - Rost - Average Rate/Visit Option 1 Option 1 Total Patient is Mb FTE requirement (1 FTE = 450 palients) Nursing FTE requirement (1 FTE = 450 palients)	27 100 110 00 55.00 100 00 200.00 220.00 27.00 0 100.00 60% 0 500.00	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0,000 0,000 0,000 0,000 0,000 0,000 0,000 0,000 0,000	20 0,00 0,00 0,00 0,00 0,00 0,00 0,00 0	30 0.00 0.00 30 0.00 0.00 0.00 30 0.00 0.00 0.00 0.00	40 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	50 0.00 0.00 50 0.00 0.00 50 0.00 0.00	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 0.00 0.00 60 0.00 0.00 60 0.00 60 0.00 0.00	0 0.00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0.000 0.000 70 0.000 0.000 70 0.000 0.000 0.000 0.000 0.000 0.000 0.000	802 34 802 34 802 34 800 000 0 000 0 000 0 000 0 000 0 000 0 000
are standatione pallents on growth of the pallents on growth of the bab budines, separate bis budines, separate free much pallents are part of the pallents of	Fluoroscopy Patients # Fluoroscopy Newmone X-Ray Facility Fee Conversion Rate on # of Allied Health Services to Compression Compression Compression Compression Compression Rate on # of Allied Health Services to Compression Compression Casts (Average \$130/pair) Compression Casts (Average \$55/pair) Conversion Rate on # of Allied Health Services to Orthodic Orthodic Units Sales Orthodic Revenue (Average \$400/pair) Orthodic Costs (Average \$100/pair) Brace Units Sales Brace Revenue (Average \$200/pair) Units Sales Brace Revenue (Average \$210/pair) Option 1 Allied Health Services - Hor Visits Allied Health Services - Revenue - Average Rate/Visit Al	27 100 130.00 55.00 55.00 55.00 6 200.00 22.00 0 200.00 22.00 500.00 450 0.75 62,400	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000	200 0,000 0,000 0,000 0,000 0,000 0,000 0,000 0,000 0,000 0,000	300 000 000 000 000 000 000 000 000 000	40 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	51 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	00.00 00	60 000 000 000 000 000 000 000 000 000	60 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	70 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	802 34 80 000 000 80 000 000 80 000 000 80 000 00
These are standalone pallents based on growth of the Manitosia business, separate from the current Drevenue	Fluoriscopy Patients # Fluoriscopy Devenue X-Ray Facility Fee Conversion Rate on 8 of Allied Health Services to Compression Compression Unit Sales Compression Revenue (Average \$130/pair) Conversion Rate on 8 of Allied Health Services to Orthopic Orthopic Control Control Control Control Control Linit Sales Orthopic Revenue (Average \$100/pair) Orthopic Costs (Average \$100/pair) Brace Revenue (Average \$200/pair) Brace Costs (Average \$100/pair) Brace Revenue (Average \$200/pair) Brace Costs (Average \$127/pair) Option 1 Allied Health Services - Norenue - Average Rate/Visit Allied Health Services - Cost - Average Rate/Visit Allied Health Services - Cost - Average Rate/Visit Option 2 Allied Sert (per morth) Total Patient Bs MDs FTE requirement (1 FTE = 450 patients) Norsing FTE requirement (0.75 FTE per L FTE MD) Nursing RFE requirement (0.75 FTE per L FTE MD) Admin FTE requirement (0.20 FTE per 1 FTE MD) Admin FTE requirement (0.20 FTE per 1 FTE MD) Admin FTE requirement (0.20 FTE per 1 FTE MD) Admin FTE requirement (0.20 FTE per 1 FTE MD) Admin FTE requirement (0.20 FTE per 1 FTE MD) Admin FTE requirement (0.20 FTE per 1 FTE MD)	27 100 130.00 55.00 55.00 55.00 6 200.00 22.00 0 200.00 22.00 500.00 450 0.75 62,400	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	30 00 00 00 00 00 00 00 00 00 00 00 00 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	60 00 00 00 00 00 00 00 00 00 00 00 00 0	60 000 000 000 000 000 000 000 000 000	60 00 00 00 00 00 00 00 00 00 00 00 00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	802 34 800 000 000 000 000 000 000 000 000 000
doi doi Vir the Union	Fluoroscopy Patients # Fluoroscopy Devenue X-Ray Facility Fee Conversion Rate on 8 of Allied Health Services to Compression Compression Unit Sales Compression Revenue (Average \$130/pair) Compression Rate on 8 of Allied Health Services to Orthobic Orthobic Control Contr	27 100 110.00 55.00 100.00 100.00 100.00 100.00 60% 0 500.00 450 0.75 62.400 0.20 44,928	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.000	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	30 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	60 00 00 00 00 00 00 00 00 00 00 00 00 0	60 000 000 000 000 000 000 000 000 000	0.000 0.000	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	802 34 800 000 000 000 000 000 000 000 000 00
These at the pased or Mankob Mankob from the from the from Vir	Fluoroscopy Patients # Fluoroscopy Newmone X-Ray Facility Fee Conversion Rate on # of Allied Health Services to Compression Compression Compression Compression Compression Revenue (Average \$330/pair) Compression Casts (Average \$350/pair) Conversion Rate on # of Allied Health Services to Orthodic Orthodic Units Sales Orthodic Revenue (Average \$400/pair) Orthodic Cost (Average \$200/pair) Brace Units Sales Brace Revenue (Average \$200/pair) Brace Units Sales Brace Revenue (Average \$200/pair) Allied Health Services - # of Visits Allied Health Services - # of Visit	27 100 110.00 55.00 100.00 100.00 100.00 100.00 60% 0 500.00 450 0.75 62.400 0.20 44,928	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	60 000 000 000 000 000 000 000 000 000	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	802 34 802 34 800 000 000 000 800 000 000 000 127 1 1 5,200
These and Marked	Fluoroscopy Patients # Fluoroscopy Revenue X-Ray Facility Fee Conversion Rate on a of Allied Health Services to Compression Compression Unit Sales Compression Revenue (Average \$130/pair) Conversion Rate on a of Allied Health Services to Orthodic Orthodic Constance (Average \$55/pair) Conversion Rate on a of Allied Health Services to Orthodic Orthodic Revenue (Average \$200/pair) Brace List Sales Brace Casts (Average \$12/pair) Option 1 Allied Health Services - Revenue - Average Rater/Visit divided Rest (per month) Total Patient & MDs FTE requirement (1FTE = 450 patients) Norsing FTE requirement (1FTE = 450 patients) Norsing FTE requirement (2 DFTE per 1 FTE MD) Nursing Wages (\$25/hr x 2080 hrs/yr x 1.2 (benefits) Admin FTE requirement (2 DFTE per 1 FTE MD) Admin FTE requirement (2 DFTE per 1 FTE MD) Admin Wages (\$18/hr x 2080 hrs/yr x 1.2 (benefits) Total Cannobis Patient & Educator FTE requirement (2 FTE = 300 patients) Educator Wages (\$25/hr x 2080 hrs/yr x 1.2 (benefits) 4005 - Revenue - LPs 4105 - Provincial Billing - Group 4115 - Revenue - Fluoroscopy	27 100 110.00 55.00 100.00 100.00 100.00 100.00 60% 0 500.00 450 0.75 62.400 0.20 44,928	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.000 0.000	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	802 34 800 0 00 0 00 0 00 0 00 0 00 0 00 0 00
These at These at Desert of Manitob Ma	Fluoriscopy Patients # Fluoriscopy Devenue X-Ray Facility Fee Conversion Rate on 8 of Allied Health Services to Compression Compression Unit Sales Compression Exercence (Average \$130/pair) Conversion Rate on 8 of Allied Health Services to Orthodic Orthodic Constance (Average \$55/pair) Conversion Rate on 8 of Allied Health Services to Orthodic Orthodic Revenue (Average \$200/pair) Brace Constance (Average \$200/pair) Brace Livis Sales Brace Revenue (Average \$200/pair) Brace Livis Sales Brace Revenue (Average \$200/pair) Brace Livis Sales Brace Revenue (Average \$200/pair) Brace Livis Sales Brace Gasts (Average \$12/pair) Option 1 Allied Health Services - Revenue - Average Rate/Vivit deviced Health Services - Revenue - Average Rate/Vivit Allied Health Services - Revenue - Average Rate/Vivit Option 2 Allied Health Services - Revenue - Average Rate/Vivit College Rate/Vivit College Rate/Vivit College Rate/Vivit Allied Health Services - Revenue - Average Rate/Vivit Allied Health Services - Revenue - Leve - Average Rate/Vivit College Ra	27 100 110.00 55.00 100.00 100.00 100.00 100.00 60% 0 500.00 450 0.75 62.400 0.20 44,928	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.000 0.000	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 40 0.00 0.00 0.00 0.00 0.00 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0.000 0.000	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	802 34 802 34 800 000 000 000 800 000 000 000 000 127 1 1 5,200 1 3,744 80 1 5,200
115 4305 4375 4375 4375 4375 4375 4375 4375 437	Fluoroscopy Patients # Fluoroscopy Devenue X-Ray Facility Fee Conversion Rate on a of Allied Health Services to Compression Compression Unit Sales Compression Exercence (Average \$330/pair) Conversion Rate on a of Allied Health Services to Orthotic Orthotic Constance (Average \$55/pair) Conversion Rate on a of Allied Health Services to Orthotic Orthotic Revenue (Average \$200/pair) Orthotic Costs (Average \$300/pair) Brace Lists Brace Revenue (Average \$200/pair) Rizae Costs (A	27 100 110.00 55.00 100.00 100.00 100.00 100.00 60% 0 500.00 450 0.75 62.400 0.20 44,928	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.000 0.000	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0.00 30 0.0	0.00 0.00 40 0.00 0.00 0.00 0.00 0.00 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0.000 0.000	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	802 34 802 34 800 0 00 0 00 0 00 0 00 0 00 0 00 0 00

	5005 5055	5005 - Consultants - M/Os 5055 - Consultants - Alfied Health	0.00	0 00	0,00	0.00	0.00	0.00 0.00	0 00 0 00	0 00 0 00	0 00 0 00	0.00	0,00	0 DO	1,922,27 0,00	2,340.15 0.00	3,593.80 0.00
	\$0\$0 \$30\$	5050 - Consultants - NP 5305 - Medical Supplies	0,00	300 00	300.00	300.00	300,00	300,00	200,00	300.00	300.00	300,00	300,00	300,00	300.00	300,00	300,00
	5455 5475	5455 - Compression 5475 - Ortholic	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0 00	0 00	0.00	0.00	0.00
	24/3							300 00		-	300.00	300.00	300.00	300 00	2,222.27	2,640,15	3,893.80
		Total COGS	0.00	300 00	300.00	300 00	300,00		100.00	300.00		SACAL					
		Gross Margin	29,282.85		153	7.4	31,080 32				- 0			35,175,47			
	6205 6206	6205 - Rent 6206 - Rent - IFRS 16 Adj					15,730.54 (10,067.40)										
Tion of	6215	6215 - Utilities															
	6220	6220 - Telephone & Internet 6230 - Janitorial Expense	300 00	300.00	300.00	300 00	300.00	300.00	300.00	300.00	300.00	300,00	300,00	300 00	300 00	300.00	300,00
	6105	6105 - Advertising	500,00	500.00	500.00	500,00	500.00	500.00	500.00	500 00	500.00	500,00	500,00	500 00 500.00	500 00 500 00	500.00 500.00	500,00 500,00
	6130 6135	6130 - Printed Materials 6135 - Website	500,00	500,00	500.00	500,00	500,00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500 00	500,00	300.00
														3.601.00	8,873.02	8,873 02	8,873.02
	6310 6315	6310 - Wages - Educators 6315 - Wages - Nursing	3,565.47 6.600.19	3,565.47 6.600.19	3,565,47 6,600,19	3,565 47 6,600 19	3,601 00 6,000 32	3,601 00 6,000 32	3,601 00 6,000 32	3,601 00 6,000 32	3,601.00 6,000.32	3,601.00 6,000.32	3,601.00 6.000.32	6,000.32	11,320.33	11,320 33	11,320,33
	6325	6325 - Wages - Admin	6,453 32	6,453.32	6,453,32	6,453 32	6,916.43	6,916 43	6,916 43	6,916.43	6,916 43	6,916,43	6,916.43	6,916 43	10,798.76	10,798 76	10,798.76
	6350	6350 - CPP	1,132 66	905 73	905.73	905.73	900.22	900 22	900.22	900 22	900 22	900 22	900 22	900 22	918 22	918 22	918 22
	6355	6355 - El	459 71	367 28	367,28	367.28	365.04	365,04	365,04	36S D4	365 04	365 04	365.04	365.04	372.34 0.00	372,34	372.34 0.00
	6360	6360 - EHT	0.00	0.00	0,00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	6365 6375	6365 - WSIB/CCST 6375 - Benefits	0.00 885.67	0.00 885 67	0.00 885.67	0 00 885 67	0.00 799.08	799.08	799.08	859.05	859.05	859.05	859.05	859.05	1,107.08	1,107.08	1.107.08
	6395	6395 - Bonus	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00
	6405	6405 - Office Expenses	250.00	250,00	250.00	250.00	250,00	250.00	250.00	250 00	250.00	250,00	250,00	250.00	250 00	250.00	250.00
	6410	6410 - Postage/Courier	100 00	100.00	100.00	100,00	100.00	100.00	100.00	100.00	100 00	100 00	100.00	100.00	100.00	100.00	100,00
	6420	6420 - Software Expenses	169.10	169.10	169.10	169 10	169,10	169 10	169.10	169,10	169 10	169,10	169,10	169 10	1,200.00	169.10	169,10
	6455	6455 - Travel	1,200.00			1,200.00			1,200.00			1,200,00			1,200.00		
	6615 6620	6615 - Insurance - General Insurance 6620 - Insurance - Cyber Llability	2,875 14	2,875.14	2,875,14	2,875 14	2,875.14	2,875.14	2,875.14	2,875.14	2,875 14	2,875,14	2,875,14	2,875.14	2,875.14	2,875,14	2,875,14
	6805	6005 - Bank Feet & Interest	54.47	54.47	54.47	54.47	54.47	54.47	54.47	54.47	54.47	54,47	54.47	54.47	\$4.47	54.47	\$4.47
6%	6525	6525 - Management Fees	3,000 00	3,000.00	3,000,00	3,000 00	3,000 00	3,000 00	3,000.00	3,000 00	00 000,E	3,000.00	3,000 00	3,000.00	3,000 00	3,000.00	3,000,00
		Total SG&A	31,481.95	29,962 59	29,962.59	31,162 59	31,993.94	31,993 94	33,193.94	32,053.91	32,053.91	33,253.91	32,053 91	32,053 91	49,001 60	46,801 60	46,801 60
		EBITDA	(2,199,10)	(470,85)	48 23	(622 31)	(913.62)	(362,77)	(1,000 91)	712 22	1,296.79	693,04	2,501,22	3,121,56	(17,393,12)	(16,006 88)	(13,954,77)
	8205	8205 - Interest Expense	2,532 90	2,523 08	2,513,20	2,503 27	2,493.29	2,483 27	2,473,19	2,463.06	2,452.89	2,442,66	2,432.38	2,422 05	2,411 67	2,401.23	2,390 75
	8215	8215 - Interest Expense (Leaves)	7,352.41	7,330.76	7,308.94	7,286 94	7,264.77	7,242 42	7,219.90	7,197.19	7,174 30	7,151 23	7,127.98	7,104.54	7,080 91	7,057 10	7,033.09
	8405	8405 - Depreciation		11,440 79		11,440.79		11,440 79				11,440 79		11,440.79	11,440 79	11,440.79	11,440 79
	8410	8410 - Amortization	10,109.20			10,109 20	10,109.20	10,109.20		10,109 20			10,109 20	10,109.20 5.434.02	5,434.02	10,109 20 5,434 02	10,109.20 5,434.02
	8450	8450 - Depreciation (Leases)	5,434.02	5,434.02	5,434.02	5,434 02	5,434 02	5,434,02	5,434,02	5,434.02	5,434.02	5,434.02	5,434.02	3,434,02	3,434.02	3,434 02	3,434.02
		Total Other Expenses	36,869.33	36,837.85	36,806.15	36,774.22	36,742.08	36,709.70	36,677.10	36,644.27	36,611.20	36,577.90	36,544.37	36,510.60	36,476.59	36,442.34	36,407.85
		Net Income	(39,068 43)	(37,308 69)	(36,757.92)	(37,396 54)	(37,655.69)	(37,072 47)	(37,678 01)	(35,932 04)	(35,314,41)	(35,884.86)	(34,043 15)	(33,389 04)	(53,869.70)	(52,449 22)	(50,362 62)

SCHEDULE D

FORM OF OFFICER'S CERTIFICATE

OFFICER'S CERTIFICATE

TO: Avonlea-Drewry Holdings Inc. (the "Lender")

RE: Pathway Health Corp. (the "Borrower")

Pathway Health Services Corp. ("PHSC")

Pathway Healthcare Technologies Corp. ("Pathway Tech")

2563367 Ontario Limited ("256") Slawner Ortho Ltee. ("Slawner")

Pathway Wellness Products Corp. ("Pathway Wellness")

13199223 Canada Ltd. ("**131**") 10030712 Manitoba Ltd. ("**100**") 1964433 Alberta Ltd. ("**196**")

PHSC, Pathway Tech, 256 and Slawner are referred to collectively herein as, the "Guarantors". The Borrower, the Guarantors, Pathway Wellness, 131, 100 and 196 are referred to collectively herein as, the "Borrower Entities".

AND RE: Credit Agreement dated July 29, 2022, among the Lender and the Borrower (the "Credit Agreement")

Capitalized terms used herein not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement.

The undersigned officer of the Borrower hereby certifies, on behalf of the Borrower Entities and without personal liability, that:

- I have personal knowledge of the matters hereinafter certified.
- The Borrower has authority to borrow money upon the credit of the Borrower, and the Borrower and each Guarantor, respectively, have the authority to mortgage and grant a security interest in all or any of their respective existing and after-acquired assets, to secure their respective obligations to the Lender.
- 3. Other than as disclosed to the Lender in writing, no winding-up, liquidation, dissolution, bankruptcy, merger, amalgamation or continuation of the Borrower Entities and no sale of the assets of the Borrower Entities out of the ordinary course of business of the Borrower Entities has been commenced or is being contemplated by the Borrower Entities as of the date hereof and I have no knowledge of any such proceedings having been commenced or being contemplated in respect of the Borrower Entities by any other person.
- 4. Other than as disclosed to the Lender in writing, the Borrower Entities are up to date, as at the date hereof, in all of their respective corporate filings, including, without limitation, those required under their respective statute of incorporation. The Borrower Entities have not received any notice or other communication from any person or government authority indicating that there exists a situation which, unless remedied, could result in the dissolution of any of the Borrower Entities.
- 5. Other than as disclosed to the Lender in writing, there is no litigation or proceeding pending or threatened before any court, agency, tribunal, arbitration board or any other body which has or

could have a material adverse effect on the condition, either financial or otherwise, of any of the Borrower Entities or on the ability of the Borrower or the Guarantors to perform their respective obligations under the Credit Agreement or any of the any of the Credit Documents.

Other than as disclosed to the Lender in writing (or below), the Borrower Entities are in compliance with all laws, rules, requirements, orders, directions, ordinances and regulations (collectively, the "Laws") of every governmental, municipal, or civil authority or agency in connection with the payment of any monies owing under applicable laws, including but not limited to the payment of all goods and services taxes, harmonized sales taxes and payroll remittances owing to the applicable agency or authority:

Obligation	Amount Payable	Amount Paid	Balance Owing

7. Other than as disclosed to the Lender in writing, the Borrower Entities are not in default under any material agreement, contract, lease or other instrument to which they are a party (including the Credit Documents) and no event has occurred which, with the giving of notice or the passage of time or both, will become an event of default thereunder.

[Signature page follows]

I acknowledge that transactions conte			cate in connection with the Credit Agre	ement and the
DATED this	_ day of	, 20		
			Ken Yoon Chief Executive Officer	

THIS IS EXHIBIT "E" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

UNLESS PERMITTED UNDER SECURITIES LEGISLATION IN CANADA, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF THE ISSUANCE OF THIS SECURITY.

WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF THE ISSUANCE OF THIS SECURITY.

SECURED PROMISSORY GRID NOTE

Toronto, Ontario

MAY 27, 2022

- FOR VALUE RECEIVED, PATHWAY HEALTH CORP., a corporation existing under the laws of the Province of Alberta (the "Issuer") promises to pay to the order of AVONLEA-DREWRY HOLDINGS INC., a corporation existing under the laws of the Province of Ontario or its permitted assigns ("Holder"), the aggregate principal sum equal to the greater of:
 - a) \$0; and
 - b) the amount of the principal balance from time to time owing by the Issuer to the Holder as recorded by or on behalf of the Holder on the grid attached hereto as Schedule "A" and any further grids attached hereto, all of which grids form part of this Note up to a maximum of One Million Canadian Dollars (Cdn.\$1,000,000),

together with accrued and unpaid interest thereon, due and payable as set forth below, from the applicable date of advance through and including the date on which such interest and all fees and expenses are paid in full, at the rate provided in Section 4 below and subject to terms and conditions as set forth herein.

- 2. Repayment. Payment of interest and principal under this secured promissory grid note (this "Note") shall be made on the earlier of: (i) August 31, 2022; and (iii) such earlier date which this Note becomes due and payable in accordance with Sections 9 and 11 of this Note (the "Maturity Date"). Payment of principal and interest due on this Note shall be payable at the instructions set forth on Schedule "B", or at such other place as may be designated by Holder, by written notice to the Issuer. Interest on this note shall accrue and be paid in accordance with Section 3 of this Note. All payments under this Note shall be made in lawful money of Canada in immediately available funds.
- Interest. The principal amount advanced under this Note from time to time (the "Principal Amount"), shall bear interest from the applicable date of advance on the terms and conditions set forth herein. While outstanding, the Principal Amount shall bear interest at the rate of fifteen percent (15%) per annum, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year, provided, however, that if (i) all principal and interest are not repaid by the Maturity Date or (ii) there occurs an Event of Default (as defined herein) under the Note

Documents (as defined herein), interest will accrue from and after such date on a daily basis at the default rate of 20% per annum (the "**Default Rate**"). The parties intend that the interest rate and fees on this Note will never exceed the maximum rate permitted by law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under applicable law. The Issuer shall pay interest accrued and unpaid (each, an "**Interest Payment**") on the Maturity Date.

- 4. **Expenses**. The prevailing party in any action arising from this Note shall be entitled to an award of its costs and reasonable and documented attorneys' fees incurred in connection therewith. In addition, Issuer shall pay all reasonable and documented attorneys' fees and court costs incurred by Holder in enforcing and collecting this Note. Issuer shall pay all reasonable and documented attorney and other legal fees incurred to document the Note, any related filings to protect Holder's security interest and any amendments, modifications or supplements to the Note. Amounts due under this provision, together with the principal and interest and amounts due under the Note Documents shall be referred to as the "**Note Obligations**".
- 5. **Prepayment**. This Note may be prepaid, in whole or in part, without penalty upon no less than three (3) business days' notice to the Holder.
- Setoff. The principal of and interest on this Note shall be paid without setoff or counterclaim, except as expressly set forth herein, and free and clear of and exempt from, and without deduction for or on account of, any present or future taxes, levies, imposts, duties, deductions, withholdings or other charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government or any political subdivision or taxing authority thereof.
- 7. **Security**. Payment of all amounts owing to Holder under this Note is secured as set forth in that certain general security agreement (the "GSA"), by and between the Issuer and Holder and dated as of the date hereof, the secured guarantee of the Issuer's subsidiary, Pathway Health Services Corp., by and between the Holder and Pathway Health Services Corp. and dated as of the date hereof (the "Guarantee"), and the Share Pledge Agreement, by and between the Issuer and the Holder and dated as of the date hereof (the "Share Pledge Agreement", and together with this Note, the GSA and the Guarantee, the "Note Documents").
- 8. **Use of Proceeds**. The Issuer issued this Note to Holder for the purpose of obtaining funds to be used for general working capital purposes as set forth in Schedule "C" attached hereto during the period of time from the date hereof until such time as the Issuer and the Holder enter into a credit facility agreement substantially on the terms set forth in the term sheet dated May 20, 2022 (the "**Credit Facility Agreement**"). Until the Maturity Date, the Issuer shall not take any action that is inconsistent with the past practices, its business or the uses set forth in Schedule "C", as the case may be, or that is not taken in the ordinary course of the normal day-to-day operations of its business until such time as the Parties have executed the Credit Facility Agreement, the Note Obligations are repaid in full, or with the written consent of the Holder.
- 9. Credit Facility Agreement. The Issuer and the Holder agree that in the event that the Credit Facility Agreement is executed by the parties hereto prior to the Maturity Date, the Note Obligations will form part of the indebtedness owed to the Holder under the Credit Facility Agreement, which will amend and restate the terms and conditions of this Note, without novation, and this Note will be marked repaid.

- 10. Representation and Warranties. The Issuer represents and warrants to Holder as follows:
 - (a) The Issuer is duly organized, validly existing and in good standing in its jurisdiction of formation. The Issuer has all requisite power and authority to execute and deliver this Note, the GSA and the Share Pledge Agreement and to perform the obligations hereunder.
 - (b) The execution, delivery and performance by the Issuer of this Note has been duly authorized by all necessary organizational action and will not (a) contravene the terms of the Issuer's organizational documents, (b) violate any applicable and material law or (c) any other agreements of the Issuer which could result a material adverse effect of the Issuer.
 - (c) This Note has been duly executed by the Issuer and constitutes a legal, valid and binding obligation of the Issuer, enforceable against it in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles.
- 11. **Events of Default**. The occurrence of any one or more of the following shall constitute an "**Event of Default**":
 - (a) Issuer fails to pay timely any of the principal amount due under this Note on the date the same becomes due and payable or any accrued interest or other amounts due under this Note on the date the same becomes due and payable;
 - (b) Issuer breaches any material representation or warranty under, or defaults in its performance of any material covenant under the GSA, the Share Pledge Agreement or this Note;
 - (c) if the pledge granted by the Issuer to the Holder pursuant to the Share Pledge Agreement or the security granted pursuant to the GSA shall cease to be valid and perfected first ranking priority security interest;
 - (d) if a default occurs under the Guarantee or the Guarantee ceases to be in full force and effect;
 - (e) Issuer files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing;
 - (f) Issuer defaults in the observance or performance of any material provision relating to indebtedness or liability of the Issuer to any Person, in an aggregate principal amount exceeding \$250,000, subject to any cure or grace period provided for in the documentation providing for such indebtedness or liability; or
 - (g) an involuntary petition is filed against Issuer (unless such petition is dismissed or discharged within 30 days) under any bankruptcy statute now or hereafter in effect, or a

custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of Issuer.

- Remedies. Upon the occurrence of any Event of Default: (a) all indebtedness, liabilities and obligations of the Issuer under this Note shall at the Holder's option and without notice become immediately due and payable without presentment, demand, protest or notice of dishonor, all of which are hereby expressly waived by the Issuer; and (b) the Holder shall have all rights, powers and remedies available under this Note, or accorded by law, including the right to resort to any or all collateral for any Note Obligations subject hereto and to exercise any or all of the rights of a beneficiary or secured party pursuant to all applicable law. All rights, powers and remedies of the Holder may be exercised at any time by the Holder and from time to time after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.
- 13. **Notices.** Any demand, notice or other communication in connection with this Note shall be in writing and shall be personally delivered, mailed by registered mail or sent by email, to the address or email address of the addressee set out below or to such other coordinates as the relevant party may from time to time designate to the other party in such manner.

In the case of the Issuer:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A Toronto, ON M9B 6E5

Attention:

Ken Yoon, Chief Executive Officer

E-mail:

ken.yoon@pathwayhealth.ca

In the case of the Holder:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, Ontario L7C 3L8

Attention:

Mr. David Dozzo, Director

E-mail:

ddozzo@capforminc.com

Any communication which is personally delivered shall be deemed to have been validly and effectively given on the date of such delivery if such date is a business day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of delivery. Any communication which is mailed shall be deemed to have been validly and effectively given on the fifth business day following the date of mailing provided that, in the event of an interruption in postal services before such fifth business day, such communication shall be given by one of the other means. Any communication which is transmitted by email shall be deemed to have been validly and effectively given on the date of transmission if such date is a business day and such transmission was made during normal business hours of the recipient; otherwise, it shall be

- deemed to have been validly and effectively given on the business day next following such date of transmission.
- 14. Waiver. Issuer hereby waives demand, notice, presentment, protest and notice of dishonor.
- 15. **Governing Law**. This Note shall be governed by and construed under the laws of the Province of Ontario, as applied to agreements among Ontario residents, made and to be performed entirely within the Province of Ontario, without giving effect to conflicts of laws principles.
- 16. Indemnification. The Issuer shall indemnify the Holder against all suits, actions, proceedings, claims, losses, expenses (including reasonable fees, charges and disbursements of counsel), damages and liabilities that the Holder may sustain or incur as a consequence of any misrepresentation contained in any writing from the Issuer delivered to the Holder in connection with this Note.
- 17. **Modification; Waiver**. Any term of this Note may be amended or waived only with the written consent of Issuer and Holder. Holder may delay or forego enforcing any of its rights or remedies under this Note without losing them.
- 18. **Assignment.** So long as no Event of Default has occurred and is continuing, this Note may not be transferred or assigned without Issuer's prior written consent; other than to an affiliate of the Holder. Interest and principal shall be paid solely to Holder or such permitted assign. Such payment shall constitute full discharge of Issuer's obligation to pay such interest and principal. Issuer may not at any time assign any of its rights or its obligations under this Note.

[Signature Page Follows]

IN WITNESS WHEREOF, Issuer has caused this Note to be issued as of the date first set forth above.

PATHWAY HEALTH CORP.

. K. W. J &

Name: Ken Yoon

Title: Chief Executive Officer

DocuSign Envelope ID: BBEEC76A-260C-4868-B209-7470BC60B06E

SCHEDULE A

GRID TO SECURED PROMISSORY GRID NOTE

Date	Principal Amount of Advance	Indebtedness to which Interest applies	Principal Paid or Prepaid	Balance of Principal Unpaid	Amount of Interest Paid	Balance of Interest Unpaid	Notation Made by:
Balance Open							

SCHEDULE B

PAYMENT INSTRUCTIONS

Beneficiary Name:

AVONLEA-DREWRY HOLDINGS INC.

Beneficiary Address:

P.O. BOX 8 CALEDON EAST

CALEDON, ON L7C 3L8

CANADA

Bank Name: CIBC

Bank Address:

1 QUEEN ST. EAST

TORONTO, ON M5C 2W5

Account Number: 009020106756212

Swift Code: CIBCCATT

Account Currency: CAD

SCHEDULE C

USE OF PROCEEDS

Use of proceeds	
Commodity & payroll tax payments	175,000
D&O insurance	180,000
E-commerce, sales license build out	150,000
Marketing initiatives	120,000
Public company costs	180,000
General working capital	195,000
	1,000,000

UNLESS PERMITTED UNDER SECURITIES LEGISLATION IN CANADA, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF THE ISSUANCE OF THIS SECURITY.

AMENDED AND RESTATED SECURED PROMISSORY GRID NOTE

Calgary, Alberta April 21, 2023

FOR VALUE RECEIVED, **PATHWAY HEALTH CORP.**, a corporation existing under the laws of the Province of Alberta ("**Pathway**" or the "**Borrower**") promises to pay to the order of **AVONLEA-DREWRY HOLDINGS CORP.**, a corporation existing under the laws of the Province of Ontario or its permitted assigns (or the "**Lender**"), the aggregate principal sum of all Advances (as defined herein) equal to the greater of:

- a) six hundred thousand Canadian Dollars (Cdn.\$600,000); and
- b) the amount of the principal balance from time to time owing by the Borrower to the Lender as recorded by or on behalf of the Lender on the grid attached hereto as Schedule "A" and any further grids attached hereto, all of which grids form part of this Note up to a maximum of One Million Two Hundred Thousand Canadian Dollars (Cdn.\$1,200,000),

(in the case of a) and b), the "Principal Amount"), together with accrued and unpaid interest thereon, and other fees and expenses from the applicable date of advance through and including the date on which such interest and all fees and expenses are paid in full, at the rate provided in Section 5 below (the Principal Amount, accrued and unpaid interest thereon and any other fees and expenses being collectively referred to herein as the "Indebtedness"), subject to the terms and conditions of this Note, as the same may be amended from time to time.

- Definitions. In this Note, including the recitals and the Schedules hereto and in all notices given pursuant to this Note, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:
 - "ABCA" means the Business Corporations Act (Alberta), including the regulations promulgated thereunder, as the same may be amended from time to time.
 - "Additional Security" means the security agreements and other documents required to be provided to the Lender pursuant to Section 10, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing.
 - "ADH Credit Facility" means the credit agreement entered into among the Borrower, as borrower, certain subsidiaries of the Borrower, as guarantors, and Avonlea-Drewry Holdings Inc., as lender pursuant to which the lender advanced \$3.5 million to the Borrower, on a secured, non-convertible basis.
 - "Advance" means each disbursement made by the Lender to the Borrower under this Note.
 - "Affiliate" means an affiliate as defined in the ABCA.

"Applicable Law" means, in relation to any person, transaction or event:

- (a) all applicable provisions of the common law and all statutes, rules and regulations of any Governmental Authority in effect from time to time having force of law; and
- (b) all judgments, orders, awards, decrees, official directives, writs and injunctions all having force of law from time to time in effect of any Governmental Authority in an action, proceeding or matter in which the person is a party or by which it or its property is bound or having application to the transaction or event.

"Arrangement" the transaction substantially as set forth in the Arrangement Agreement.

"Arrangement Agreement" means the arrangement agreement dated March 31, 2023, entered into among Pathway, HEAL Global Holdings Corp. and The Newly Institute Inc. pursuant to which Pathway will acquire all of the issued and outstanding shares of each of HEAL Global Holdings Corp. and The Newly Institute Inc. in exchange for common shares in the capital of Pathway.

"Borrower" has the meaning as set out in the preamble.

"Business Day" means a day of the year, other than a Saturday, Sunday or statutory holiday, on which banking institutions are open for business in Calgary, Alberta.

"Canadian Dollars", "Cdn.\$" or "\$" mean lawful money of Canada.

"Collateral" means all property, assets and undertaking of the Borrower at any time in which a security interest is granted to the Lender, together with all proceeds of the foregoing.

"Creditor Proceedings" means any dissolution, winding up, total or partial liquidation, plan of arrangement, receivership, insolvency, proposal, bankruptcy or compromise under Insolvency Legislation, or the arrangement provisions of any applicable corporate law, or a general assignment for the benefit of creditors or similar proceedings offered with respect to the Borrower, or its properties or liabilities; provided however that the Pathway Transaction and any related transactions thereto will not constitute a "Creditor Proceeding" for the purposes of this Note.

"Distribution" means any amount paid to or on behalf of the shareholders, directors, officers or employees of the Borrower or any Affiliate of the Borrower, and whether any of the foregoing is made, paid or satisfied in or for cash, property or both; provided that salaries and commissions paid to employees of the Borrower in the ordinary course of business shall not be considered to be Distributions.

"Event of Default" means any of the events or circumstances specified in Section 14.

"Governmental Authority" means Canada, any province or territory thereof, as applicable, any municipal or other political subdivision of any such province or territory, and any agency, department, commission, board, bureau or instrumentality of any of them and judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Indebtedness" has the meaning ascribed thereto on the face page of this Note.

"Insolvency Legislation" means legislation in any applicable jurisdiction relating to Creditor Proceedings, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any applicable corporate legislation.

"Lender" has the meaning as set out in the preamble.

"Lien" means any mortgage, charge, security agreement, security interest, assignment, pledge, lien, builders' lien or other encumbrance of whatsoever kind or nature, regardless of form and whether consensual or arising by law (statutory or otherwise), that secures the payment of any indebtedness or liability or the observance or performance of any obligation.

"Material Adverse Effect" means any matter, event or circumstance, other than with respect to the Pathway Transaction or any transactions related thereto, relating to the Borrower which could in the reasonable opinion of the Lender, if not remedied, have a material adverse effect on: (i) its business, financial condition, operations, property, assets or undertaking, (ii) its ability to repay any Indebtedness under, or perform any other obligations in accordance with, this Note or any of the Security to which it is a party, (iii) the validity or enforceability of this Note or the Security to which it is a party, (iv) the rights and remedies of the Lender, or (v) the priority ranking of any Liens granted to the Lender pursuant to the Security.

"Maturity Date" has the meaning ascribed thereto in Section 2.

"Note" means this amended and restated secured promissory grid note, together with all schedules, appendices and exhibits attached to it.

"Note Documents" means this Note and the Security.

"Obligations" means, at any time and from time to time, all Indebtedness, liabilities and obligations, whether direct or indirect, absolute or contingent, matured or unmatured, owing to the Lender in respect of the Note Documents or otherwise payable pursuant to this Note, including without limitation, all principal, interest, fees, indemnities, costs and expenses relating to any of the foregoing.

"Pathway Grid Note" means the secured convertible promissory grid note dated February 3, 2023 in the principal amount of \$1,250,000 issued by Pathway, as borrower, in favour of HEAL Global Holdings Corp., as lender.

"Pathway Third-Party Loan" means the senior secured \$3.5 million line of credit that is expected to be offered to the Borrower by an arms-length third party in connection with the Pathway Transaction and, if offered and entered into, the senior secured \$3.5 million line of credit entered into between the Borrower and such arms-length third party.

"Pathway Transaction" means the Arrangement pursuant to the Arrangement Agreement, together with the Private Placement. "Permitted Indebtedness" means, without duplication:

(a) trade payables of the Borrower (other than indebtedness for borrowed money) incurred in the ordinary course of business, provided that such indebtedness is or would be classified as a current liability on the Borrower's financial statements;

- (b) all Indebtedness of the Borrower to the Lender, or under or secured by any Security;
- (c) capital lease obligations and indebtedness secured by purchase money liens;
- (d) the ADH Credit Facility;
- (e) the Pathway Grid Note;
- (f) the Pathway Third-Party Loan, so long as any security granted by the Borrower to the lender under such Pathway Third-Party Loan is satisfactory to the Lender;
- (g) indebtedness of 10030712 Manitoba Ltd., a 51% owned subsidiary of Pathway, in respect of leasehold improvement loans;
- (h) Canada Emergency Business Account loans of each of 2563367 Ontario Ltd. (dba Silver Medical Group Centre for Pain Care) and 9393 1681 Quebec Inc. (dba Slawner Ortho Lteé), subsidiaries of Pathway;
- (i) all indebtedness secured by Permitted Liens; and
- (i) such other indebtedness of the Borrower which the Lender has consented to in writing.

"Permitted Liens" means, as at any particular time, any of the following encumbrances on the Collateral:

- (a) Statutory Liens in respect of any amount which is not at the time overdue, or which may be overdue but the validity of which are then being contested in good faith;
- (b) undetermined or inchoate Liens incidental to operations arising in the ordinary course of business which relate to obligations (i) not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same, or (ii) are then being contested in good faith;
- (c) liens arising out of judgments, awards or claims filed which are then being contested in good faith;
- security given to a public utility or any Governmental Authority to secure obligations incurred in the ordinary course of business and not at the time overdue;
- (e) easements, rights-of-way, servitudes or other similar rights in and (including rights-of-way and servitudes for railways, sewers, drains, pipelines, gas and water mains, electric light and power, telephone, telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which either alone or in the aggregate do not materially detract from the value of land or materially impair its use;
- (f) Liens arising in connection with the construction or improvement of land or arising out of the furnishing of materials or supplies therefor, provided that any such Lien secures moneys not at the time overdue (or if overdue, are then being contested in good faith), notice of such Lien has not been given to the Lender, and such Lien has not been registered against title to such land;

- (g) Liens securing Permitted Indebtedness; and
- (h) all such other claims and encumbrances as are specifically disclosed by notice in writing to the Lender to the extent that the Lender, by specific notice in writing to the Borrower, advises the Borrower that the Lender agrees to accept such claims and encumbrances as Permitted Liens for the purposes of this Note;

provided that the use of the term "Permitted Liens" to describe such Liens means that they are permitted to exist and shall not be interpreted as meaning that such Liens are entitled to priority over the Security.

"person" means any individual, corporation, company, partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.

"Principal Amount" has the meaning ascribed thereto on the face page of this Note.

"Private Placement" means one or more equity, debt or convertible debt financings for aggregate gross proceeds of up to \$10,000,000, including minimum aggregate proceeds of \$500,000 to be subscribed for by management of Pathway and other Pathway associates and related parties, the completion of which is a condition to closing of the Arrangement.

"Repayment Triggering Event" means that date on which the Borrower receives the proceeds of the Private Placement.

"Security" means the GSA, the guarantees, security agreements and other documents provided to the Lender under the ADH Credit Facility and extended to this Note pursuant to Section 10, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing and, for certainty shall include any Additional Security.

"Statutory Lien" means a Lien in respect of any property or assets of any person created by or arising pursuant to any applicable legislation in favour of any person (such as but not limited to a Governmental Authority), including in respect of obligations to deduct and remit taxes, duties, assessments, employee source deductions and goods and services taxes pursuant to Applicable Law.

"TSXV" means the TSX Venture Exchange.

- 2. Loan. A loan of up to an aggregate amount of Cdn.\$1,200,000 is being made available to be Borrower by the Lender. The Borrower may, with the prior approval of the Lender (other then when an Event of Default has occurred and is continuing), borrow amounts from the Lender on the terms as set out in this Note according to the following schedule:
 - (a) On the date hereof, Cdn.\$600,000; and
 - (b) On or after May 15, 2023, Cdn.\$600,000,

which the Lender shall advance to the Borrower in reliance upon the representations and warranties contained herein and subject to the terms and conditions of this Note. Notwithstanding the forgoing,

the Lender may provide Advances hereunder at such times and from time to time, in such amounts as requested by the Borrower.

- Advances. As a condition precedent to the Lender making an Advance to the Borrower:
 - (a) Each Note Document, duly executed, shall have been received, each in full force and effect and in form and substance satisfactory to the Lender, acting reasonably
 - (b) no Event of Default shall have occurred and be continuing or would arise immediately after giving effect to or as a result of such extension of credit; and
 - (c) the representations and warranties of the Borrower in Section 11 shall be true and correct as of the date of such Advance.

and the Lender, in it sole and unfettered discretion, may require evidence of the above by way of affidavit, officer's certification or otherwise prior to making an Advance.

4. Repayment. Payment of all Indebtedness owing under this Note shall be made on or before the earlier of: (i) July 21, 2023; and (ii) the date of the Repayment Triggering Event (in either case, the "Maturity Date") and (iii) subject to Section 15, upon the occurrence of an Event of Default. In the event that the Maturity Date occurs as a result of the occurrence of the Repayment Triggering Event, the Borrower covenants to pay all Indebtedness owing under this Note in priority to all other indebtedness of any nature and kind whatsoever.

Payment of Principal Amount, any fees and the interest due on this Note shall be payable at the instructions set forth on Schedule "B", or at such other place as may be designated by Lender, by written notice to the Borrower. Interest on this Note shall accrue and be paid in accordance with Section 5. All payments under this Note shall be made in lawful money of Canada in immediately available funds.

5. **Interest.** The outstanding Principal Amount shall bear interest on the terms and conditions set forth herein, from the date hereof. While outstanding, the Principal Amount shall bear interest at the rate of fifteen percent (15%) per annum, calculated monthly and compounded annually, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year.

In the event that: (i) all Indebtedness is not repaid on or before the Maturity Date, or (ii) there occurs an Event of Default on, before or in connection with the Maturity Date, interest will be deemed to accrue from the issuance date of the Note at a rate of 24% per annum, calculated monthly and compounded annually, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year and added to the Indebtedness.

The theory of deemed reinvestment shall not apply to the calculation of interest or payment of fees or other amounts hereunder, notwithstanding anything contained in this Note now or hereafter granted to or taken by the Lender and all interest and fees payable by the Borrower to the Lender shall accrue from day to day and be computed as described herein in accordance with the "nominal rate" method of interest calculation.

The Borrower hereby waives, to the fullest extent it may do so under Applicable Law, any provisions of Applicable Law, including specifically the *Interest Act* (Canada) and any analogous provincial legislation which may be inconsistent with this Note

Notwithstanding any provision of this Note, the parties intend that the interest rate and fees on this Note will never exceed the maximum rate permitted by Applicable Law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at, but not in excess of, the highest rate recoverable under Applicable Law.

- 6. **Reporting Requirements**. The Borrower covenants to report to the Lender once weekly, no later then 5 pm (EST) on the last Business Day of each week prior to the Maturity Date as to the current status of those events and milestones set forth in Schedule "D".
- 7. **Expenses**. The Borrower shall pay all reasonable and documented attorneys' fees and court costs incurred by Lender in enforcing and collecting in respect of the Note Documents. Each party shall bear their own costs and expenses incurred to document the Note Documents, while the Borrower shall bear the costs and expenses related to required regulatory or other filings to protect Lender's security interest and any amendments, modifications or supplements to the Note Documents. Amounts due under this provision, together with the principal and interest and amounts due shall form part of the Obligations.
- 8. **Prepayment**. This Note may be prepaid, in whole or in part, without penalty upon no less than three Business Days' notice to the Lender, prior to the Maturity Date;
- 9. Setoff. The Obligations owning under the Note Documents shall be paid without setoff or counterclaim, except as expressly set forth herein, and free and clear of and exempt from, and without deduction for or on account of, any present or future taxes, levies, imposts, duties, deductions, withholdings or other charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government or any political subdivision or taxing authority thereof.
- Security. Payment of all Indebtedness and Obligations owing to Lender under this Note are secured by the Security granted to the lender under the ADH Credit Facility and any Additional Security. The Borrower expressly acknowledges and agrees that the grant of the Security to the Lender under the ADH Credit Facility shall apply to the Indebtedness as if the Indebtedness were incurred under the ADH Credit Facility mutatis mutandis and hereby grants such Security to the Lender.

The Security required to be created hereby shall be effective upon execution and delivery thereof, and the undertakings as to any guarantees and Security herein or in any document hereunder shall be continuing, whether the monies hereby or thereby secured or any part thereof shall be advanced before or after or at the same time as the creation of any such guarantees or other Security, or before or after or upon the date of execution of any amendments to or restatements of this Agreement, and shall not be affected by any Obligations fluctuating from time to time.

The Lender shall have the right to request Additional Security from time-to-time at its sole discretion. The Borrower shall do, at the Borrower's sole cost and expense, all such commercially reasonable acts, execute all such instruments and provide such further assurances as the Lender may reasonably request to ensure that the priority of the Liens created by all of the Security executed and delivered to the Lender as contemplated hereby is duly protected and perfected by registration, filing or recordation of such Security or a caution, caveat, security notice or other appropriate instrument at all offices where necessary or of material advantage to the protection or perfection thereof; and to cooperate with the Lender and Lender's counsel in renewing or refiling

any registration, filing or recordation required hereby from time to time in order to preserve, protect and maintain the priority of such Liens.

- 11. **Representation and Warranties**. In addition to the representations and warranties set forth in the other Note Documents, which are expressly incorporated by reference into this Note and form an integral part hereof, the Borrower represents and warrants to the Lender as at the date hereof and as at the date of each Advance, as follows:
 - (a) the Borrower is duly organized, validly existing and in good standing in its jurisdiction of formation. The Borrower has all requisite power and authority to execute and deliver the Note Documents and to perform the obligations hereunder;
 - (b) the execution, delivery and performance by the Borrower of the Note Documents has been duly authorized by all necessary organizational action and will not (a) contravene the terms of the Borrower's organizational documents, (b) violate any applicable and material law or (c) any other agreements of the Borrower which could result a Material Adverse Effect;
 - (c) each this Note and the other Note Documents in existence as at the date hereof has been duly executed by the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable against it in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles;
 - (d) the execution, delivery and performance by the Borrower of the Note Documents does not require any governmental action, license, consent or approval of or notice to or filing with any Governmental Authority which has not been obtained and do not and will not contravene any provision of Applicable Law or any governmental action applicable to it or any of its assets, subject only to the filing of requisite forms under applicable securities laws and TSXV approval, if required;
 - (e) except as otherwise previously disclosed to the Lender, the Borrower is not in material breach or material default of, 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 under any material agreement or instrument by which it or any of its properties, assets or undertakings are bound, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
 - (f) except as otherwise previously disclosed to the Lender, there are no material actions, suits or proceedings pending or threatened against it at law or in equity by or before any Governmental Authority, domestic or foreign, or before any arbitrator of any kind, and it is not in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any Governmental Authority, domestic or foreign, or any arbitrator of any kind, except in each case to the extent it would not reasonably be expected to have a Material Adverse Effect;
 - (g) all financial information submitted to the Lender fairly reflect, as of the dates thereof, the consolidated financial condition of the Borrower and the results of its operations for the periods covered thereby, have been prepared in accordance with generally accepted

accounting principles and, from the date of the latest such financial information submitted to the Lender, there has been no material adverse change in the consolidated financial condition of the Borrower or its properties, assets, condition or undertaking which has not been disclosed in writing to the Lender;

- (h) other than as disclosed to the Lender in writing, the Borrower has filed all tax returns which were required to be filed, has paid or made provision for payment of all taxes which are due and payable, and has provided adequate reserves for the payment of any taxes the payment of which is being contested in good faith;
- (i) the Borrower has in full force and effect such policies of insurance in such amounts issued by insurers of recognized standing insuring its properties and operations, including business interruption insurance and replacement cost insurance, and providing such coverage as would be maintained by a prudent operator engaged in the same or similar business where its properties and operations are located;
- (j) the Borrower is in material compliance with all Applicable Laws;
- (k) subject to the assumptions and qualifications made by the Borrower and provided to the Lender in writing, the projections and other related data provided to the Lender by the Borrower, to the best of the knowledge of the Borrower, fairly and properly reflect the interests and projections of the Borrower therein and thereto as of the date thereof;
- (I) except as otherwise disclosed to the Lender, no event or circumstance has occurred which constitutes, or which with the giving of notice, lapse of time or both would constitute, an Event of Default; and
- (m) to the knowledge of the Borrower, there is no fact that the Borrower has not disclosed to the Lender in writing, or of which the Lender is not otherwise aware, that could reasonably be expected to have a Material Adverse Effect.
- 12. **General Covenants**. In addition to covenants set forth elsewhere in this Note and in the other Note Documents, which are expressly incorporated by reference into this Note and form an integral part hereof, the Borrower covenants and agrees with the Lender that, so long as any Obligations remain outstanding and unpaid, the Borrower shall:
 - (a) Pay and Perform Obligations: duly and punctually pay all principal, interest, fees and other amounts payable hereunder on the dates, times and places, and in the manner specified herein or therein, and observe and comply with all other terms and conditions of the Note Documents;
 - (b) Use of Proceeds: use the proceeds advanced by the Lender under the Note solely for those purposes set forth in Schedule "C" attached hereto, except where the Borrower has received the prior written consent of the Lender to deviate from such purposes.
 - (c) Maintain Existence: maintain and preserve its existence and status in its jurisdiction of organization and make all filings and registrations in each other jurisdiction necessary or advisable in connection therewith, except to the extent failure to make such filings would not have a Material Adverse Effect, or where the Borrower has received the prior written consent of the Lender to carry out such action;

- (d) Conduct Business: conduct its business in a proper and efficient manner, and maintain its property and assets in good repair and condition, subject to ordinary wear and tear;
- (e) Pay Remittances: duly remit as and when due all employee pension contributions and/or other benefits (including workers' compensation premiums, employer health tax premiums, Canada Pension Plan contributions, Employment Insurance Commission premiums), and statutory remittances (including income tax, goods and services tax, or where applicable, provincial sales tax or harmonized sales tax);
- (f) Provide Access: permit any representatives of the Lender to enter upon and inspect its assets, books and records, and discuss with its senior management its business, financial condition and operations, from time to time upon reasonable notice and conditions of confidentiality and during normal business hours;
- (g) Maintain Security: ensure that the Security granted to the Lender remains legal, valid, binding and enforceable in accordance with the terms thereof, subject to general principles of equity and laws affecting creditors' rights generally;
- (h) Security Registrations: co-operate with the Lender so as to permit the Lender to forthwith register, file and record the Security (or notices, financing statements or other registrations, including amending registrations) in all proper offices where such registration, filing or recording may be necessary or of material advantage to perfect or protect the Liens constituted thereby, and ensure that such Security ranks in priority to any other Liens granted by it other than Permitted Liens;
- (i) Give Notice: promptly give written notice to the Lender of:
 - (i) any Event of Default of which it becomes aware, using reasonable diligence,
 - (ii) any damage to or destruction of any assets which might give rise to a claim for insurance monies in excess of \$100,000,
 - (iii) any litigation, arbitration or other proceeding commenced or threatened against or affecting it which would reasonably be expected to have a Material Adverse Effect,
 - (iv) any Lien of which it becomes aware that has been registered, filed or recorded against the interests of it in any Collateral which is not a Permitted Lien; and
 - (v) any other change (financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of it that has or would reasonably be expected to have a Material Adverse Effect,

and from time to time provide the Lender with all information requested by the Lender concerning the status of any of the foregoing; and

(j) Provide Other Documents: use reasonable efforts to provide the Lender from time to time with such other documents, security, opinions, consents, acknowledgments and agreements as are requested by the Lender and are necessary to implement this Note and the Security, and any other Note Document.

- 13. **Negative Covenants**. Without the prior written consent of the Lender or in connection with the Pathway Transaction, the Borrower hereby covenants and agrees that it shall not:
 - (a) Incur Debt: create, incur, assume or permit to exist any debt, other than Permitted Indebtedness;
 - (b) Financial Assistance: provide financial assistance, guarantees, investments, additional management remuneration (in excess of salary and bonuses paid to employees in the ordinary course of business), dividends or any other employee loans to any persons including Affiliates except for (i) those approved by the Lender, (ii) those provided to Affiliates in respect of acquisitions and projects in the ordinary course of business;
 - (c) Negative Pledge: create, incur, permit or suffer to exist any Liens upon or with respect to any Collateral, other than Permitted Liens;
 - (d) Material Changes: liquidate or dissolve, cease to carry on business as now being conducted by it, complete any transaction whereby all or substantially all of its property and assets would become the property of any other person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, or amend in any material respect its constating documents;
 - (e) Limit Activities: make any material change in the nature of its business nor take any action that is inconsistent with past practices, or that is not taken in the ordinary course of the normal day-to-day operations of its business, until such time as the Obligations are repaid in full, or with the written consent of the Lender,;
 - (f) Restrictions on Dispositions: directly or indirectly sell, lease, assign, transfer, convey or otherwise dispose of any of its assets greater than \$100,000;
 - (g) Distributions: declare, pay or make any Distributions or payments on subordinated debt when an Event of Default has occurred and is continuing or would reasonably be expected to occur as a result of making such Distribution; and
 - (h) Change of Control: permit a change of control or ownership.
- 14. **Events of Default**. In addition to Events of Default set forth in the other Note Documents and which are applicable to the Borrower, which are expressly incorporated by reference into this Note and form an integral part hereof, the occurrence of any one or more of the following events, other than in connection with the Pathway Transaction, after the expiry of any applicable cure period set out below, shall constitute an "**Event of Default**" under this Note:
 - (a) if the Borrower or any of its Affiliates defaults in the observance or performance of any material agreement, covenant or undertaking given by the Borrower to the Lender in any Note Document or in any document executed in connection herewith, in any other future loan or credit facility agreement between the Lender and the Borrower, or in any document executed in connection therewith;
 - (b) if the Borrower defaults in payment of any of the Obligations of the Borrower to the Lender when due:

- (c) if the Borrower fails to repay any of the Obligations of the Borrower upon the occurrence of the Repayment Triggering Event;
- (d) the transfer or disposition of any of the Collateral, other than in the regular course of business, by the Borrower, except as expressly permitted by the Note Documents;
- if any material licences, permits or approvals required by any law, regulation or governmental policy or any governmental agency or commission for the operation by the Borrower of its business shall be withdrawn or cancelled;
- (f) if any representation or warranty in any Note Document, in any other future loan or credit facility agreement between the Borrower and the Lender, or in any document executed in connection therewith, made by the Borrower or any of its Affiliates to the Lender shall be false or inaccurate in any material respect;
- (g) if there is a material default or other failure to perform in any material agreement to which the Borrower is a party or by which the Borrower is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any indebtedness in an amount exceeding \$50,000;
- (h) if any material misrepresentation, misstatement or omission existed at the time made in any warranty or representation set forth herein, or in any other Note Document, in any other future loan or credit facility agreement between the Borrower and the Lender, or in any document executed in connection therewith;
- (i) if the Borrower shall:
 - (i) become insolvent, or generally not pay its debts or meet its liabilities as the same become due, or suspend or threaten to suspend the conduct of its business, or admit in writing its inability to pay its debts generally, or declare any general moratorium on payment of its indebtedness or interest thereon, or propose a compromise or arrangement between it and any of its creditors,
 - (ii) make an assignment of its property for the general benefit of its creditors, whether or not under the Bankruptcy and Insolvency Act (Canada), or make a proposal (or file a notice of its intention to do so), whether or not under such Act,
 - (iii) institute any Creditor Proceedings seeking to adjudicate it an insolvent, or seeking compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation,
 - (iv) apply for the appointment of, or the taking of possession by, a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property, or
 - (v) take any overt action to approve, consent to or authorize any of the actions described in this paragraph (i) or in paragraph (j) below;

- (j) if any petition shall be filed, application be made or other proceeding be instituted by a third party against it:
 - (i) seeking to adjudicate it an insolvent, or a declaration that an act of bankruptcy has occurred,
 - (ii) seeking a receiving order against it, including under the *Bankruptcy and Insolvency*Act (Canada),
 - (iii) seeking liquidation, dissolution, winding-up, reorganization, administration, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation, or
 - (iv) seeking the entry of an order for relief or the appointment of a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property,

and such petition, application or proceeding shall continue undismissed, or unstayed and in effect, for a period of 15 Business Days after the institution thereof, provided that if an order, decree or judgment which is not stayed has been granted (whether or not entered or subject to appeal) against it thereunder in the interim, such grace period shall cease to apply;

- (including by way of execution, attachment, garnishment or distraint) or any Lien thereon shall be enforced, or such property shall become subject to any receivership, or any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of \$100,000 shall exist or such property, or any receiver, sheriff, civil enforcement agent or other person shall become lawfully entitled to seize or distrain upon any such property under the *Civil Enforcement Act* (Alberta), the *Workers' Compensation Act* (Alberta), the *Personal Property Security Act* (Alberta) or any other Applicable Law whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, receivership, charging order or equitable execution, or other seizure or right, shall continue in effect and not released or discharged for more than 15 Business Days;
- (I) if one or more judgments for the payment of money in the aggregate in excess of \$100,000 from time to time, and not substantially covered by insurance, shall become enforceable against it and it shall not have (i) provided for its discharge in accordance with its terms within 15 Business Days from the date of entry thereof, or (ii) procured a stay of execution thereof within 15 Business Days from the date of entry thereof and within such period, or such longer period during which execution of such judgment shall have been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal;
- (m) if it denies, to any material extent, its obligations under the Note or claims the Note to be invalid or withdrawn in whole or in part; or any of the Note or any material provision

becomes unlawful or is changed by virtue of legislation or by a court, statutory board or commission;

- (n) if the Security is not enforceable or if it shall dispute or deny any liability or obligation under the Security; and
- (o) if a Material Adverse Effect has occurred.
- Remedies. Upon the occurrence of any Event of Default: (a) all indebtedness, liabilities and obligations of the Borrower under this Note shall at the Lender's option and without notice become immediately due and payable without presentment, demand, protest or notice of dishonor, all of which are hereby expressly waived by the Borrower; and (b) the Lender shall have all rights, powers and remedies available under the Note Documents, or accorded by Applicable Law, including the right to resort to any or all Collateral for any Obligations subject hereto and to exercise any or all of the rights of a beneficiary or secured party pursuant to all Applicable Law. All rights, powers and remedies of the Lender may be exercised at any time by the Lender and from time to time after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.
- 16. **Notices.** Any demand, notice or other communication in connection with this Note shall be in writing and shall be personally delivered, mailed by registered mail or sent by email, to the address or email address of the addressee set out below or to such other coordinates as the relevant party may from time to time designate to the other party in such manner.

In the case of the Borrower:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

Attention:

Ken Yoon, Chief Executive Officer

E-mail:

ken.yoon@pathwayhealth.ca

In the case of the Lender:

P.O. Box 8 Caledon East Caledon ON L7C 3L8 Canada

Attention:

Mr. David Dozzo, Director

E-mail:

ddozzo@capforminc.com

Any communication which is personally delivered shall be deemed to have been validly and effectively given on the date of such delivery if such date is a business day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of delivery. Any communication which is mailed shall be deemed to have been validly and effectively given on the fifth business day following the date of mailing provided that, in the event of an interruption in postal

services before such fifth business day, such communication shall be given by one of the other means. Any communication which is transmitted by email shall be deemed to have been validly and effectively given on the date of transmission if such date is a business day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of transmission.

- 17. Waiver. Borrower hereby waives demand, notice, presentment, protest and notice of dishonor.
- 18. Severability. Any provision of this Note or the Security which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Note fail to provide for any relevant matter, the validity, legality or enforceability of this note shall not hereby be affected
- 19. Further Assurances. The Borrower shall, at the request of the Lender do all such further acts and execute and deliver all such further documents as may, in the reasonable opinion of the Lender, be necessary or desirable in order to fully perform and carry out the purpose and intent of the Note Documents.
- 20. Time of the Essence. Time shall be of the essence in the Note Documents.
- 21. **Governing Law**. This Note shall be governed by and construed under the laws of the Province of Alberta, as applied to agreements among Alberta residents, made and to be performed entirely within the Province of Alberta, without giving effect to conflicts of laws principles.
- 22. Indemnification. The Borrower shall indemnify the Lender against all suits, actions, proceedings, claims, losses, expenses (including reasonable fees, charges and disbursements of counsel), damages and liabilities that the Lender may sustain or incur as a consequence of any misrepresentation contained in any writing from the Borrower delivered to the Lender in connection with this Note, or from any default in the observance or performance of any material agreement, covenant or undertaking given by the Borrower to the Lender in the Note Documents.
- 23. **Modification; Waiver**. Any term of this Note may be amended or waived only with the written consent of Borrower and Lender and the prior approval of the TSXV. Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them.
- Assignment. So long as no Event of Default has occurred and is continuing, this Note may be transferred or assigned by Lender to any person without Borrower's prior written consent provided such person executes and delivers a counterpart to this Note pursuant to which it agrees to be bound by the terms hereof. No such assignment shall relieve the Lender of its obligations hereunder. Interest and principal shall be paid solely to Lender or such permitted assign. Such payment shall constitute full discharge of Borrower's obligation to pay such interest and principal. Borrower may not at any time assign any of its rights or its obligations under this Note.
- 25. Amendment and Restatement. Subject to the terms and conditions of this amended and restated Note, 251, the Borrower and the Lender agree that, effective as of the date of this amended and restated Note, the original Note shall be amended and restated in its entirety on the terms and

conditions of this amended and restated Note, without in any way affecting the rights or obligations of any party which may have accrued as of the date hereof pursuant to the provisions of such agreement prior to their amendment and restatement hereunder.

[Signature Page Follows]

IN WITNESS WHEREOF, Borrower has caused this Note to be issued as of the date first set forth above.

PATHWAY HEALTH CORP.

Name: Ken Yoon

Title: Chief Executive Officer

AVONLEA-DREWRY HOLDINGS INC.

Name: David Dozzo Title: Director

DocuSign Envelope ID: BBEEC76A-260C-4868-B209-7470BC60B06E

SCHEDULE "A"

GRID TO SECURED GRID PROMISSORY NOTE

Date	Principal Amount of Advance	Indebtedness to which Interest applies	Principal Paid or Prepaid	Balance of Principal Unpaid	Amount of Interest Paid	Balance of Interest Unpaid	Notation Made by:
April 21, 2023	\$600,000	\$600,000	*	\$600,000	ř	ï	Dentons
May 15, 2023	\$400,000	\$1,000,000		\$1,00,000	Ĭ.	(*	Dentons
June 26, 2023	\$200,000	\$1,200,000	(A)	\$1,200,000	25%	20 M	Dentons
July 13, 2023	\$30,000	\$1,230,000	**	\$1,230,000	•		Dentons
	(4)						

SCHEDULE "B"

PAYMENT INSTRUCTIONS

Beneficiary: Dentons Canada LLP

Address: 850 2nd Street SW, Calgary AB T2P 0R8

Beneficiary Bank: Bank of Montreal

Bank Address: 595 8th Avenue SW, Calgary AB T2P 1G1

Swift Code: BOFMCAM2

Bank Code: 001

Branch / Transit: 25159-001

Account Number: 1037-813

Memo reference: 577214-000001

SCHEDULE "C"

USE OF PROCEEDS

Use of Proceeds/2023	April	May	Total
Working capital (including aging payables)	150,000	150,000	300,000
Transaction costs and professional fees	450,000	150,000	600,000
Growth in existing clinics and medical cannabis	•	100,000	100,000
	600,000	400,000	1,000,000

SCHEDULE "D"

REPORTING EVENTS

Engagement Letter with an Investment Bank Interim Order/Mailing of the Information Circular relating to the Arrangement Agreement Sign-off on Financing Materials and beginning of Marketing Phase Receipt of TSXV Conditional Approval for Arrangement Closing of Financing in Escrow Final Order/Holding of Shareholder Meetings and approval of resolution by shareholders Closing of transaction and release of offering proceeds

THIS IS EXHIBIT "F" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA

GUARANTEE

THIS GUARANTEE is made as of the 27th day of May, 2022

BY:

PATHWAY HEALTH SERVICES CORP., (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

RECITALS

- A. Pathway Health Corp., as borrower (together with its successors and assigns, the "Borrower") has issued a secured interest bearing demand promissory grid note to the Secured Party (the "Note").
- B. The Guarantor has agreed to guarantee the payment by the Borrower of the Guaranteed Obligations.
- C. In this Guarantee, in addition to the definitions set out in the recitals hereto or any Section hereof, certain capitalized terms used herein shall have the meanings ascribed to them in Schedule "A" hereto.

NOW THEREFORE, in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with the Secured Party as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees to and for the benefit of the Secured Party the due and punctual payment of all Guaranteed Obligations. The guarantee contained herein is an absolute, unconditional, present and continuing guarantee of payment, and not of collection, is in no way conditioned or contingent upon any attempt to collect from or enforce payment by the Borrower or upon any other event, contingency or circumstance whatsoever. If, for any reason whatsoever, the Borrower shall fail or be unable to duly, punctually and fully pay any Guaranteed Obligations as and when the same shall become due and payable, the Guarantor shall forthwith pay, or cause to be paid, such Guaranteed Obligations to the Secured Party.

1.2 No Set off by Guarantor; Reinstatement

All amounts payable by the Guarantor under this Guarantee shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever except pursuant to any Requirement of Law. The Guarantee herein shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Secured Party as a result of any Proceedings of or affecting the Borrower or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. The Secured Party may concede or compromise any claim that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 1.2.

ARTICLE 2 ENFORCEMENT

2.1 Demand

Upon default in the payment of the Guaranteed Obligations or any part thereof, the Guarantor shall, on demand by or on behalf of the Secured Party, forthwith pay to the Secured Party all Guaranteed Obligations for which such demand was made. Any statement in writing of the Secured Party as to the amount of the Guaranteed Obligations and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

2.2 Right to Immediate Payment or Performance; Principal Debtor

The Secured Party shall not be bound to make any demand on or to seek or exhaust its recourse against the Borrower or any other Person or any Security held by it before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Guarantee, and the Guarantor hereby renounces all benefits of discussion and division. Any amounts which may not be recoverable from the Guarantor as guarantor under this Guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Secured Party by the Guarantor after demand therefor.

2.3 Subordination

All liabilities and indebtedness, present and future, absolute or contingent, joint or several, of the Borrower to the Guarantor are hereby postponed and subordinated to the payment and performance in full of the Guaranteed Obligations and all other amounts payable hereunder and unless otherwise agreed by the Secured Party, all monies received by the Guarantor in respect thereof shall be received in trust for the Secured Party and forthwith upon receipt shall be paid over to the Secured Party, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee. The Guarantor shall not:

- claim, rank, prove or vote as a creditor in any Proceedings of or affecting the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations;
- (b) assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any Security) against the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations; or
- (c) have any right of subrogation to the Secured Party or be otherwise entitled to claim the benefit of any Security now or hereafter held by the Secured Party in respect of the Guaranteed Obligations;

until the Secured Party has received full and final payment of all Guaranteed Obligations and all other amounts payable hereunder.

ARTICLE 3 PROTECTION OF THE SECURED PARTY

3.1 Defects in Creation of Guaranteed Obligations

The Secured Party shall not be concerned to see or enquire into the capacity and powers of the Borrower or the Guarantors, or their directors, officers, employees or agents acting or purporting to act on their behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Borrower and the Guarantors in favour of the Secured Party shall be deemed to form part of the Guaranteed Obligations

even though the Borrower and any of the Guarantors may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, fraudulently, defectively or informally effected or in excess of the capacity or powers of the Borrower or the Guarantors, or their directors, officers, employees or agents.

3.2 Liability Absolute

This Guarantee shall be a continuing guarantee and the liability of the Guarantor hereunder shall be absolute, unconditional and irrevocable and shall not be discharged, diminished or in any way affected by:

- (a) any amalgamation, merger, consolidation or reorganization of the Borrower or the Guarantors or any continuation of the Borrower or the Guarantors from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;
- (b) any change in the name, business, objects, capital structure, ownership, constating documents, by-laws or resolutions of the Borrower or the Guarantors, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Borrower or the Guarantors becomes the property of any other Person;
- (c) any lack of validity, enforceability or value of any Note Document or any agreement or instrument relating to any Note Document or to any Security therefor;
- (d) any change in the time, manner or place of payment of, or in any other term of any Note Document or any amendment or waiver thereof, or any consent to departure from any Note Document;
- (e) any taking, exchange, release or non-perfection of any Security, or any release or amendment or waiver of or consent to departure from any credit support or other quarantee for any Note Document;
- (f) subject to any Requirement of Law, any manner of application of any Security or proceeds of realization thereof, or any manner of sale or other disposition of any collateral or any other assets of the Borrower or the Guarantors;
- (g) any amendment or modification of or supplement to or other change in any Note Document or any other agreement or instrument;
- (h) any failure, omission or delay on the part of any Person to conform or comply with any term of any Note Document or any other agreement or instrument;
- (i) to the extent as may be waived under Applicable Laws, the benefit of all principles or provisions of law, statutory or otherwise, which may be in conflict with the terms hereof;
- (j) any Proceedings of or affecting the Borrower, the Guarantors or any other Person and any court orders made or action taken by the Borrower, the Guarantors or any other Person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in this Article 3 occurring with or without the consent of the Secured Party;
- (k) any defence, counterclaim or right of set-off available to the Borrower with respect to the Guaranteed Obligations arising from any event or circumstance set forth or contemplated in this Article 3;

- (I) the fact that the Borrower ceases to be liable for any reason whatsoever to the Secured Party in respect of all or any part of the Guaranteed Obligations for any reason arising from or relating to any event or circumstance set forth or contemplated in this Article 3 or the fact that a court determines that the liability of the Borrower to the Secured Party in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (otherwise than pursuant to the express terms of any Note Document or the actual payment of those Guaranteed Obligations);
- (m) any termination by or release of any Guarantor or Persons, other than the Guarantor, in whole or in part of any of the Guaranteed Obligations; or
- (n) any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Borrower or any other Person in respect of the Guaranteed Obligations or the liability of the Guarantor other than the actual payment or performance thereof.

Without limiting the generality of the foregoing, the Guarantor agrees that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower or the Guarantors shall default under or fail to comply with the terms of any Loan Document and that notwithstanding the recovery hereunder for or in respect of any given default or failure to so comply by the Borrower or the Guarantors under any Loan Document, this Guarantee shall remain in force and effect and shall apply to each and every subsequent default. If (i) an event permitting the exercise of remedies under any Loan Document shall at any time have occurred and be continuing beyond any applicable cure period and (ii) such exercise, or any consequences thereof provided in such Loan Document shall at any time be prevented by reason of the pendency against the Borrower or the Guarantors of a Proceeding, the Guarantor agrees that, solely for purposes of this Guarantee and its obligations hereunder, the Loan Document shall be deemed to have been declared in default and all amounts thereunder shall be deemed to be due and payable, with all the attendant consequences as provided for in such agreement as if declaration of default and the consequence thereof had been accomplished in accordance with the terms thereof, and the Guarantor shall forthwith pay and perform the Guaranteed Obligations.

3.3 Dealings by the Secured Party

The Secured Party may from time to time in its absolute discretion, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

- (a) permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations, any Loan Document or any other agreement relating to any of the foregoing or demand payment of all or any Guaranteed Obligations;
- (b) enforce or take action under or abstain from enforcing or taking action under any Loan Document or any other guarantee of the Guaranteed Obligations;
- (c) receive, give up, subordinate, release or discharge any Security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any Security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any Security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any Security; or allow or abstain from allowing the Borrower or other Persons to deal with all or any part of such undertaking, property and assets;

- renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Borrower or to any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (e) accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Borrower or any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (f) in whole or in part prove or abstain from proving a claim of the Secured Party in any Proceedings of or affecting the Borrower or any other Person; and
- (g) agree with the Borrower, any other guarantor or any other Person to do anything described in Subsections (a) to (f) above;

whether or not any of the matters described in Subsections (a) to (g) above occur alone or in connection with one or more other such matters. No loss of or in respect of any Security for the Guaranteed Obligations or any part thereof, whether occasioned through the fault of the Secured Party or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder.

3.4 Waiver of Notice

To the extent permitted by Applicable Laws, the Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 3.1, 3.2 or 3.3 and all other notices whatsoever in respect of the Guaranteed Obligations. The Guarantor hereby acknowledges the terms of the Note Documents and of all the provisions therein contained and consents to and approves the same.

3.5 Acknowledgment

The Guarantor acknowledges that it has received and will receive substantial direct and indirect benefits from the entering into of the Note Documents by the Borrower and the arrangements contemplated therein and this Guarantee is made knowingly in contemplation of such benefits.

ARTICLE 4 AGREEMENTS, REPRESENTATIONS AND WARRANTIES OF GUARANTOR

4.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party as follows:

- (a) Organization and Qualification. The Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with full right, power and authority under its corporate charter and, if applicable, by-laws and under the laws of the jurisdiction of its incorporation to enter into this Guarantee and to perform its obligations hereunder;
- (b) Authorization and Enforceability. The Guarantor has taken all necessary corporate action to enter into and perform its obligations contained in and contemplated by this Guarantee. This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms;

- (c) No Conflict. Neither the execution and delivery of this Guarantee nor compliance with any of the terms and provisions hereof (i) contravenes any Requirement of Law applicable to the Guarantor or any of its respective properties or other assets, (ii) conflicts with, breaches or contravenes the provisions of the corporate charter or, if applicable, bylaws of the Guarantor or conflicts with, breaches, contravenes or constitutes a default under any Contractual Obligation of the Guarantor or (iii) results in the creation or imposition of any mortgage, charge, assignment, lien, security interest or other encumbrance upon any of the property or assets of the Guarantor;
- (d) Governmental Consent. No Governmental Consent is required to authorize, or is required in connection with the execution, delivery and performance of this Guarantee or the taking of any action by the Guarantor hereby contemplated, except any that have been obtained;
- (e) Litigation. Other than as disclosed in writing to the Secured Party, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the best of the Guarantor's knowledge, threatened against or affecting the Guarantor or any of its properties or rights which would reasonably be expected to have a material adverse effect on the right or ability of the Guarantor to fulfill its obligations hereunder, or which questions the validity, binding effect or enforceability of this Guarantee or any action taken or to be taken by the Guarantor pursuant hereto or in connection with the transactions contemplated hereby; and
- (f) No Default or Amendment. Neither the Guarantor nor, to the best knowledge of the Guarantor, the Borrower or any Guarantor is in default of their respective obligations under this Guarantee or any Loan Document, respectively, and, to the best knowledge of the Guarantor, no event or condition has occurred or exists which with the lapse of time or the giving of notice would constitute a default of any of the Guarantor's obligations under this Guarantee or of the Borrower's or Guarantor's obligations under any Loan Document.

ARTICLE 5 MISCELLANEOUS

5.1 Expenses; Indemnity

The Guarantor shall pay on demand all reasonable out of pocket costs and expenses of the Secured Party (including, without limitation, the reasonable fees and expenses of counsel for the Secured Party) reasonably incurred in connection with the preparation and any enforcement of this Guarantee. The Guarantor shall indemnify and save the Secured Party harmless from and against any and all other losses, costs and expenses (which shall not include loss of profit or consequential damages, other than interest and fees on the amounts of credit advanced by the Secured Party to the Borrower, at the rate or rates applicable thereto in the Credit Facility Agreement) which may arise by virtue of any of the Guaranteed Obligations not being paid or performed in a punctual manner or any Loan Document or any other agreement relating to any of the foregoing being or becoming for any reason whatsoever in whole or in part void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable by the Secured Party in accordance with its terms, or released, compromised or discharged by operation of any Requirement of Law or otherwise.

5.2 Amendment; Waiver

No amendment of this Guarantee shall be binding unless executed in writing by the Secured Party and the Guarantor. No waiver of any provision of this Guarantee shall be effective unless given in writing by the Secured Party and no such waiver shall constitute a waiver of any other provision nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided. No delay on the part of the Secured Party in the exercise of any right, power or remedy

hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of the Secured Party permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Guarantee.

5.3 Additional Security

This Guarantee shall be in addition to, and shall not be in any way prejudiced by nor shall this Guarantee prejudice (i) any other Security now or hereafter held by the Secured Party, and (ii) the endorsement by the Guarantor of any notes or other documents, and the rights of the Secured Party under this Guarantee shall not be merged in any such other Security or endorsement or any judgment obtained by the Secured Party on the Guaranteed Obligations or the Security.

5.4 Successors and Assigns; Assignment

This Guarantee shall be binding upon the Guarantor and its successors and permitted assigns, and enure to the benefit of the Secured Party and its successors and assigns. The Guarantor shall not assign any rights or obligations with respect to this Guarantee without the prior written consent of the Secured Party which consent may be unreasonably withheld.

5.5 Communication

Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or e-mail and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable e-mail address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a) If to the Secured Party, to:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, ON L7C 3L8

Attention:

David Dozzo, Director

E-mail:

ddozzo@capforminc.com

(b) If to the Guarantor, to:

Pathway Health Services Corp. 16 Four Seasons Place, Suite 203A Etobicoke, ON M9B 6H7

Attention:

Aura Balboa, Chief Financial Officer

E-mail:

aura.balboa@theclinicnetwork.ca

5.6 Taxes

If any payment made by the Guarantor to the Secured Party becomes subject to any withholding or deduction with respect to taxes, the Guarantor shall also duly and punctually pay to the Secured Party such additional amount as may be necessary to ensure that the Secured Party receives an amount, after taking into account all applicable taxes, equal to the amount which would have been received by the Secured Party had such payment not been made subject to any withholding or deduction. In any such

circumstance, the Guarantor shall also promptly remit to the Secured Party the relevant official receipts or other evidence satisfactory to the Secured Party, acting reasonably, evidencing payment to the appropriate taxing authority of each such tax by the Guarantor on behalf of the Secured Party. If, following the payment of such tax by the Guarantor to the appropriate taxing authority, the Secured Party is granted a credit against any taxes payable by it or a refund of taxes paid by it as a result of the payment of such tax by the Guarantor, the Secured Party shall, at the time of utilization of that credit or refund, credit the Guarantor with the amount of that credit or refund, provided the Secured Party, in its sole judgement, is satisfied that:

- (a) the retention by it of that credit will not be prejudiced thereby; and
- (b) the net financial result to the Secured Party of crediting the Guarantor with the amount of such credit or refund is no less favourable to the Secured Party than that which would have occurred under the provisions of this Guarantee had there been no obligation on the Guarantor to pay such tax to the appropriate taxing authority.

In the event the Guarantor is entitled to be credited with all or any portion of such credit or refund utilized by the Secured Party, the Secured Party shall deliver to the Guarantor a certificate prepared by it in good faith and signed by one of its officers setting forth the amount to be so credited to the Guarantor and the method of calculation thereof and such certificate shall be prima facie evidence, in the absence of manifest error, of the amount to be so credited to the Guarantor. "Taxes" as used herein includes, but is not limited to, any applicable withholding taxes, value added taxes, imports and duties but excludes income taxes.

The Secured Party shall, at the Guarantor's request and cost, file such documentation and do such commercially reasonable things as is necessary to obtain such credit or refund, but the Secured Party shall not be obligated to disclose any information to the Guarantor or any other Person concerning its income or taxes that is not otherwise publicly available.

5.7 General

- (a) References. As used herein, "hereto", "herein", "hereof", "hereby", "hereunder" and any similar expressions refer to this Guarantee, and not to any particular Article, Section or other portion hereof. Whenever in this Guarantee a particular Article, Section or other portion thereof is referred to, such reference pertains to the Article, Section or portion thereof contained herein unless otherwise indicated. In this Guarantee, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. The inclusion of headings herein is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Invalidity of Provisions. Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (c) Entire Agreement. This Guarantee, together with the other Note Documents, constitutes the entire agreement between the parties pertaining to the subject matter of this Guarantee. There are no warranties, representations or agreements between the parties in connection with such subject matter except as specifically set forth or referred to in this Guarantee and the other Note Documents.
- (d) Governing Law, Attornment. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable

therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.

- (e) Copy Received. The Guarantor acknowledges receipt of a copy of this Guarantee.
- (f) Time of Essence. Time shall be of the essence.

[Signature Page Follows]

IN WITNESS WHEREOF Pathway Health Services Corp. has executed this Guarantee effective as of the day and year first above written.

PATHWAY HEALTH SERVICES CORP.

—DocuSigned by: Awra Balboa

Per:

Name: Aura Balboa

Title: Chief Financial Officer

SCHEDULE "A" TO GUARANTEE

"Applicable Laws" means, in relation to any Person, transaction or event:

- all applicable common law and the laws of equity, and all applicable provisions of laws, statutes, rules, guidelines, policies and regulations of any Governmental Authority in effect from time to time; and
- all judgments, orders, awards, decrees, official directives, writs and injunctions from time to time of any Governmental Authority in an action, proceeding or matter in which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banking institutions located in Toronto, Ontario are open for business.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Note" means the secured interest bearing demand promissory grid note dated as of May 27, 2022, issued to the Secured Party, as lender, the Borrower, as borrower, and pursuant to which the Secured Party may advance up to Cdn.\$1.0 million to the Borrower, as such promissory note may be supplemented, amended, replaced or restated from time to time.

"Governmental Authority" means

- (a) any government, parliament or legislature, any regulatory or administrative authority, agency, commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances,
- (b) any Person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Governmental Consents" means all authorizations, registrations, consents, approvals, licences, exemptions, publications, filings, notices to and declarations of or with any Governmental Authority including, without limitation, related to any environmental law or environmental matter, that are required for the execution, delivery or performance of this Guarantee or the taking of any action by the Guarantor contemplated under this Guarantee.

"Guarantee" means this guarantee, as amended, supplemented or restated from time to time.

"Guaranteed Obligations" means all of the obligations, liabilities and indebtedness of the Borrower and the Guarantor to the Secured Party, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency, including without limitation all present and future indebtedness, liabilities and obligations of the Borrower and the Guarantor to the Secured Party owing under, out of, in connection with or in respect of the Note and the other Note Documents to which the Borrower is a Party.

"Note Documents" has the meaning ascribed thereto in the Note.

"Person" means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate or other judicial entity or any governmental body.

"Proceedings" means any voluntary or involuntary receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature.

"Requirement of Law" means, as to any Person, any law, treaty, regulation, ordinance, decree, judgment, order or similar requirement made or issued under sovereign or statutory authority and applicable to or binding upon that Person, or to which that Person or any of its property is subject.

"Security" means any mortgage, charge, assignment, lien, pledge, security interest or other encumbrance, any guarantee, and any other arrangement designed to secure the payment or performance of any obligation, liability or indebtedness held by or in favour of the Secured Party, whether obtained from the Borrower or the Guarantor and whether obtained before, at the time of or after the execution and delivery of this Guarantee.

THIS IS EXHIBIT "G" REFERRED TO IN THE AFFIDAVIT OF

Sworn before me this 9th of August, 2023

MICHAEL STEELE

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

GUARANTEE

THIS GUARANTEE is made as of the 29th day of July, 2022

BY:

PATHWAY HEALTHCARE TECHNOLOGIES CORP., (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

RECITALS

- A. Pathway Health Corp., as borrower (together with its successors and assigns, the "Borrower") is party to a credit agreement dated as of the date hereof among, *inter alios*, the Borrower, as borrower, the Guarantor, as a guarantor and the Secured Party, as lender (as amended, supplemented, restated or replaced from time to time the "Credit Agreement").
- B. The Guarantor has agreed to guarantee the payment by the Borrower of the Guaranteed Obligations.
- C. In this Guarantee, in addition to the definitions set out in the recitals hereto or any Section hereof, certain capitalized terms used herein shall have the meanings ascribed to them in Schedule "A" hereto.

NOW THEREFORE, in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with the Secured Party as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees to and for the benefit of the Secured Party the due and punctual payment of all Guaranteed Obligations. The guarantee contained herein is an absolute, unconditional, present and continuing guarantee of payment, and not of collection, is in no way conditioned or contingent upon any attempt to collect from or enforce payment by the Borrower or upon any other event, contingency or circumstance whatsoever. If, for any reason whatsoever, the Borrower shall fail or be unable to duly, punctually and fully pay any Guaranteed Obligations as and when the same shall become due and payable, the Guarantor shall forthwith pay, or cause to be paid, such Guaranteed Obligations to the Secured Party.

1.2 No Set off by Guarantor; Reinstatement

All amounts payable by the Guarantor under this Guarantee shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever except pursuant to any Requirement of Law. The Guarantee herein shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Secured Party as a result of any Proceedings of or affecting the Borrower or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. The Secured Party may concede or compromise any claim

that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 1.2.

ARTICLE 2 ENFORCEMENT

2.1 Demand

Upon default in the payment of the Guaranteed Obligations or any part thereof, the Guarantor shall, on demand by or on behalf of the Secured Party, forthwith pay to the Secured Party all Guaranteed Obligations for which such demand was made. Any statement in writing of the Secured Party as to the amount of the Guaranteed Obligations and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

2.2 Right to Immediate Payment or Performance; Principal Debtor

The Secured Party shall not be bound to make any demand on or to seek or exhaust its recourse against the Borrower or any other Person or any Security held by it before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Guarantee, and the Guarantor hereby renounces all benefits of discussion and division. Any amounts which may not be recoverable from the Guarantor as guarantor under this Guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Secured Party by the Guarantor after demand therefor.

2.3 Subordination

All liabilities and indebtedness, present and future, absolute or contingent, joint or several, of the Borrower to the Guarantor are hereby postponed and subordinated to the payment and performance in full of the Guaranteed Obligations and all other amounts payable hereunder and unless otherwise agreed by the Secured Party, all monies received by the Guarantor in respect thereof shall be received in trust for the Secured Party and forthwith upon receipt shall be paid over to the Secured Party, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee. The Guarantor shall not:

- claim, rank, prove or vote as a creditor in any Proceedings of or affecting the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations;
- (b) assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any Security) against the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations; or
- (c) have any right of subrogation to the Secured Party or be otherwise entitled to claim the benefit of any Security now or hereafter held by the Secured Party in respect of the Guaranteed Obligations;

until the Secured Party has received full and final payment of all Guaranteed Obligations and all other amounts payable hereunder.

ARTICLE 3 PROTECTION OF THE SECURED PARTY

3.1 Defects in Creation of Guaranteed Obligations

The Secured Party shall not be concerned to see or enquire into the capacity and powers of the Borrower or the Guarantors, or their directors, officers, employees or agents acting or purporting to act on their behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Borrower and the Guarantors in favour of the Secured Party shall be deemed to form part of the Guaranteed Obligations even though the Borrower and any of the Guarantors may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, fraudulently, defectively or informally effected or in excess of the capacity or powers of the Borrower or the Guarantors, or their directors, officers, employees or agents.

3.2 Liability Absolute

This Guarantee shall be a continuing guarantee and the liability of the Guarantor hereunder shall be absolute, unconditional and irrevocable and shall not be discharged, diminished or in any way affected by:

- any amalgamation, merger, consolidation or reorganization of the Borrower or the Guarantors or any continuation of the Borrower or the Guarantors from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;
- (b) any change in the name, business, objects, capital structure, ownership, constating documents, by-laws or resolutions of the Borrower or the Guarantors, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Borrower or the Guarantors becomes the property of any other Person;
- (c) any lack of validity, enforceability or value of any Credit Document or any agreement or instrument relating to any Credit Document or to any Security therefor;
- (d) any change in the time, manner or place of payment of, or in any other term of any Credit Document or any amendment or waiver thereof, or any consent to departure from any Credit Document;
- (e) any taking, exchange, release or non-perfection of any Security, or any release or amendment or waiver of or consent to departure from any credit support or other guarantee for any Credit Document;
- (f) subject to any Requirement of Law, any manner of application of any Security or proceeds of realization thereof, or any manner of sale or other disposition of any collateral or any other assets of the Borrower or the Guarantors;
- (g) any amendment or modification of or supplement to or other change in any Credit Document or any other agreement or instrument;
- (h) any failure, omission or delay on the part of any Person to conform or comply with any term of any Credit Document or any other agreement or instrument;
- (i) to the extent as may be waived under Applicable Laws, the benefit of all principles or provisions of law, statutory or otherwise, which may be in conflict with the terms hereof;

- any Proceedings of or affecting the Borrower, the Guarantors or any other Person and any court orders made or action taken by the Borrower, the Guarantors or any other Person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in this Article 3 occurring with or without the consent of the Secured Party;
- (k) any defence, counterclaim or right of set-off available to the Borrower with respect to the Guaranteed Obligations arising from any event or circumstance set forth or contemplated in this Article 3;
- (I) the fact that the Borrower ceases to be liable for any reason whatsoever to the Secured Party in respect of all or any part of the Guaranteed Obligations for any reason arising from or relating to any event or circumstance set forth or contemplated in this Article 3 or the fact that a court determines that the liability of the Borrower to the Secured Party in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (otherwise than pursuant to the express terms of any Credit Document or the actual payment of those Guaranteed Obligations);
- (m) any termination by or release of any Guarantor or Persons, other than the Guarantor, in whole or in part of any of the Guaranteed Obligations; or
- (n) any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Borrower or any other Person in respect of the Guaranteed Obligations or the liability of the Guarantor other than the actual payment or performance thereof.

Without limiting the generality of the foregoing, the Guarantor agrees that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower or the Guarantors shall default under or fail to comply with the terms of any Loan Document and that notwithstanding the recovery hereunder for or in respect of any given default or failure to so comply by the Borrower or the Guarantors under any Loan Document, this Guarantee shall remain in force and effect and shall apply to each and every subsequent default. If (i) an event permitting the exercise of remedies under any Loan Document shall at any time have occurred and be continuing beyond any applicable cure period and (ii) such exercise, or any consequences thereof provided in such Loan Document shall at any time be prevented by reason of the pendency against the Borrower or the Guarantors of a Proceeding, the Guarantor agrees that, solely for purposes of this Guarantee and its obligations hereunder, the Loan Document shall be deemed to have been declared in default and all amounts thereunder shall be deemed to be due and payable, with all the attendant consequences as provided for in such agreement as if declaration of default and the consequence thereof had been accomplished in accordance with the terms thereof, and the Guarantor shall forthwith pay and perform the Guaranteed Obligations.

3.3 Dealings by the Secured Party

The Secured Party may from time to time in its absolute discretion, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

- (a) permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations, any Loan Document or any other agreement relating to any of the foregoing or demand payment of all or any Guaranteed Obligations;
- (b) enforce or take action under or abstain from enforcing or taking action under any Loan Document or any other guarantee of the Guaranteed Obligations;

- (c) receive, give up, subordinate, release or discharge any Security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any Security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any Security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any Security; or allow or abstain from allowing the Borrower or other Persons to deal with all or any part of such undertaking, property and assets;
- (d) renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Borrower or to any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (e) accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Borrower or any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (f) in whole or in part prove or abstain from proving a claim of the Secured Party in any Proceedings of or affecting the Borrower or any other Person; and
- (g) agree with the Borrower, any other guarantor or any other Person to do anything described in Subsections (a) to (f) above;

whether or not any of the matters described in Subsections (a) to (g) above occur alone or in connection with one or more other such matters. No loss of or in respect of any Security for the Guaranteed Obligations or any part thereof, whether occasioned through the fault of the Secured Party or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder.

3.4 Waiver of Notice

To the extent permitted by Applicable Laws, the Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 3.1, 3.2 or 3.3 and all other notices whatsoever in respect of the Guaranteed Obligations. The Guarantor hereby acknowledges the terms of the Credit Documents and of all the provisions therein contained and consents to and approves the same.

3.5 Acknowledgment

The Guarantor acknowledges that it has received and will receive substantial direct and indirect benefits from the entering into of the Credit Documents by the Borrower and the arrangements contemplated therein and this Guarantee is made knowingly in contemplation of such benefits.

ARTICLE 4 AGREEMENTS, REPRESENTATIONS AND WARRANTIES OF GUARANTOR

4.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party as follows:

(a) Organization and Qualification. The Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with full right, power and authority under its corporate charter and, if applicable, by-laws and

- under the laws of the jurisdiction of its incorporation to enter into this Guarantee and to perform its obligations hereunder;
- (b) Authorization and Enforceability. The Guarantor has taken all necessary corporate action to enter into and perform its obligations contained in and contemplated by this Guarantee. This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms;
- (c) No Conflict. Neither the execution and delivery of this Guarantee nor compliance with any of the terms and provisions hereof (i) contravenes any Requirement of Law applicable to the Guarantor or any of its respective properties or other assets, (ii) conflicts with, breaches or contravenes the provisions of the corporate charter or, if applicable, bylaws of the Guarantor or conflicts with, breaches, contravenes or constitutes a default under any Contractual Obligation of the Guarantor or (iii) results in the creation or imposition of any mortgage, charge, assignment, lien, security interest or other encumbrance upon any of the property or assets of the Guarantor;
- (d) Governmental Consent. No Governmental Consent is required to authorize, or is required in connection with the execution, delivery and performance of this Guarantee or the taking of any action by the Guarantor hereby contemplated, except any that have been obtained:
- (e) Litigation. Other than as disclosed in writing to the Secured Party, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the best of the Guarantor's knowledge, threatened against or affecting the Guarantor or any of its properties or rights which would reasonably be expected to have a material adverse effect on the right or ability of the Guarantor to fulfill its obligations hereunder, or which questions the validity, binding effect or enforceability of this Guarantee or any action taken or to be taken by the Guarantor pursuant hereto or in connection with the transactions contemplated hereby; and
- (f) No Default or Amendment. Neither the Guarantor nor, to the best knowledge of the Guarantor, the Borrower or any Guarantor is in default of their respective obligations under this Guarantee or any Loan Document, respectively, and, to the best knowledge of the Guarantor, no event or condition has occurred or exists which with the lapse of time or the giving of notice would constitute a default of any of the Guarantor's obligations under this Guarantee or of the Borrower's or Guarantor's obligations under any Loan Document.

ARTICLE 5 MISCELLANEOUS

5.1 Expenses; Indemnity

The Guarantor shall pay on demand all reasonable out of pocket costs and expenses of the Secured Party (including, without limitation, the reasonable fees and expenses of counsel for the Secured Party) reasonably incurred in connection with the preparation and any enforcement of this Guarantee. The Guarantor shall indemnify and save the Secured Party harmless from and against any and all other losses, costs and expenses (which shall not include loss of profit or consequential damages, other than interest and fees on the amounts of credit advanced by the Secured Party to the Borrower, at the rate or rates applicable thereto in the Credit Facility Agreement) which may arise by virtue of any of the Guaranteed Obligations not being paid or performed in a punctual manner or any Loan Document or any other agreement relating to any of the foregoing being or becoming for any reason whatsoever in whole or in part void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable by the Secured

Party in accordance with its terms, or released, compromised or discharged by operation of any Requirement of Law or otherwise.

5.2 **Amendment: Waiver**

No amendment of this Guarantee shall be binding unless executed in writing by the Secured Party and the Guarantor. No waiver of any provision of this Guarantee shall be effective unless given in writing by the Secured Party and no such waiver shall constitute a waiver of any other provision nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided. No delay on the part of the Secured Party in the exercise of any right, power or remedy hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of the Secured Party permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Guarantee.

5.3 **Additional Security**

This Guarantee shall be in addition to, and shall not be in any way prejudiced by nor shall this Guarantee prejudice (i) any other Security now or hereafter held by the Secured Party, and (ii) the endorsement by the Guarantor of any notes or other documents, and the rights of the Secured Party under this Guarantee shall not be merged in any such other Security or endorsement or any judgment obtained by the Secured Party on the Guaranteed Obligations or the Security.

5.4 Successors and Assigns; Assignment

This Guarantee shall be binding upon the Guarantor and its successors and permitted assigns, and enure to the benefit of the Secured Party and its successors and assigns. The Guarantor shall not assign any rights or obligations with respect to this Guarantee without the prior written consent of the Secured Party which consent may be unreasonably withheld.

5.5 Communication

Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or e-mail and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable e-mail address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a) If to the Secured Party, to:

> Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, ON L7C 3L8

Attention:

David Dozzo, Director

E-mail:

ddozzo@capforminc.com

(b) If to the Guarantor, to:

> Pathway Healthcare Technologies Corp. 16 Four Seasons Place, Suite 203A Toronto, Ontario M9B 6E5

Attention: Michael Steele

E-mail: steeleconsult@aol.com

If any payment made by the Guarantor to the Secured Party becomes subject to any withholding or deduction with respect to taxes, the Guarantor shall also duly and punctually pay to the Secured Party such additional amount as may be necessary to ensure that the Secured Party receives an amount, after taking into account all applicable taxes, equal to the amount which would have been received by the Secured Party had such payment not been made subject to any withholding or deduction. In any such circumstance, the Guarantor shall also promptly remit to the Secured Party the relevant official receipts or other evidence satisfactory to the Secured Party, acting reasonably, evidencing payment to the appropriate taxing authority of each such tax by the Guarantor on behalf of the Secured Party. If, following the payment of such tax by the Guarantor to the appropriate taxing authority, the Secured Party is granted a credit against any taxes payable by it or a refund of taxes paid by it as a result of the payment of such tax by the Guarantor, the Secured Party shall, at the time of utilization of that credit or refund, credit the Guarantor with the amount of that credit or refund, provided the Secured Party, in its sole judgement, is satisfied that:

- (c) the retention by it of that credit will not be prejudiced thereby; and
- (d) the net financial result to the Secured Party of crediting the Guarantor with the amount of such credit or refund is no less favourable to the Secured Party than that which would have occurred under the provisions of this Guarantee had there been no obligation on the Guarantor to pay such tax to the appropriate taxing authority.

In the event the Guarantor is entitled to be credited with all or any portion of such credit or refund utilized by the Secured Party, the Secured Party shall deliver to the Guarantor a certificate prepared by it in good faith and signed by one of its officers setting forth the amount to be so credited to the Guarantor and the method of calculation thereof and such certificate shall be prima facie evidence, in the absence of manifest error, of the amount to be so credited to the Guarantor. "Taxes" as used herein includes, but is not limited to, any applicable withholding taxes, value added taxes, imports and duties but excludes income taxes.

The Secured Party shall, at the Guarantor's request and cost, file such documentation and do such commercially reasonable things as is necessary to obtain such credit or refund, but the Secured Party shall not be obligated to disclose any information to the Guarantor or any other Person concerning its income or taxes that is not otherwise publicly available.

5.6 General

- (a) References. As used herein, "hereto", "herein", "hereof", "hereby", "hereunder" and any similar expressions refer to this Guarantee, and not to any particular Article, Section or other portion hereof. Whenever in this Guarantee a particular Article, Section or other portion thereof is referred to, such reference pertains to the Article, Section or portion thereof contained herein unless otherwise indicated. In this Guarantee, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. The inclusion of headings herein is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Invalidity of Provisions. Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (c) Entire Agreement. This Guarantee, together with the other Credit Documents, constitutes the entire agreement between the parties pertaining to the subject matter of

this Guarantee. There are no warranties, representations or agreements between the parties in connection with such subject matter except as specifically set forth or referred to in this Guarantee and the other Credit Documents.

- (d) Governing Law, Attornment. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.
- (e) Copy Received. The Guarantor acknowledges receipt of a copy of this Guarantee.
- (f) Time of Essence. Time shall be of the essence.

[Signature Page Follows]

IN WITNESS WHEREOF Pathway Healthcare Technologies Corp. has executed this Guarantee effective as of the day and year first above written.

PATHWAY HEALTHCARE TECHNOLOGIES CORP.

Per:

Name: Michael Steele

Title: President and CEO

— Docusigned by: Michael Steele

SCHEDULE "A" TO GUARANTEE

"Applicable Laws" means, in relation to any Person, transaction or event:

- i. all applicable common law and the laws of equity, and all applicable provisions of laws, statutes, rules, guidelines, policies and regulations of any Governmental Authority in effect from time to time; and
- ii. all judgments, orders, awards, decrees, official directives, writs and injunctions from time to time of any Governmental Authority in an action, proceeding or matter in which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banking institutions located in Toronto, Ontario are open for business.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Credit Agreement" has the meaning ascribed thereto in Recital A to this Guarantee.

"Credit Documents" has the meaning ascribed thereto in the Credit Agreement.

"Governmental Authority" means

- (a) any government, parliament or legislature, any regulatory or administrative authority, agency, commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances,
- (b) any Person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Governmental Consents" means all authorizations, registrations, consents, approvals, licences, exemptions, publications, filings, notices to and declarations of or with any Governmental Authority including, without limitation, related to any environmental law or environmental matter, that are required for the execution, delivery or performance of this Guarantee or the taking of any action by the Guarantor contemplated under this Guarantee.

"Guarantee" means this guarantee, as amended, supplemented or restated from time to time.

"Guaranteed Obligations" means all of the obligations, liabilities and indebtedness of the Borrower and the Guarantor to the Secured Party, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency, including without limitation all present and future indebtedness, liabilities and obligations of the Borrower and the Guarantor to the Secured Party owing under, out of, in connection with or in respect of the Credit Agreement and the other Credit Documents to which the Borrower is a Party.

"Person" means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate or other judicial entity or any governmental body.

"Proceedings" means any voluntary or involuntary receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature.

"Requirement of Law" means, as to any Person, any law, treaty, regulation, ordinance, decree, judgment, order or similar requirement made or issued under sovereign or statutory authority and applicable to or binding upon that Person, or to which that Person or any of its property is subject.

"Security" means any mortgage, charge, assignment, lien, pledge, security interest or other encumbrance, any guarantee, and any other arrangement designed to secure the payment or performance of any obligation, liability or indebtedness held by or in favour of the Secured Party, whether obtained from the Borrower or the Guarantor and whether obtained before, at the time of or after the execution and delivery of this Guarantee.

GUARANTEE

THIS GUARANTEE is made as of the 29th day of July, 2022

BY:

2563367 ONTARIO LIMITED, (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

RECITALS

- A. Pathway Health Corp., as borrower (together with its successors and assigns, the "Borrower") is party to a credit agreement dated as of the date hereof among, *inter alios*, the Borrower, as borrower, the Guarantor, as a guarantor and the Secured Party, as lender (as amended, supplemented, restated or replaced from time to time the "Credit Agreement").
- B. The Guarantor has agreed to guarantee the payment by the Borrower of the Guaranteed Obligations.
- C. In this Guarantee, in addition to the definitions set out in the recitals hereto or any Section hereof, certain capitalized terms used herein shall have the meanings ascribed to them in Schedule "A" hereto.

NOW THEREFORE, in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with the Secured Party as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees to and for the benefit of the Secured Party the due and punctual payment of all Guaranteed Obligations. The guarantee contained herein is an absolute, unconditional, present and continuing guarantee of payment, and not of collection, is in no way conditioned or contingent upon any attempt to collect from or enforce payment by the Borrower or upon any other event, contingency or circumstance whatsoever. If, for any reason whatsoever, the Borrower shall fail or be unable to duly, punctually and fully pay any Guaranteed Obligations as and when the same shall become due and payable, the Guarantor shall forthwith pay, or cause to be paid, such Guaranteed Obligations to the Secured Party.

1.2 No Set off by Guarantor; Reinstatement

All amounts payable by the Guarantor under this Guarantee shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever except pursuant to any Requirement of Law. The Guarantee herein shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Secured Party as a result of any Proceedings of or affecting the Borrower or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. The Secured Party may concede or compromise any claim

that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 1.2.

ARTICLE 2 ENFORCEMENT

2.1 Demand

Upon default in the payment of the Guaranteed Obligations or any part thereof, the Guarantor shall, on demand by or on behalf of the Secured Party, forthwith pay to the Secured Party all Guaranteed Obligations for which such demand was made. Any statement in writing of the Secured Party as to the amount of the Guaranteed Obligations and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

2.2 Right to Immediate Payment or Performance; Principal Debtor

The Secured Party shall not be bound to make any demand on or to seek or exhaust its recourse against the Borrower or any other Person or any Security held by it before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Guarantee, and the Guarantor hereby renounces all benefits of discussion and division. Any amounts which may not be recoverable from the Guarantor as guarantor under this Guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Secured Party by the Guarantor after demand therefor.

2.3 Subordination

All liabilities and indebtedness, present and future, absolute or contingent, joint or several, of the Borrower to the Guarantor are hereby postponed and subordinated to the payment and performance in full of the Guaranteed Obligations and all other amounts payable hereunder and unless otherwise agreed by the Secured Party, all monies received by the Guarantor in respect thereof shall be received in trust for the Secured Party and forthwith upon receipt shall be paid over to the Secured Party, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee. The Guarantor shall not:

- claim, rank, prove or vote as a creditor in any Proceedings of or affecting the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations;
- (b) assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any Security) against the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations; or
- (c) have any right of subrogation to the Secured Party or be otherwise entitled to claim the benefit of any Security now or hereafter held by the Secured Party in respect of the Guaranteed Obligations;

until the Secured Party has received full and final payment of all Guaranteed Obligations and all other amounts payable hereunder.

ARTICLE 3 PROTECTION OF THE SECURED PARTY

3.1 Defects in Creation of Guaranteed Obligations

The Secured Party shall not be concerned to see or enquire into the capacity and powers of the Borrower or the Guarantors, or their directors, officers, employees or agents acting or purporting to act on their behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Borrower and the Guarantors in favour of the Secured Party shall be deemed to form part of the Guaranteed Obligations even though the Borrower and any of the Guarantors may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, fraudulently, defectively or informally effected or in excess of the capacity or powers of the Borrower or the Guarantors, or their directors, officers, employees or agents.

3.2 Liability Absolute

This Guarantee shall be a continuing guarantee and the liability of the Guarantor hereunder shall be absolute, unconditional and irrevocable and shall not be discharged, diminished or in any way affected by:

- (a) any amalgamation, merger, consolidation or reorganization of the Borrower or the Guarantors or any continuation of the Borrower or the Guarantors from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;
- (b) any change in the name, business, objects, capital structure, ownership, constating documents, by-laws or resolutions of the Borrower or the Guarantors, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Borrower or the Guarantors becomes the property of any other Person;
- (c) any lack of validity, enforceability or value of any Credit Document or any agreement or instrument relating to any Credit Document or to any Security therefor;
- (d) any change in the time, manner or place of payment of, or in any other term of any Credit Document or any amendment or waiver thereof, or any consent to departure from any Credit Document;
- (e) any taking, exchange, release or non-perfection of any Security, or any release or amendment or waiver of or consent to departure from any credit support or other guarantee for any Credit Document;
- (f) subject to any Requirement of Law, any manner of application of any Security or proceeds of realization thereof, or any manner of sale or other disposition of any collateral or any other assets of the Borrower or the Guarantors;
- (g) any amendment or modification of or supplement to or other change in any Credit Document or any other agreement or instrument;
- (h) any failure, omission or delay on the part of any Person to conform or comply with any term of any Credit Document or any other agreement or instrument;
- (i) to the extent as may be waived under Applicable Laws, the benefit of all principles or provisions of law, statutory or otherwise, which may be in conflict with the terms hereof;

- (j) any Proceedings of or affecting the Borrower, the Guarantors or any other Person and any court orders made or action taken by the Borrower, the Guarantors or any other Person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in this Article 3 occurring with or without the consent of the Secured Party;
- (k) any defence, counterclaim or right of set-off available to the Borrower with respect to the Guaranteed Obligations arising from any event or circumstance set forth or contemplated in this Article 3;
- the fact that the Borrower ceases to be liable for any reason whatsoever to the Secured Party in respect of all or any part of the Guaranteed Obligations for any reason arising from or relating to any event or circumstance set forth or contemplated in this Article 3 or the fact that a court determines that the liability of the Borrower to the Secured Party in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (otherwise than pursuant to the express terms of any Credit Document or the actual payment of those Guaranteed Obligations);
- (m) any termination by or release of any Guarantor or Persons, other than the Guarantor, in whole or in part of any of the Guaranteed Obligations; or
- (n) any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Borrower or any other Person in respect of the Guaranteed Obligations or the liability of the Guarantor other than the actual payment or performance thereof.

Without limiting the generality of the foregoing, the Guarantor agrees that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower or the Guarantors shall default under or fail to comply with the terms of any Loan Document and that notwithstanding the recovery hereunder for or in respect of any given default or failure to so comply by the Borrower or the Guarantors under any Loan Document, this Guarantee shall remain in force and effect and shall apply to each and every subsequent default. If (i) an event permitting the exercise of remedies under any Loan Document shall at any time have occurred and be continuing beyond any applicable cure period and (ii) such exercise, or any consequences thereof provided in such Loan Document shall at any time be prevented by reason of the pendency against the Borrower or the Guarantors of a Proceeding, the Guarantor agrees that, solely for purposes of this Guarantee and its obligations hereunder, the Loan Document shall be deemed to have been declared in default and all amounts thereunder shall be deemed to be due and payable, with all the attendant consequences as provided for in such agreement as if declaration of default and the consequence thereof had been accomplished in accordance with the terms thereof, and the Guarantor shall forthwith pay and perform the Guaranteed Obligations.

3.3 Dealings by the Secured Party

The Secured Party may from time to time in its absolute discretion, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

- (a) permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations, any Loan Document or any other agreement relating to any of the foregoing or demand payment of all or any Guaranteed Obligations;
- (b) enforce or take action under or abstain from enforcing or taking action under any Loan Document or any other guarantee of the Guaranteed Obligations;

- (c) receive, give up, subordinate, release or discharge any Security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any Security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any Security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any Security; or allow or abstain from allowing the Borrower or other Persons to deal with all or any part of such undertaking, property and assets;
- (d) renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Borrower or to any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (e) accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Borrower or any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (f) in whole or in part prove or abstain from proving a claim of the Secured Party in any Proceedings of or affecting the Borrower or any other Person; and
- (g) agree with the Borrower, any other guarantor or any other Person to do anything described in Subsections (a) to (f) above;

whether or not any of the matters described in Subsections (a) to (g) above occur alone or in connection with one or more other such matters. No loss of or in respect of any Security for the Guaranteed Obligations or any part thereof, whether occasioned through the fault of the Secured Party or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder.

3.4 Waiver of Notice

To the extent permitted by Applicable Laws, the Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 3.1, 3.2 or 3.3 and all other notices whatsoever in respect of the Guaranteed Obligations. The Guarantor hereby acknowledges the terms of the Credit Documents and of all the provisions therein contained and consents to and approves the same.

3.5 Acknowledgment

The Guarantor acknowledges that it has received and will receive substantial direct and indirect benefits from the entering into of the Credit Documents by the Borrower and the arrangements contemplated therein and this Guarantee is made knowingly in contemplation of such benefits.

ARTICLE 4 AGREEMENTS, REPRESENTATIONS AND WARRANTIES OF GUARANTOR

4.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party as follows:

(a) Organization and Qualification. The Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with full right, power and authority under its corporate charter and, if applicable, by-laws and under the laws of the jurisdiction of its incorporation to enter into this Guarantee and to perform its obligations hereunder;

- (b) Authorization and Enforceability. The Guarantor has taken all necessary corporate action to enter into and perform its obligations contained in and contemplated by this Guarantee. This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms;
- (c) No Conflict. Neither the execution and delivery of this Guarantee nor compliance with any of the terms and provisions hereof (i) contravenes any Requirement of Law applicable to the Guarantor or any of its respective properties or other assets, (ii) conflicts with, breaches or contravenes the provisions of the corporate charter or, if applicable, by-laws of the Guarantor or conflicts with, breaches, contravenes or constitutes a default under any Contractual Obligation of the Guarantor or (iii) results in the creation or imposition of any mortgage, charge, assignment, lien, security interest or other encumbrance upon any of the property or assets of the Guarantor;
- (d) Governmental Consent. No Governmental Consent is required to authorize, or is required in connection with the execution, delivery and performance of this Guarantee or the taking of any action by the Guarantor hereby contemplated, except any that have been obtained;
- (e) Litigation. Other than as disclosed in writing to the Secured Party, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the best of the Guarantor's knowledge, threatened against or affecting the Guarantor or any of its properties or rights which would reasonably be expected to have a material adverse effect on the right or ability of the Guarantor to fulfill its obligations hereunder, or which questions the validity, binding effect or enforceability of this Guarantee or any action taken or to be taken by the Guarantor pursuant hereto or in connection with the transactions contemplated hereby; and
- (f) No Default or Amendment. Neither the Guarantor nor, to the best knowledge of the Guarantor, the Borrower or any Guarantor is in default of their respective obligations under this Guarantee or any Loan Document, respectively, and, to the best knowledge of the Guarantor, no event or condition has occurred or exists which with the lapse of time or the giving of notice would constitute a default of any of the Guarantor's obligations under this Guarantee or of the Borrower's or Guarantor's obligations under any Loan Document.

ARTICLE 5 MISCELLANEOUS

5.1 Expenses; Indemnity

The Guarantor shall pay on demand all reasonable out of pocket costs and expenses of the Secured Party (including, without limitation, the reasonable fees and expenses of counsel for the Secured Party) reasonably incurred in connection with the preparation and any enforcement of this Guarantee. The Guarantor shall indemnify and save the Secured Party harmless from and against any and all other losses, costs and expenses (which shall not include loss of profit or consequential damages, other than interest and fees on the amounts of credit advanced by the Secured Party to the Borrower, at the rate or rates applicable thereto in the Credit Facility Agreement) which may arise by virtue of any of the Guaranteed Obligations not being paid or performed in a punctual manner or any Loan Document or any other agreement relating to any of the foregoing being or becoming for any reason whatsoever in whole or in part void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable by the Secured

Party in accordance with its terms, or released, compromised or discharged by operation of any Requirement of Law or otherwise.

5.2 Amendment; Waiver

No amendment of this Guarantee shall be binding unless executed in writing by the Secured Party and the Guarantor. No waiver of any provision of this Guarantee shall be effective unless given in writing by the Secured Party and no such waiver shall constitute a waiver of any other provision nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided. No delay on the part of the Secured Party in the exercise of any right, power or remedy hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of the Secured Party permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Guarantee.

5.3 Additional Security

This Guarantee shall be in addition to, and shall not be in any way prejudiced by nor shall this Guarantee prejudice (i) any other Security now or hereafter held by the Secured Party, and (ii) the endorsement by the Guarantor of any notes or other documents, and the rights of the Secured Party under this Guarantee shall not be merged in any such other Security or endorsement or any judgment obtained by the Secured Party on the Guaranteed Obligations or the Security.

5.4 Successors and Assigns; Assignment

This Guarantee shall be binding upon the Guarantor and its successors and permitted assigns, and enure to the benefit of the Secured Party and its successors and assigns. The Guarantor shall not assign any rights or obligations with respect to this Guarantee without the prior written consent of the Secured Party which consent may be unreasonably withheld.

5.5 Communication

Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or e-mail and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable e-mail address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a) If to the Secured Party, to:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, ON L7C 3L8

Attention:

David Dozzo, Director

E-mail:

ddozzo@capforminc.com

(b) If to the Guarantor, to:

2563367 Ontario Limited 16 Four Seasons Place, Suite 203A Toronto, Ontario M9B 6E5 Attention: Kim Wei, President and Chief Executive Officer

E-mail: kim.wei@pathwayhealth.ca

If any payment made by the Guarantor to the Secured Party becomes subject to any withholding or deduction with respect to taxes, the Guarantor shall also duly and punctually pay to the Secured Party such additional amount as may be necessary to ensure that the Secured Party receives an amount, after taking into account all applicable taxes, equal to the amount which would have been received by the Secured Party had such payment not been made subject to any withholding or deduction. In any such circumstance, the Guarantor shall also promptly remit to the Secured Party the relevant official receipts or other evidence satisfactory to the Secured Party, acting reasonably, evidencing payment to the appropriate taxing authority of each such tax by the Guarantor on behalf of the Secured Party. If, following the payment of such tax by the Guarantor to the appropriate taxing authority, the Secured Party is granted a credit against any taxes payable by it or a refund of taxes paid by it as a result of the payment of such tax by the Guarantor, the Secured Party shall, at the time of utilization of that credit or refund, credit the Guarantor with the amount of that credit or refund, provided the Secured Party, in its sole judgement, is satisfied that:

- (c) the retention by it of that credit will not be prejudiced thereby; and
- (d) the net financial result to the Secured Party of crediting the Guarantor with the amount of such credit or refund is no less favourable to the Secured Party than that which would have occurred under the provisions of this Guarantee had there been no obligation on the Guarantor to pay such tax to the appropriate taxing authority.

In the event the Guarantor is entitled to be credited with all or any portion of such credit or refund utilized by the Secured Party, the Secured Party shall deliver to the Guarantor a certificate prepared by it in good faith and signed by one of its officers setting forth the amount to be so credited to the Guarantor and the method of calculation thereof and such certificate shall be prima facie evidence, in the absence of manifest error, of the amount to be so credited to the Guarantor. "Taxes" as used herein includes, but is not limited to, any applicable withholding taxes, value added taxes, imports and duties but excludes income taxes.

The Secured Party shall, at the Guarantor's request and cost, file such documentation and do such commercially reasonable things as is necessary to obtain such credit or refund, but the Secured Party shall not be obligated to disclose any information to the Guarantor or any other Person concerning its income or taxes that is not otherwise publicly available.

5.6 General

- (a) References. As used herein, "hereto", "herein", "hereof", "hereby", "hereunder" and any similar expressions refer to this Guarantee, and not to any particular Article, Section or other portion hereof. Whenever in this Guarantee a particular Article, Section or other portion thereof is referred to, such reference pertains to the Article, Section or portion thereof contained herein unless otherwise indicated. In this Guarantee, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. The inclusion of headings herein is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Invalidity of Provisions. Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (c) Entire Agreement. This Guarantee, together with the other Credit Documents, constitutes the entire agreement between the parties pertaining to the subject matter of

this Guarantee. There are no warranties, representations or agreements between the parties in connection with such subject matter except as specifically set forth or referred to in this Guarantee and the other Credit Documents.

- (d) Governing Law, Attornment. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.
- (e) Copy Received. The Guarantor acknowledges receipt of a copy of this Guarantee.
- (f) Time of Essence. Time shall be of the essence.

[Signature Page Follows]

IN WITNESS WHEREOF 2563367 Ontario Limited has executed this Guarantee effective as of the day and year first above written.

2563367 ONTARIO LIMITED

Per:

Name: Kim Wei

—DocuSigned by: Lim Wei

Title: President and Chief Executive Officer

SCHEDULE "A" TO GUARANTEE

"Applicable Laws" means, in relation to any Person, transaction or event:

- i. all applicable common law and the laws of equity, and all applicable provisions of laws, statutes, rules, guidelines, policies and regulations of any Governmental Authority in effect from time to time; and
- ii. all judgments, orders, awards, decrees, official directives, writs and injunctions from time to time of any Governmental Authority in an action, proceeding or matter in which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banking institutions located in Toronto, Ontario are open for business.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Credit Agreement" has the meaning ascribed thereto in Recital A to this Guarantee.

"Credit Documents" has the meaning ascribed thereto in the Credit Agreement.

"Governmental Authority" means

- (a) any government, parliament or legislature, any regulatory or administrative authority, agency, commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances.
- (b) any Person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Governmental Consents" means all authorizations, registrations, consents, approvals, licences, exemptions, publications, filings, notices to and declarations of or with any Governmental Authority including, without limitation, related to any environmental law or environmental matter, that are required for the execution, delivery or performance of this Guarantee or the taking of any action by the Guarantor contemplated under this Guarantee.

"Guarantee" means this guarantee, as amended, supplemented or restated from time to time.

"Guaranteed Obligations" means all of the obligations, liabilities and indebtedness of the Borrower and the Guarantor to the Secured Party, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency, including without limitation all present and future indebtedness, liabilities and obligations of the Borrower and the Guarantor to the Secured Party owing under, out of, in connection with or in respect of the Credit Agreement and the other Credit Documents to which the Borrower is a Party.

"Person" means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate or other judicial entity or any governmental body.

"Proceedings" means any voluntary or involuntary receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature.

"Requirement of Law" means, as to any Person, any law, treaty, regulation, ordinance, decree, judgment, order or similar requirement made or issued under sovereign or statutory authority and applicable to or binding upon that Person, or to which that Person or any of its property is subject.

"Security" means any mortgage, charge, assignment, lien, pledge, security interest or other encumbrance, any guarantee, and any other arrangement designed to secure the payment or performance of any obligation, liability or indebtedness held by or in favour of the Secured Party, whether obtained from the Borrower or the Guarantor and whether obtained before, at the time of or after the execution and delivery of this Guarantee.

GUARANTEE

THIS GUARANTEE is made as of the 29th day of July, 2022

BY:

SLAWNER ORTHO LTEE., (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

RECITALS

- A. Pathway Health Corp., as borrower (together with its successors and assigns, the "Borrower") is party to a credit agreement dated as of the date hereof among, *inter alios*, the Borrower, as borrower, the Guarantor, as a guarantor and the Secured Party, as lender (as amended, supplemented, restated or replaced from time to time the "Credit Agreement").
- B. The Guarantor has agreed to guarantee the payment by the Borrower of the Guaranteed Obligations.
- C. In this Guarantee, in addition to the definitions set out in the recitals hereto or any Section hereof, certain capitalized terms used herein shall have the meanings ascribed to them in Schedule "A" hereto.

NOW THEREFORE, in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with the Secured Party as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees to and for the benefit of the Secured Party the due and punctual payment of all Guaranteed Obligations. The guarantee contained herein is an absolute, unconditional, present and continuing guarantee of payment, and not of collection, is in no way conditioned or contingent upon any attempt to collect from or enforce payment by the Borrower or upon any other event, contingency or circumstance whatsoever. If, for any reason whatsoever, the Borrower shall fail or be unable to duly, punctually and fully pay any Guaranteed Obligations as and when the same shall become due and payable, the Guarantor shall forthwith pay, or cause to be paid, such Guaranteed Obligations to the Secured Party.

1.2 No Set off by Guarantor; Reinstatement

All amounts payable by the Guarantor under this Guarantee shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever except pursuant to any Requirement of Law. The Guarantee herein shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Secured Party as a result of any Proceedings of or affecting the Borrower or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. The Secured Party may concede or compromise any claim

that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 1.2.

ARTICLE 2 ENFORCEMENT

2.1 Demand

Upon default in the payment of the Guaranteed Obligations or any part thereof, the Guarantor shall, on demand by or on behalf of the Secured Party, forthwith pay to the Secured Party all Guaranteed Obligations for which such demand was made. Any statement in writing of the Secured Party as to the amount of the Guaranteed Obligations and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

2.2 Right to Immediate Payment or Performance; Principal Debtor

The Secured Party shall not be bound to make any demand on or to seek or exhaust its recourse against the Borrower or any other Person or any Security held by it before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Guarantee, and the Guarantor hereby renounces all benefits of discussion and division. Any amounts which may not be recoverable from the Guarantor as guarantor under this Guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Secured Party by the Guarantor after demand therefor.

2.3 Subordination

All liabilities and indebtedness, present and future, absolute or contingent, joint or several, of the Borrower to the Guarantor are hereby postponed and subordinated to the payment and performance in full of the Guaranteed Obligations and all other amounts payable hereunder and unless otherwise agreed by the Secured Party, all monies received by the Guarantor in respect thereof shall be received in trust for the Secured Party and forthwith upon receipt shall be paid over to the Secured Party, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee. The Guarantor shall not:

- claim, rank, prove or vote as a creditor in any Proceedings of or affecting the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations;
- (b) assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any Security) against the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations; or
- (c) have any right of subrogation to the Secured Party or be otherwise entitled to claim the benefit of any Security now or hereafter held by the Secured Party in respect of the Guaranteed Obligations;

until the Secured Party has received full and final payment of all Guaranteed Obligations and all other amounts payable hereunder.

ARTICLE 3 PROTECTION OF THE SECURED PARTY

3.1 Defects in Creation of Guaranteed Obligations

The Secured Party shall not be concerned to see or enquire into the capacity and powers of the Borrower or the Guarantors, or their directors, officers, employees or agents acting or purporting to act on their behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Borrower and the Guarantors in favour of the Secured Party shall be deemed to form part of the Guaranteed Obligations even though the Borrower and any of the Guarantors may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, fraudulently, defectively or informally effected or in excess of the capacity or powers of the Borrower or the Guarantors, or their directors, officers, employees or agents.

3.2 Liability Absolute

This Guarantee shall be a continuing guarantee and the liability of the Guarantor hereunder shall be absolute, unconditional and irrevocable and shall not be discharged, diminished or in any way affected by:

- (a) any amalgamation, merger, consolidation or reorganization of the Borrower or the Guarantors or any continuation of the Borrower or the Guarantors from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;
- (b) any change in the name, business, objects, capital structure, ownership, constating documents, by-laws or resolutions of the Borrower or the Guarantors, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Borrower or the Guarantors becomes the property of any other Person;
- (c) any lack of validity, enforceability or value of any Credit Document or any agreement or instrument relating to any Credit Document or to any Security therefor;
- (d) any change in the time, manner or place of payment of, or in any other term of any Credit Document or any amendment or waiver thereof, or any consent to departure from any Credit Document;
- (e) any taking, exchange, release or non-perfection of any Security, or any release or amendment or waiver of or consent to departure from any credit support or other guarantee for any Credit Document;
- (f) subject to any Requirement of Law, any manner of application of any Security or proceeds of realization thereof, or any manner of sale or other disposition of any collateral or any other assets of the Borrower or the Guarantors;
- (g) any amendment or modification of or supplement to or other change in any Credit Document or any other agreement or instrument;
- (h) any failure, omission or delay on the part of any Person to conform or comply with any term of any Credit Document or any other agreement or instrument;
- to the extent as may be waived under Applicable Laws, the benefit of all principles or provisions of law, statutory or otherwise, which may be in conflict with the terms hereof;

- any Proceedings of or affecting the Borrower, the Guarantors or any other Person and any court orders made or action taken by the Borrower, the Guarantors or any other Person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in this Article 3 occurring with or without the consent of the Secured Party;
- (k) any defence, counterclaim or right of set-off available to the Borrower with respect to the Guaranteed Obligations arising from any event or circumstance set forth or contemplated in this Article 3;
- (I) the fact that the Borrower ceases to be liable for any reason whatsoever to the Secured Party in respect of all or any part of the Guaranteed Obligations for any reason arising from or relating to any event or circumstance set forth or contemplated in this Article 3 or the fact that a court determines that the liability of the Borrower to the Secured Party in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (otherwise than pursuant to the express terms of any Credit Document or the actual payment of those Guaranteed Obligations);
- (m) any termination by or release of any Guarantor or Persons, other than the Guarantor, in whole or in part of any of the Guaranteed Obligations; or
- (n) any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Borrower or any other Person in respect of the Guaranteed Obligations or the liability of the Guarantor other than the actual payment or performance thereof.

Without limiting the generality of the foregoing, the Guarantor agrees that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower or the Guarantors shall default under or fail to comply with the terms of any Loan Document and that notwithstanding the recovery hereunder for or in respect of any given default or failure to so comply by the Borrower or the Guarantors under any Loan Document, this Guarantee shall remain in force and effect and shall apply to each and every subsequent default. If (i) an event permitting the exercise of remedies under any Loan Document shall at any time have occurred and be continuing beyond any applicable cure period and (ii) such exercise, or any consequences thereof provided in such Loan Document shall at any time be prevented by reason of the pendency against the Borrower or the Guarantors of a Proceeding, the Guarantor agrees that, solely for purposes of this Guarantee and its obligations hereunder, the Loan Document shall be deemed to have been declared in default and all amounts thereunder shall be deemed to be due and payable, with all the attendant consequences as provided for in such agreement as if declaration of default and the consequence thereof had been accomplished in accordance with the terms thereof, and the Guarantor shall forthwith pay and perform the Guaranteed Obligations.

3.3 Dealings by the Secured Party

The Secured Party may from time to time in its absolute discretion, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

- (a) permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations, any Loan Document or any other agreement relating to any of the foregoing or demand payment of all or any Guaranteed Obligations;
- (b) enforce or take action under or abstain from enforcing or taking action under any Loan Document or any other guarantee of the Guaranteed Obligations;

- (c) receive, give up, subordinate, release or discharge any Security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any Security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any Security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any Security; or allow or abstain from allowing the Borrower or other Persons to deal with all or any part of such undertaking, property and assets;
- (d) renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Borrower or to any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (e) accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Borrower or any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (f) in whole or in part prove or abstain from proving a claim of the Secured Party in any Proceedings of or affecting the Borrower or any other Person; and
- (g) agree with the Borrower, any other guarantor or any other Person to do anything described in Subsections (a) to (f) above;

whether or not any of the matters described in Subsections (a) to (g) above occur alone or in connection with one or more other such matters. No loss of or in respect of any Security for the Guaranteed Obligations or any part thereof, whether occasioned through the fault of the Secured Party or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder.

3.4 Waiver of Notice

To the extent permitted by Applicable Laws, the Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 3.1, 3.2 or 3.3 and all other notices whatsoever in respect of the Guaranteed Obligations. The Guarantor hereby acknowledges the terms of the Credit Documents and of all the provisions therein contained and consents to and approves the same.

3.5 Acknowledgment

The Guarantor acknowledges that it has received and will receive substantial direct and indirect benefits from the entering into of the Credit Documents by the Borrower and the arrangements contemplated therein and this Guarantee is made knowingly in contemplation of such benefits.

ARTICLE 4 AGREEMENTS, REPRESENTATIONS AND WARRANTIES OF GUARANTOR

4.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party as follows:

(a) Organization and Qualification. The Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with full right, power and authority under its corporate charter and, if applicable, by-laws and under the laws of the jurisdiction of its incorporation to enter into this Guarantee and to perform its obligations hereunder;

- (b) Authorization and Enforceability. The Guarantor has taken all necessary corporate action to enter into and perform its obligations contained in and contemplated by this Guarantee. This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms;
- (c) No Conflict. Neither the execution and delivery of this Guarantee nor compliance with any of the terms and provisions hereof (i) contravenes any Requirement of Law applicable to the Guarantor or any of its respective properties or other assets, (ii) conflicts with, breaches or contravenes the provisions of the corporate charter or, if applicable, bylaws of the Guarantor or conflicts with, breaches, contravenes or constitutes a default under any Contractual Obligation of the Guarantor or (iii) results in the creation or imposition of any mortgage, charge, assignment, lien, security interest or other encumbrance upon any of the property or assets of the Guarantor;
- (d) Governmental Consent. No Governmental Consent is required to authorize, or is required in connection with the execution, delivery and performance of this Guarantee or the taking of any action by the Guarantor hereby contemplated, except any that have been obtained:
- (e) Litigation. Other than as disclosed in writing to the Secured Party, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the best of the Guarantor's knowledge, threatened against or affecting the Guarantor or any of its properties or rights which would reasonably be expected to have a material adverse effect on the right or ability of the Guarantor to fulfill its obligations hereunder, or which questions the validity, binding effect or enforceability of this Guarantee or any action taken or to be taken by the Guarantor pursuant hereto or in connection with the transactions contemplated hereby; and
- (f) No Default or Amendment. Neither the Guarantor nor, to the best knowledge of the Guarantor, the Borrower or any Guarantor is in default of their respective obligations under this Guarantee or any Loan Document, respectively, and, to the best knowledge of the Guarantor, no event or condition has occurred or exists which with the lapse of time or the giving of notice would constitute a default of any of the Guarantor's obligations under this Guarantee or of the Borrower's or Guarantor's obligations under any Loan Document.

ARTICLE 5 MISCELLANEOUS

5.1 Expenses; Indemnity

The Guarantor shall pay on demand all reasonable out of pocket costs and expenses of the Secured Party (including, without limitation, the reasonable fees and expenses of counsel for the Secured Party) reasonably incurred in connection with the preparation and any enforcement of this Guarantee. The Guarantor shall indemnify and save the Secured Party harmless from and against any and all other losses, costs and expenses (which shall not include loss of profit or consequential damages, other than interest and fees on the amounts of credit advanced by the Secured Party to the Borrower, at the rate or rates applicable thereto in the Credit Facility Agreement) which may arise by virtue of any of the Guaranteed Obligations not being paid or performed in a punctual manner or any Loan Document or any other agreement relating to any of the foregoing being or becoming for any reason whatsoever in whole or in part void, voidable, ultra vires, illegal, invalid, ineffective or otherwise unenforceable by the Secured

Party in accordance with its terms, or released, compromised or discharged by operation of any Requirement of Law or otherwise.

5.2 Amendment; Waiver

No amendment of this Guarantee shall be binding unless executed in writing by the Secured Party and the Guarantor. No waiver of any provision of this Guarantee shall be effective unless given in writing by the Secured Party and no such waiver shall constitute a waiver of any other provision nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided. No delay on the part of the Secured Party in the exercise of any right, power or remedy hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of the Secured Party permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Guarantee.

5.3 Additional Security

This Guarantee shall be in addition to, and shall not be in any way prejudiced by nor shall this Guarantee prejudice (i) any other Security now or hereafter held by the Secured Party, and (ii) the endorsement by the Guarantor of any notes or other documents, and the rights of the Secured Party under this Guarantee shall not be merged in any such other Security or endorsement or any judgment obtained by the Secured Party on the Guaranteed Obligations or the Security.

5.4 Successors and Assigns; Assignment

This Guarantee shall be binding upon the Guarantor and its successors and permitted assigns, and enure to the benefit of the Secured Party and its successors and assigns. The Guarantor shall not assign any rights or obligations with respect to this Guarantee without the prior written consent of the Secured Party which consent may be unreasonably withheld.

5.5 Communication

Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or e-mail and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable e-mail address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a) If to the Secured Party, to:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, ON L7C 3L8

Attention: David Dozzo, Director E-mail: <u>ddozzo@capforminc.com</u>

(b) If to the Guarantor, to:

Slawner Ortho Ltee. 16 Four Seasons Place, Suite 203A Toronto. Ontario M9B 6E5 Attention: Aura Balboa

E-mail: aura.balboa@pathwayhealth.ca

If any payment made by the Guarantor to the Secured Party becomes subject to any withholding or deduction with respect to taxes, the Guarantor shall also duly and punctually pay to the Secured Party such additional amount as may be necessary to ensure that the Secured Party receives an amount, after taking into account all applicable taxes, equal to the amount which would have been received by the Secured Party had such payment not been made subject to any withholding or deduction. In any such circumstance, the Guarantor shall also promptly remit to the Secured Party the relevant official receipts or other evidence satisfactory to the Secured Party, acting reasonably, evidencing payment to the appropriate taxing authority of each such tax by the Guarantor on behalf of the Secured Party. If, following the payment of such tax by the Guarantor to the appropriate taxing authority, the Secured Party is granted a credit against any taxes payable by it or a refund of taxes paid by it as a result of the payment of such tax by the Guarantor, the Secured Party shall, at the time of utilization of that credit or refund, credit the Guarantor with the amount of that credit or refund, provided the Secured Party, in its sole judgement, is satisfied that:

- (c) the retention by it of that credit will not be prejudiced thereby; and
- (d) the net financial result to the Secured Party of crediting the Guarantor with the amount of such credit or refund is no less favourable to the Secured Party than that which would have occurred under the provisions of this Guarantee had there been no obligation on the Guarantor to pay such tax to the appropriate taxing authority.

In the event the Guarantor is entitled to be credited with all or any portion of such credit or refund utilized by the Secured Party, the Secured Party shall deliver to the Guarantor a certificate prepared by it in good faith and signed by one of its officers setting forth the amount to be so credited to the Guarantor and the method of calculation thereof and such certificate shall be prima facie evidence, in the absence of manifest error, of the amount to be so credited to the Guarantor. "Taxes" as used herein includes, but is not limited to, any applicable withholding taxes, value added taxes, imports and duties but excludes income taxes.

The Secured Party shall, at the Guarantor's request and cost, file such documentation and do such commercially reasonable things as is necessary to obtain such credit or refund, but the Secured Party shall not be obligated to disclose any information to the Guarantor or any other Person concerning its income or taxes that is not otherwise publicly available.

5.6 General

- (a) References. As used herein, "hereto", "herein", "hereof", "hereby", "hereunder" and any similar expressions refer to this Guarantee, and not to any particular Article, Section or other portion hereof. Whenever in this Guarantee a particular Article, Section or other portion thereof is referred to, such reference pertains to the Article, Section or portion thereof contained herein unless otherwise indicated. In this Guarantee, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. The inclusion of headings herein is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Invalidity of Provisions. Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (c) Entire Agreement. This Guarantee, together with the other Credit Documents, constitutes the entire agreement between the parties pertaining to the subject matter of

this Guarantee. There are no warranties, representations or agreements between the parties in connection with such subject matter except as specifically set forth or referred to in this Guarantee and the other Credit Documents.

- (d) Governing Law, Attornment. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.
- (e) Copy Received. The Guarantor acknowledges receipt of a copy of this Guarantee.
- (f) Time of Essence. Time shall be of the essence.

[Signature Page Follows]

IN WITNESS WHEREOF Slawner Ortho Ltee. has executed this Guarantee effective as of the day and year first above written.

SLAWNER ORTHO LTEE.

Per:

Name: Aura Balboa Title: President

DocuSigned by:

SCHEDULE "A" TO GUARANTEE

"Applicable Laws" means, in relation to any Person, transaction or event:

- i. all applicable common law and the laws of equity, and all applicable provisions of laws, statutes, rules, guidelines, policies and regulations of any Governmental Authority in effect from time to time; and
- ii. all judgments, orders, awards, decrees, official directives, writs and injunctions from time to time of any Governmental Authority in an action, proceeding or matter in which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banking institutions located in Toronto, Ontario are open for business.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Credit Agreement" has the meaning ascribed thereto in Recital A to this Guarantee.

"Credit Documents" has the meaning ascribed thereto in the Credit Agreement.

"Governmental Authority" means

- (a) any government, parliament or legislature, any regulatory or administrative authority, agency, commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances,
- (b) any Person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Governmental Consents" means all authorizations, registrations, consents, approvals, licences, exemptions, publications, filings, notices to and declarations of or with any Governmental Authority including, without limitation, related to any environmental law or environmental matter, that are required for the execution, delivery or performance of this Guarantee or the taking of any action by the Guarantor contemplated under this Guarantee.

"Guarantee" means this guarantee, as amended, supplemented or restated from time to time.

"Guaranteed Obligations" means all of the obligations, liabilities and indebtedness of the Borrower and the Guarantor to the Secured Party, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency, including without limitation all present and future indebtedness, liabilities and obligations of the Borrower and the Guarantor to the Secured Party owing under, out of, in connection with or in respect of the Credit Agreement and the other Credit Documents to which the Borrower is a Party.

"Person" means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate or other judicial entity or any governmental body.

"Proceedings" means any voluntary or involuntary receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature.

"Requirement of Law" means, as to any Person, any law, treaty, regulation, ordinance, decree, judgment, order or similar requirement made or issued under sovereign or statutory authority and applicable to or binding upon that Person, or to which that Person or any of its property is subject.

"Security" means any mortgage, charge, assignment, lien, pledge, security interest or other encumbrance, any guarantee, and any other arrangement designed to secure the payment or performance of any obligation, liability or indebtedness held by or in favour of the Secured Party, whether obtained from the Borrower or the Guarantor and whether obtained before, at the time of or after the execution and delivery of this Guarantee.

THIS IS EXHIBIT "H" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT (the "Security Agreement") is made as of the 27th day of May, 2022

BY:

PATHWAY HEALTH CORP., (together with its successors and assigns, the "**Debtor**")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

A. OBLIGATIONS SECURED

1. The undersigned Debtor hereby enters into this Security Agreement with the Secured Party for valuable consideration and as security for the payment of all present and future indebtedness of the Debtor to the Secured Party and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, joint or several, of the Debtor to the Secured Party whether as principal or surety, including, without limiting the generality of the foregoing, pursuant to a secured interest bearing demand promissory grid note issued on the date hereof to the Secured Party by the Debtor, as may be amended from time to time (the "Promissory Note") (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). Insofar as it affects personal property located in Ontario, this Security Agreement is governed by the Personal Property Security Act (Ontario) (the "Act").

B. GRANT OF MORTGAGES, CHARGES AND SECURITY INTERESTS

- The Debtor hereby:
 - (a) mortgages and charges to and in favour of the Secured Party as and by way of a fixed and specific mortgage and charge, and grants to the Secured Party a security interest in, all its present and future equipment, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, devices, vehicles, tools and furniture now or hereafter owned or acquired;
 - (b) mortgages and charges to the Secured Party and grants to the Secured Party a security interest in all its present and future inventory, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service:
 - (c) assigns, transfers and sets over to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future accounts and intangibles, including, without limiting the generality of the foregoing, all its present and future book debts, accounts and other amounts receivable, contract rights and choses in action of every kind or nature including insurance rights arising from or out of the assets referred to in Sections 2(a) and 2(b) hereof, goodwill, chattel paper, instruments of title, investments, money and securities;

- assigns, transfers and conveys to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future intellectual property (hereinafter referred to as the "Intellectual Property Collateral") (whether registered or unregistered) comprising without limitation all formulations, computer programs, application software, hardware/software maintenance support agreements and all documentation related thereto, licenses of software, copyrights, patents and inventions, trade-marks, trade names, business names, trade styles and other business identifiers, industrial designs, integrated circuit topographies, trade secrets and other confidential information and all know-how obtained, developed or used by the Debtor or contemplated at any time for use by the Debtor;
- (e) charges in favour of the Secured Party as and by way of a floating charge, and grants to the Secured Party a security interest in, its business and undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage, charge or security interest by Sections 2(a), 2(b), 2(c) and 2(d) hereof and the exceptions hereinafter contained);
- (f) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in the proceeds arising from any of the assets referred to in this Section 2; and
- (g) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in all additions to and replacements of the assets referred to in this Section 2.

For the purposes of this Security Agreement, the equipment, inventory, intangibles, Intellectual Property Collateral, undertaking, proceeds and all other property and assets of the Debtor referred to in this Section 2 are hereinafter collectively called the "Collateral".

C. LOCATION OF COLLATERAL

3. The Debtor hereby represents and warrants to the Secured Party that all Collateral material to the Debtor (including, without limitation, all of the Intellectual Property Collateral whatsoever) is presently at the following locations:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A Toronto, ON M9B 6E5

Attention: Ken Yoon, Chief Executive Officer E-mail: ken.yoon@pathwayhealth.ca

- 4. The Collateral now situate in the Province of Ontario is on the date hereof primarily situate or located at the location set out in Section 3 hereof but may, with prior written notice to the Secured Party, from time to time be located at other premises of the Debtor or (in the case of the Collateral described in Section 2(b) above) any third party manufacturing or inventory storage facility in the Province of Ontario. Such Collateral may also be located at other places in Ontario or in Canada while in transit to and from such locations and premises and such Collateral may from time to time be situate or located at any other places in Ontario and Canada when on lease or consignment to any lessee or consignee from the Debtor.
- 5. Debtor further represents and warrants to the Secured Party, and so long as this Security Agreement remains in effect, shall be deemed to continuously represent and warrant to the Secured Party that:

- (a) it is a corporation incorporated and organized and validly existing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property in each jurisdiction where the failure to be so qualified would have a material adverse effect on the Debtor; and the execution, delivery and performance of this Security Agreement by the Debtor are within its corporate powers and have been duly authorized by all necessary corporate action of the Debtor; and
- (b) the execution, delivery and performance of the Obligations and the creation of the security interest or assignment hereunder of the Debtor's rights in the Collateral to the Secured Party will not conflict with or constitute a breach of the Debtor's Articles of Incorporation, as amended to date, or by-laws, nor will they result in a breach of or an event of default under any agreement to which the Debtor is party or by which it is bound.
- 6. Debtor further represents and warrants to the Secured Party that on the date hereof:
 - (a) it has rights in the Collateral and other than permitted encumbrances, the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements of which the Debtor is aware, encumbrances or other adverse claims or interests, and subject to the fact that certain of the licenses and leases included in the Collateral may not be assignable or transferable, or may require consent to assignment or transfer, or may contain other restrictions on assignability or transferability:
 - (b) it has not granted any licenses in or of its Intellectual Property Collateral, other than in the ordinary course of its business; and
 - (c) each of the licenses granted in or of its Intellectual Property Collateral is non-exclusive.

D. LIMITED EXCEPTIONS TO GRANT OF CHARGE

7. The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Debtor, and whether falling within the general or particular description of the Collateral, is hereby and shall be excepted out of the mortgages, charges and security interests hereby or by any other instrument created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term, for the time being demised, as aforesaid, upon trust to assign and dispose of the same as any purchaser of such term shall direct.

E. AGREEMENTS OF THE DEBTOR

- 8. The Debtor and the Secured Party agree that they have not agreed to postpone the time for attachment of the security interests granted hereby with respect to the Debtor's presently existing Collateral and that such security interests shall attach to the Collateral acquired after the date hereof as soon as the Debtor has rights in such Collateral.
- 9. The Debtor agrees with the Secured Party that, until the Obligations have been satisfied or paid in full:
 - (a) it will not, without the prior written consent of the Secured Party:
 - (i) create, issue, transfer, or assign any new securities of the Debtor, whether debt or equity, but notwithstanding the foregoing, the Debtor may issue new securities, whether debt or equity, without consent of the Secured Party, provided that the

- proceeds are used, at least in part, to satisfy and fully pay the Obligations outstanding:
- (ii) sell, transfer, assign, lease, license or otherwise dispose of the Collateral, or any interest therein, or attempt, offer or contract to do so, other than in the ordinary course of the Debtor's business and as would not have a material adverse effect on Debtor, its ability to pay the Obligations or the interests of the Secured Party hereunder:
- (iii) release, surrender or abandon possession of any material part of the Collateral;
- (iv) move or transfer any material part of the Collateral from the Province of Ontario or without prior written notice to the Secured Party; or
- (v) change its name without receiving written consent of the Secured Party.
- (b) unless otherwise agreed by, or stipulated pursuant to, the prior written consent or direction, as applicable, of the Secured Party, it will:
 - (i) hold the proceeds received from any direct or indirect dealing with the Collateral in trust for the Secured Party after either the security interests granted in this Security Agreement become enforceable or any of the Collateral is sold other than in the ordinary course of business of the Debtor and for the purpose of carrying on such business:
 - insure and keep insured all of the Collateral against loss or damage by fire and (ii) other insurable hazards for which such Collateral is commonly insured against in the Province of Ontario to the full insurable value thereof; the Debtor shall pay when due all premiums and other amounts payable for maintaining such insurance: the Debtor shall cause the insurance proceeds thereunder to be payable in case of loss to the Secured Party as mortgagee and loss payee and shall, if required, give to the Secured Party evidence of the payment of premiums and the assignment of such insurance to the Secured Party; should the Debtor fail to pay any premiums when due then the Secured Party may do so and the cost of such premiums shall be added to the Obligations and shall be secured by the security interests granted herein; the policy or policies of insurance required by this paragraph shall show the Secured Party as mortgagee and loss payee and shall contain a mortgage clause in form satisfactory to the Secured Party; all such policies of insurance shall neither permit nor provide for any amount of coinsurance by the Debtor;
 - (iii) keep the then existing Collateral in good condition and repair according to the nature and description thereof, and to not use the Collateral in violation of the provisions of this Security Agreement or any other agreement of the Debtor relating to the Collateral or any policy issued to the Debtor insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance, and the Secured Party may, whenever it deems necessary, either in person or by agent, enter upon the Debtor's property and inspect the Collateral and the reasonable cost of such inspection shall be payable on demand and added to the Obligations and the Secured Party may make repairs as it deems necessary, and the cost thereof shall be payable on demand and added to the Obligations;
 - (iv) set up and maintain accounting systems and books of account in accordance with generally accepted accounting principles and furnish to the Secured Party at any time upon request by the Secured Party all such information concerning the Debtor's affairs and business as the Secured Party may reasonably require;

- materially comply with every covenant and undertaking heretofore or hereafter given by it to the Secured Party;
- (vi) materially comply with valid requirements of any governmental authority pertaining to the operation by the Debtor of its business;
- (vii) permit the Secured Party at any time and from time to time, after the security granted pursuant to this Security Agreement shall have become enforceable, to require any account debtor of the Debtor to make payment to the Secured Party of any or all amounts owing by the account debtor to the Debtor and the Secured Party may take control of any proceeds referred to in Section 2(f) hereof and may hold all amounts received from any account debtor and any proceeds as cash collateral as part of the Collateral and as security for the Obligations;
- (viii) pay or cause to be paid all taxes, rates and other impositions whatsoever already charged or hereafter to be charged by any authority on any of the Collateral as and when they shall generally fall due and, upon the request of the Secured Party, deliver to the Secured Party evidence of such payments;
- (ix) materially comply with all applicable laws, regulations and orders, including, without limitation, all public and employee health and safety provisions and all applicable federal, provincial, state or municipal environmental laws and all regulations or requirements thereunder relating in any way to the environment or the release of any substance into the environment;
- (x) defend the Collateral against the claims and demand of all other parties claiming the same or an interest therein and take all reasonable actions to keep the Collateral free from all encumbrances, other than permitted encumbrances;
- (xi) notify the Secured Party promptly of:
 - A. any material change in the information contained herein relating to the Debtor, including without limitation any change in the Debtor's registered office address, the Debtor's business or the Collateral;
 - B. the details of any significant acquisition or disposition of Collateral;
 - C. the details of any material complaints, violations, claims or litigation affecting the Debtor or the Collateral;
 - D. any material loss or damage to the Collateral;
 - any default by the Debtor in payment or performance of its Obligations with respect to the Collateral; and
 - F. the return to or repossession by the Debtor of the Collateral;
- (xii) do, execute, acknowledge and deliver such further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may from time to time be reasonably requested by the Secured Party of or with respect to the Collateral in order to give effect to this Security Agreement and to pay all costs and expenses (including reasonable and documented legal fees) of the Secured Party incurred with respect to searches and filings in connection therewith and with respect to the preparation, execution and filing of this Security Agreement and keeping the security interest granted hereunder perfected;

- (xiii) pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same may become due and payable;
- (xiv) prevent the Collateral from being or becoming an accession to other property not covered by this Security Agreement;
- (xv) carry on and conduct the business of the Debtor so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, financial statements supported by the books of account for the Debtors' business as well as accurate and complete records concerning the Collateral;
- (xvi) make available to the Secured Party from time to time promptly upon the request of the Secured Party true and complete copies of:
 - A. any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral,
 - B. all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same,
 - all financial statements prepared by or for Debtor regarding Debtor's business,
 - D. all policies and certificates of insurance relating to the Collateral, and
 - E. such information concerning Collateral, Debtor and Debtor's business and affairs as the Secured Party may reasonably request;
- (xvii) observe and perform its obligations under all material leases, licences, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances;
- (xviii) maintain its corporate existence and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets; and
- (xix) subject to the transportation and location of equipment outside of Ontario in the ordinary course of business, prior to the removal of any of the Collateral from the province in which it is or they are situated at the date of this Security Agreement or to leasehold property, effect such further registrations and obtain such other consents and give such other security as may be required or desirable to protect or preserve the security hereby created, and the Debtor shall forthwith notify the Secured Party of the intended removal and the action proposed to be taken.
- 10. The Debtor hereby agrees that it will at all times, both before and after default, do or cause to be done such additional things and execute and deliver or cause to be executed and delivered all such further acts and documents as the Secured Party may reasonably require for the better mortgaging, charging, transferring, assigning, confirming and granting of security interests in the present or future Collateral to the Secured Party.
- 11. Subject to compliance with the Debtor's covenants contained herein, the Debtor may, until the security granted pursuant to this Security Agreement shall have become enforceable, possess,

operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor.

F. DEFAULT

- 12. The Obligations shall, at the option of the Secured Party, become payable and the security granted pursuant to this Security Agreement shall become enforceable in each and every of the events following (each, an "Event of Default"):
 - (a) if the Debtor or any of its affiliates defaults in the observance or performance of any material agreement, convenant or undertaking given by the Debtor to the Secured Party in the Promissory Note, this Security Agreement, in any document executed in connection herewith, in any other future loan or credit facility agreement between the Debtor and the Secured Party, or in any document executed in connection therewith, other than as contemplated in Section 12(b) below;
 - (b) if the Debtor defaults in payment of any of the Obligations of the Debtor to the Secured Party when due;
 - (c) if the Debtor ceases or threatens to cease to carry on business or if the Debtor commits or threatens to commit any act of bankruptcy or if the Debtor becomes insolvent or makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets or if a bankruptcy petition is filed or presented against the Debtor;
 - (d) the transfer or disposition of any of the Collateral, other than in the regular course of business, by the Debtor, except as expressly permitted by this Security Agreement;
 - (e) if the Debtor shall seek relief or consents to the filing of a petition against it under any law which involves any compromise of any secured creditor's rights against the Debtor;
 - (f) if an execution or any other process of any court becomes enforceable against the Debtor or if a distress or analogous process is levied upon the property of the Debtor or any part thereof, provided such execution, court process, distress or analogous process is in response to an award or award(s) against the Debtor which in the aggregate exceed CDN\$250,000;
 - (g) if the Debtor shall permit any sum which has been admitted as due by the Debtor or is not disputed to be due by it and which forms or is capable of being made a charge upon any of the Collateral with equal priority to or senior to the charge created by this Security Agreement to remain unpaid for thirty (30) days after proceedings have been taken to enforce the same;
 - (h) if any material licences, permits or approvals required by any law, regulation or governmental policy or any governmental agency or commission for the operation by the Debtor of its business shall be withdrawn or cancelled;
 - (i) if any representation or warranty in the Promissory Note, inthis Security Agreement, in any other future loan or credit facility agreement between the Debtor and the Secured Party, or in any document executed in connection therewith, made by the Debtor or any of its

affiliates or officers to the Secured Party shall be false or inaccurate in any material respect;

- (j) if the Debtor is dissolved or the Debtor's existence is otherwise terminated or any action is taken by the Debtor to effect such termination or dissolution;
- (k) if any material portion of the Debtor's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity or if the Debtor is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of the Debtor's assets by any government agency;
- (I) if there is a material default or other failure to perform in any material agreement to which the Debtor is a party or by which the Debtor is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any indebtedness in an amount exceeding \$250,000; or
- (m) if any material misrepresentation, misstatement or omission existed at the time made in any warranty or representation set forth herein, in the Promissory Note, in this Security Agreement, in any other future loan or credit facility agreement between the Debtor and the Secured Party, or in any document executed in connection therewith.

provided, that, notwithstanding the foregoing, the Obligations shall not become payable and the security granted pursuant to this Security Agreement shall not become enforceable by reason only of the occurrence of an Event of Default (if such Event of Default is an Event of Default other than as a result of: (i) a failure to pay any Obligation of the Debtor to the Secured Party when due, as contemplated by paragraph (b) above, or (ii) if the Debtor ceases to carry on business or if the Debtor commits any act of bankruptcy or if the Debtor becomes insolvent or makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets or if a bankruptcy petition is filed or presented against the Debtor as contemplated by paragraph (c) above), and such Event of Default is remedied within thirty (30) business days from the date the Debtor became aware of such Event of Default or should reasonably have become aware of such Event of Default, or does not otherwise continue for at least thirty (30) business days from such date. Any event set forth above which pursuant to this section, the Debtor may remedy within the permitted thirty (30) business day period, shall not be considered to be an "Event of Default" unless such event goes unremedied for a period of twenty (20) consecutive business day, however, the Debtor hereby covenants to advise the Secured Party in writing immediately upon the occurrence of an event, set forth above regardless of any permitted remedy period.

13. This Security Agreement may be amended or modified, and any obligation, right or condition set forth herein may be waived, by an instrument in writing duly executed by the Debtor and the Secured Party.

G. REMEDIES OF THE SECURED PARTY

- 14. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by, without limitation:
 - (a) entry;
 - (b) the appointment by instrument in writing of a receiver or receivers of the Collateral or any part thereof (which receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Secured Party or not and the Secured Party

may remove any receiver or receivers so appointed and appoint another or others in his or their stead);

- (c) proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof;
- (d) preserving, protecting and maintaining the Collateral and making such replacements and repairs and additions to the Collateral as the Secured Party deems advisable;
- (e) disposing of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
- (f) using, selling, assigning, leasing, licensing or sub-licensing any of the Collateral; or
- (g) any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity.

In addition, the Secured Party may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relating to the Debtor.

Any receiver or receivers so appointed shall have power to:

- (i) take possession of, to protect, to preserve and to use the Collateral or any part thereof;
- (ii) carry on the business of the Debtor (including, but not limited to, the taking or defending of any actions or legal proceedings, and the doing or refraining from doing all other things as to the receiver may seem necessary or desirable in connection with the business, operations and affairs of the Debtor);
- (iii) borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor;
- (iv) further charge the Collateral in priority to the security interests of this Security Agreement as security for money so borrowed; and
- (v) sell, lease, license or sub-license (to the extent permitted by the applicable license in the case of intellectual property or technology licensed from a third party), or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as the receiver shall determine.

The Secured Party shall not be responsible for any actions or errors of omission by the receiver or receivers in exercising any such powers.

In addition, the Secured Party may enter upon, use, occupy and possess the Collateral or any part thereof, free from all encumbrances, liens and charges, without hindrance, interruption or denial of the same by the Debtor or by any other person or persons save only a landlord pursuant to its rights of reversion under any lease of real property on expiry of its term, and may lease or sell the whole or any part or parts of the Collateral. Any sale hereunder may be made by public auction, by public tender or by private contract, with or without notice and with or without advertising and

without any other formality (except as required by law), all of which are hereby waived by the Debtor. Such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Secured Party in its sole discretion may seem advantageous. Such sale may take place whether or not the Secured Party has taken possession of the Collateral.

The Debtor agrees to pay to the Secured Party forthwith on demand all expenses incurred by the Secured Party in the preparation, perfection, administration and enforcement of this Security Agreement (including without limitation expenses incurred in considering and protecting or improving the Secured Party's position, or attempting to do so, whether before or after default), all amounts borrowed by the receiver from the Secured Party as hereinbefore provided and all costs, charges, expenses and fees (including, without limiting the generality of the foregoing, the reasonable and documented fees and expenses of any receiver and reasonable and documented legal fees on a solicitor and client basis) of or incurred by the Secured Party and by any receiver or receivers or agent or agents appointed by the Secured Party in connection with the recovery or enforcing of payment of any moneys owing hereunder, whether by realization, by taking possession or otherwise. All such sums, together with interest thereon at the rate applicable to the Obligations, shall form part of the Obligations and shall be secured by the security interests granted herein.

No remedy for the realization of the security interests granted herein or for the enforcement of the rights of the Secured Party shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

- 15. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by notifying all or any debtors of the security interest contemplated herein and may also direct such debtors to make all payments on the Collateral to the Secured Party. The Debtor acknowledges that any payments or other proceeds of the Collateral received by the Debtor from such debtors after notification of the security interest contemplated herein to such debtors shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.
- 16. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Debtor will not request or receive any money or other proceeds constituting income or interest from or interest on the Collateral and if the Debtor receives any such money or proceeds without any request by it, the Debtor will pay the same promptly to the Secured Party. So long as the security granted pursuant to this Security Agreement has not become enforceable or does not remain enforceable, the Debtor reserves the right to receive any money or other proceeds constituting income from or interest on Collateral and if the Secured Party receives any such money or proceeds prior to default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to Debtor.
- 17. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party shall at all times and from time to time have the right to change any appropriation as the Secured Party may see fit.

H. RIGHTS OF THE SECURED PARTY

18. The Secured Party may pay and satisfy the whole or any part of any liens, taxes, rates, charges or encumbrances now or hereafter existing in respect of any of the Collateral and such payments together with all costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations and shall be secured by the security interests granted herein. In the event of the Secured Party satisfying any such lien, charge or encumbrance,

it shall be entitled to all the equities and securities of the person or persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so.

- 19. The Debtor grants to the Secured Party the right to set off against any and all accounts, credits or balances maintained by it with the Secured Party, the aggregate amount of any of the Obligations.
- 20. The Secured Party, without exonerating in whole or in part the Debtor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with the Debtor and all other persons and securities as the Secured Party may see fit.
- 21. Nothing herein shall obligate the Secured Party to extend any credit to the Debtor.
- 22. The Secured Party may assign, transfer and deliver to any permitted transferee, any of the Obligations or any security or any documents or instruments held by the Secured Party in respect thereof provided that no such assignment, transfer or delivery shall release the Debtor from any of the Obligations; and thereafter the Secured Party shall be fully discharged from all responsibility with respect to the Obligations and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Secured Party under such security, documents or instruments but the Secured Party shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Debtor shall not assign any of its rights or obligations hereunder without the prior written consent of the Secured Party.

I. MISCELLANEOUS

- 23. No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may remedy any default by Debtor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 24. The security interest created hereby is intended to attach when this Security Agreement is executed by the Debtor and delivered to the Secured Party.
- 25. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 26. Upon payment by the Debtor or its successors or permitted assigns, and the fulfillment of all the Obligations and provided that the Secured Party is then under no obligation (conditional or otherwise) to make any further loan or extend any other type of credit to the Debtor, the Secured Party shall, upon request in writing by the Debtor, discharge this Security Agreement.
- 27. This Security Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario. For the purpose of legal proceedings, this Security Agreement shall be deemed to have been made in the said Province and to be performed therein and the courts of that Province shall have jurisdiction over all disputes which may arise under this Security Agreement. Each of the Debtor and the Secured Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts.

- 28. The headings in this Security Agreement are included for convenience of reference only, and shall not constitute a part of this Security Agreement for any other purpose.
- 29. This Security Agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party.
- 30. This Security Agreement and all its provisions shall enure to the benefit of the Secured Party, its successors and assigns, and, subject to the final sentence of Section 22, shall be binding on the Debtor, its successors and permitted assigns.
- Any demand, notice or other communication by the Secured Party in connection with this Security Agreement shall be subject to the notice provisions of the Promissory Note. Notwithstanding the foregoing, if the Act or any other statute requires a demand or notice to be given in a certain way or specifies the time at which the Debtor is deemed to have received a demand or notice then the Secured Party shall make the demand or notice in accordance with the particular statute and the demand or notice shall be deemed to have been received by the Debtor on the date or at the time specified by the particular statute.
- 32. In construing this Security Agreement, terms herein shall have the same meaning as defined in the Act, unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.
- 33. This Security Agreement may be executed in any number of separate counterparts and all such signed counterparts constitute one and the same agreement. Delivery by facsimile, email, pdf or other electronic means of an originally executed signature page to this Security Agreement by a party is as effective as personal delivery of such signature page.

K. INDEMNIFICATION

The Debtor agrees to pay, and to save the Secured Party harmless from, any and all liabilities, 34. reasonable costs and expenses (including, without limitation, reasonable and documented legal fees and expenses): (i) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral, (ii) with respect to, or resulting from, any delay in complying with any law, rule, regulation or order of any court, arbitrator or governmental entity, jurisdiction or authority applicable to any of the Collateral or (iii) in connection with any of the transactions contemplated by this Security Agreement, In any suit, proceeding or action brought by the Secured Party under any accounts for any sum owing thereunder to the Debtor, or to enforce any provisions of any accounts, the Debtor will save, indemnify and keep the Secured Party harmless from and against all reasonable and documented expenses, losses or damages suffered by reason of any defense, setoff, counterclaim, recoupment or reduction or liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by the Debtor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from the Debtor.

[Signature Page Follows]

IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor and the Secured Party as of the date first written above.

DEBTOR:

PATHWAY HEALTH CORP.

Ву:

Name: Ken Yoon

Title: Chief Executive Officer

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

By:

Name: David Dozzo

Title: Director

SHARE PLEDGE AGREEMENT

THIS SHARE PLEDGE AGREEMENT (the "Agreement") is made as of the 27th day of May, 2022

BY:

PATHWAY HEALTH CORP., (together with its successors and assigns, the "Pledgor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (Ontario), as in force at the date of this Agreement, which Act including amendments thereto and any Act substituted therefor and amendments thereto is herein defined as the "PPSA".

2. SECURITY INTEREST AND CHARGE

- (a) As continuing security for the payment and performance of all debts, liabilities and obligations of Pledgor to the Secured Party (present and future, direct and indirect) (the "Indebtedness"), the Pledgor hereby grants a mortgage, pledge, charge and security interest to and in favour of the Secured Party in:
 - (i) the shares described in Schedule A hereto represented by the share certificates described in Schedule A hereto, all after acquired shares held by the Pledgor in the capital of Pathway Health Services Corp., Pathway Wellness Corp., Pathway Healthcare Technologies Corp. and 1319923 Canada Ltd., together with any renewals thereof, substitutions therefor and additions thereto and all certificates and instruments evidencing or representing such securities;
 - (ii) any and all dividends, whether in cash, kind or stock, received or receivable upon or in respect of any Pledged Shares and all interest payments, money or other property payable or paid on account of any return or repayment of capital in respect of any Pledged Shares or otherwise distributed in respect thereof except as outlined in Section 2(d) and Section 2(e) below;
 - (iii) any and all other property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of, or in substitution for, or in addition to, or in exchange for, any of the foregoing;
 - (iv) any and all cash, securities and other proceeds of the foregoing and all rights and interest of the Pledgor in respect thereof or evidenced thereby including, without limitation, all money received from time to time by the Pledgor in connection with the sale of any of the Pledged Shares; and
 - (v) any and all property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of the Pledged Shares;

(collectively, the collateral described under subparagraphs 2(a)(i) to 2(a)(v) inclusive shall be hereinafter known as the "Pledged Shares")

- (b) The mortgages, pledges, charges and security interests granted hereunder are hereinafter collectively called the "**Security Interests**". The Pledgor warrants and acknowledges to and in favour of the Secured Party that:
 - the parties intend the Security Interests hereby constituted in the Pledged Shares attaches upon execution and delivery hereof;
 - (ii) the parties intend the Security Interests created in any of the Pledgor's afteracquired Pledged Shares to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) Until Default (as defined herein), the Pledgor shall be entitled in good faith to exercise all voting power from time to time exercisable in respect of the Pledged Shares and give consents, waivers and ratifications in respect thereof. Immediately upon the occurrence and during the continuance of Default, all such right of the Pledgor to vote and give consents, waivers and ratifications shall cease and the Secured Party or its nominee shall be entitled to exercise all such voting rights and to give all consents, waivers and ratifications.
- (d) The Pledgor hereby agrees and undertakes to deliver to and deposit with, or cause to be delivered to and deposited with, the Secured Party's solicitors all certificates (duly endorsed in blank or accompanied by an executed stock transfer power of attorney) representing any of the Pledged Shares that the Pledgor may from time to time hereafter acquire or become entitled to or any share certificates which are issued as a result of reclassification, conversion or otherwise. The Pledgor hereby irrevocably authorizes and directs its solicitors to deliver to the Secured Party any such share certificates representing Pledged Shares.

3. REPRESENTATIONS AND WARRANTIES OF THE PLEDGOR

The Pledgor hereby represents and warrants to the Secured Party that:

- the Pledged Shares are owned by the Pledgor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor and those shown on Schedule A, attached;
- (b) the Pledgor has full power and authority to execute, deliver and perform all of its obligations under this Agreement;
- (c) this Agreement when duly executed and delivered by the Pledgor will constitute a legal, valid and binding obligation of the Pledgor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other laws of general application affecting creditors' rights and by rules of equity governing enforceability by specific performance;
- (d) there is no provision in any agreement to which the Pledgor is a party, nor to the knowledge of the Pledgor is there any statute, rule or regulation, or any judgment, decree or order of any court, binding on the Pledgor which would be contravened by the execution and delivery of this Agreement;

- (e) there is no litigation, proceeding or dispute pending, or to the knowledge of the Pledgor threatened, against or affecting the Pledgor or the Pledged Shares, the adverse determination of which might impair the Pledgor's ability to perform its obligations hereunder; and
- (f) the Pledged Shares are or shall be located at the offices of the Secured Party and held pursuant to the terms of this Agreement.

4. COVENANTS OF THE PLEDGOR

The Pledgor hereby covenants with the Secured Party that:

- (a) the Pledgor owns and will maintain the Pledged Shares free of Encumbrances (save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor) and will defend title to the Pledged Shares for the benefit of the Secured Party against the claims and demands of all persons;
- (b) the Pledgor will immediately give notice to the Secured Party of:
 - (i) the details of any claims or litigation materially affecting the Pledgor or Pledged Shares; and
 - (ii) any change of its name, or the location of its chief executive office;
- (c) the Pledgor will observe the requirements of any regulatory or governmental authority with respect to the Pledged Shares; and
- (d) the Secured Party may pay or satisfy any Encumbrance created in respect of the Pledged Shares, or any sum necessary to be paid to clear title to such Pledged Shares, and the Pledgor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Pledgor on any portion of the Indebtedness.

5. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Pledgor fails to pay the Indebtedness when due;
- (b) if the Pledgor defaults in the observance or performance of any material agreement or undertaking given by the Pledgor to the Secured Party in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith;
- (c) any representation or warranty made in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith, proves to have been or to have become false or materially misleading;
- (d) the Pledgor becomes insolvent or makes an assignment or proposal for the benefit of its creditors, or a Bankruptcy Petition or Receiving Order is filed or made against the Pledgor, or a Receiver of the Pledgor or any part of its property is appointed, or the Pledgor commits or demonstrates an intention to commit any act of bankruptcy, or the Pledgor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada) or any other legislation for the benefit of its creditors; and

(e) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Pledgor, or a secured party takes possession of any of the Pledgor's property.

6. REMEDIES

On Default:

- (a) the Secured Party may sell the same by public or private sale at such price and upon such terms as the Secured Party in its sole discretion may determine and the proceeds of such sale less all costs and expenses of the Secured Party (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) the Secured Party has the right to enforce this Agreement by any method provided for in this Agreement and as permitted by law, and to dispose of the Pledged Shares by any method permitted by law, including a private sale, disposal by lease or deferred payment;
- (c) the Secured Party may appoint, but shall not be obligated to appoint, any person or persons to be a Receiver of any Pledged Shares, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a Receiver-Manager;
- (d) the Secured Party or the Receiver, if appointed, will have the power:
 - (i) to take possession of any Pledged Shares and for that purpose to take any proceedings, in the name of the Pledgor or otherwise;
 - (ii) to sell or lease the Pledged Shares by public auction, tender or private sale on such terms and conditions as the Receiver shall determine and to deliver to the Purchaser thereof sufficient title documents, transfers and deeds for the same;
 - (iii) to make any arrangement or compromise which it may think expedient in the interest of the Secured Party;
 - (iv) to hold as additional security any increase or profits resulting from the Pledged Shares; and
 - to exercise all rights that the Secured Party has under this Agreement or otherwise at law.
- (e) the Pledgor hereby appoints each Receiver appointed by the Secured Party to be its attorney to effect the sale or lease or other disposition of the Pledged Shares and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Pledgor; and
- (f) any Receiver will be deemed to be the agent of the Pledgor, and the Pledgor will be solely responsible for his acts or defaults and for his remuneration and expenses, and the Secured Party will not be in any way responsible for any misconduct or negligence on the part of any Receiver.

7. POWER OF ATTORNEY

The Pledgor irrevocably authorizes and appoints the Secured Party as its attorney and agent to

transfer the Pledged Shares or any part thereof into its own name or that of its nominee(s) in the event of Default so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof.

8. ACCELERATION

In the event of Default, the Secured Party, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable.

9. NOTICE

Any notice or demand required or permitted to be made or given by the Secured Party to the Pledgor shall be subject to the notice provisions of the Promissory Note.

10. COSTS AND EXPENSES

The Pledgor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it (including, but without restricting the generality of the foregoing, reasonable and documented legal fees as between a solicitor and his own client on a full indemnity basis), in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of Pledged Shares and in enforcing or collecting the Indebtedness and all such costs, disposition and charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of Pledged Shares and shall be secured hereby.

11. MISCELLANEOUS

- (a) The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Pledgor, sureties and others and with the Pledged Shares and other security as the Secured Party may see fit without prejudice to the Secured Party's right to hold and realize the Security Interest.
- (b) All rights, remedies and powers of the Secured Party hereunder and under any other securities or agreements now or hereafter delivered to the Secured Party by the Pledgor are cumulative and in addition to any other rights or remedies. The enforcement of any one or more remedies by the Secured Party shall not be deemed to be an election of remedies. No judgment recovered by the Secured Party against the Pledgor or any other persons shall merge or in any manner affect the securities or agreements now or hereafter delivered to the Secured Party or the Secured Party right to interest as provided herein.
- (c) This Agreement shall enure to the benefit of and be binding upon the parties, their respective successors and assigns.
- (d) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by the Secured Party.
- (e) The Pledgor further agrees to execute and deliver to the Secured Party such further assurances and conveyances and supplemental deeds as may be necessary to properly carry out the intention of this Agreement, as determined by the Secured Party, acting reasonably or as may be required by the Secured Party from time to time.
- (f) After Default, the Secured Party may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any

monies received by it from the Pledgor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness.

12. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate. If more than one person executes this Agreement, their obligations under this Agreement are joint and several.
- (c) This Agreement will be interpreted in accordance with the laws of the Province of Ontario. The Pledgor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of the Province of Ontario or in any court of competent jurisdiction, as the Secured Party may elect. The Pledgor hereby attorns to the same.

13. DELIVERY

This Agreement may be delivered in PDF or other electronic form which Agreement when so delivered shall be valid and binding as if delivered in original form. The Pledgor shall forthwith deliver an original of the signed copy of this Agreement which was so delivered.

14. GOVERNING LAW

This Agreement shall be governed by the laws of the Province of Ontario.

15. COPY OF AGREEMENT

The Pledgor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

[Signature Page Follows]

IN WITNESS WHEREOF this Agreement has been executed by the Pledgor and the Secured Party as of the date first written above.

PLEDGOR:

PATHWAY HEALTH CORP.

By:

Name: Ken Yoon

Title: Chief Executive Officer

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

Ву:

David Doggo

Name: David Dozzo
Title: Director

SCHEDULE A

PLEDGED SECURITIES

Issuer	Holder	Number and Class of Shares	Share Certificate No.
Pathway Health Services Corp.	Pathway Health Corp.		
Pathway Wellness Products Corp.	Pathway Health Corp.	100 Common	C-2
Pathway Healthcare Technologies Corp.	Pathway Health Corp.	100 Common	C-2
13199223 Canada Ltd.	Pathway Health Corp.	50,000 Common	C-1

THIS IS EXHIBIT "I" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT (the "Security Agreement") is made as of the 27th day of May, 2022

BY:

PATHWAY HEALTH SERVICES CORP., (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

A. OBLIGATIONS SECURED

1. The undersigned Guarantor hereby enters into this Security Agreement with the Secured Party for valuable consideration and as security for the payment of all present and future indebtedness of the Guarantor to the Secured Party and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, joint or several, of the Guarantor to the Secured Party whether as principal or surety, including, without limiting the generality of the foregoing, pursuant to a guarantee executed on the date hereof in favor of the Secured Party by the Guarantor, as may be amended from time to time (the "Guarantee") (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). Insofar as it affects personal property located in Ontario, this Security Agreement is governed by the Personal Property Security Act (Ontario) (the "Act").

B. GRANT OF MORTGAGES, CHARGES AND SECURITY INTERESTS

- 2. The Guarantor hereby:
 - (a) mortgages and charges to and in favour of the Secured Party as and by way of a fixed and specific mortgage and charge, and grants to the Secured Party a security interest in, all its present and future equipment, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, devices, vehicles, tools and furniture now or hereafter owned or acquired;
 - (b) mortgages and charges to the Secured Party and grants to the Secured Party a security interest in all its present and future inventory, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service;
 - (c) assigns, transfers and sets over to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future accounts and intangibles, including, without limiting the generality of the foregoing, all its present and future book debts, accounts and other amounts receivable, contract rights and choses in action of every kind or nature including insurance rights arising from or out of the assets referred to in Sections 2(a) and 2(b) hereof, goodwill, chattel paper, instruments of title, investments, money and securities;
 - (d) assigns, transfers and conveys to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future intellectual

property (hereinafter referred to as the "Intellectual Property Collateral") (whether registered or unregistered) comprising without limitation all formulations, computer programs, application software, hardware/software maintenance support agreements and all documentation related thereto, licenses of software, copyrights, patents and inventions, trade-marks, trade names, business names, trade styles and other business identifiers, industrial designs, integrated circuit topographies, trade secrets and other confidential information and all know-how obtained, developed or used by the Guarantor or contemplated at any time for use by the Guarantor;

- (e) charges in favour of the Secured Party as and by way of a floating charge, and grants to the Secured Party a security interest in, its business and undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage, charge or security interest by Sections 2(a), 2(b), 2(c) and 2(d) hereof and the exceptions hereinafter contained);
- (f) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in the proceeds arising from any of the assets referred to in this Section 2; and
- (g) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in all additions to and replacements of the assets referred to in this Section 2.

For the purposes of this Security Agreement, the equipment, inventory, intangibles, Intellectual Property Collateral, undertaking, proceeds and all other property and assets of the Guarantor referred to in this Section 2 are hereinafter collectively called the "Collateral".

C. LOCATION OF COLLATERAL

3. The Guarantor hereby represents and warrants to the Secured Party that all Collateral material to the Guarantor (including, without limitation, all of the Intellectual Property Collateral whatsoever) is presently at the following locations:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A Toronto, ON M9B 6E5

Attention: Ken Yoon, Chief Executive Officer E-mail: ken.yoon@pathwayhealth.ca

- 4. The Collateral now situate in the Province of Ontario is on the date hereof primarily situate or located at the location set out in Section 3 hereof but may, with prior written notice to the Secured Party, from time to time be located at other premises of the Guarantor or (in the case of the Collateral described in Section 2(b) above) any third party manufacturing or inventory storage facility in the Province of Ontario. Such Collateral may also be located at other places in Ontario or in Canada while in transit to and from such locations and premises and such Collateral may from time to time be situate or located at any other places in Ontario and Canada when on lease or consignment to any lessee or consignee from the Guarantor.
- 5. Guarantor further represents and warrants to the Secured Party, and so long as this Security Agreement remains in effect, shall be deemed to continuously represent and warrant to the Secured Party that:
 - (a) it is a corporation incorporated and organized and validly existing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and

to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property in each jurisdiction where the failure to be so qualified would have a material adverse effect on the Guarantor; and the execution, delivery and performance of this Security Agreement by the Guarantor are within its corporate powers and have been duly authorized by all necessary corporate action of the Guarantor; and

- (b) the execution, delivery and performance of the Obligations and the creation of the security interest or assignment hereunder of the Guarantor's rights in the Collateral to the Secured Party will not conflict with or constitute a breach of the Guarantor's Articles of Incorporation, as amended to date, or by-laws, nor will they result in a breach of or an event of default under any agreement to which the Guarantor is party or by which it is bound.
- 6. Guarantor further represents and warrants to the Secured Party that on the date hereof:
 - (a) it has rights in the Collateral and other than permitted encumbrances, the Collateral is genuine and owned by the Guarantor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements of which the Guarantor is aware, encumbrances or other adverse claims or interests, and subject to the fact that certain of the licenses and leases included in the Collateral may not be assignable or transferable, or may require consent to assignment or transfer, or may contain other restrictions on assignability or transferability;
 - (b) it has not granted any licenses in or of its Intellectual Property Collateral, other than in the ordinary course of its business; and
 - (c) each of the licenses granted in or of its Intellectual Property Collateral is non-exclusive.

D. LIMITED EXCEPTIONS TO GRANT OF CHARGE

7. The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Guarantor, and whether falling within the general or particular description of the Collateral, is hereby and shall be excepted out of the mortgages, charges and security interests hereby or by any other instrument created, but the Guarantor shall stand possessed of the reversion of one day remaining in the Guarantor in respect of any such term, for the time being demised, as aforesaid, upon trust to assign and dispose of the same as any purchaser of such term shall direct.

E. AGREEMENTS OF THE GUARANTOR

- 8. The Guarantor and the Secured Party agree that they have not agreed to postpone the time for attachment of the security interests granted hereby with respect to the Guarantor's presently existing Collateral and that such security interests shall attach to the Collateral acquired after the date hereof as soon as the Guarantor has rights in such Collateral.
- 9. The Guarantor agrees with the Secured Party that, until the Obligations have been satisfied or paid in full:
 - (a) it will not, without the prior written consent of the Secured Party:
 - (i) create, issue, transfer, or assign any new securities of the Guarantor, whether debt or equity;
 - (ii) sell, transfer, assign, lease, license or otherwise dispose of the Collateral, or any interest therein, or attempt, offer or contract to do so, other than in the ordinary

course of the Guarantor's business and as would not have a material adverse effect on Guarantor, its ability to pay the Obligations or the interests of the Secured Party hereunder;

- (iii) release, surrender or abandon possession of any material part of the Collateral;
- (iv) move or transfer any material part of the Collateral from the Province of Ontario or without prior written notice to the Secured Party; or
- (v) change its name without receiving written consent of the Secured Party.
- (b) unless otherwise agreed by, or stipulated pursuant to, the prior written consent or direction, as applicable, of the Secured Party, it will:
 - (i) hold the proceeds received from any direct or indirect dealing with the Collateral in trust for the Secured Party after either the security interests granted in this Security Agreement become enforceable or any of the Collateral is sold other than in the ordinary course of business of the Guarantor and for the purpose of carrying on such business:
 - insure and keep insured all of the Collateral against loss or damage by fire and (ii) other insurable hazards for which such Collateral is commonly insured against in the Province of Ontario to the full insurable value thereof; the Guarantor shall pay when due all premiums and other amounts payable for maintaining such insurance; the Guarantor shall cause the insurance proceeds thereunder to be payable in case of loss to the Secured Party as mortgagee and loss payee and shall, if required, give to the Secured Party evidence of the payment of premiums and the assignment of such insurance to the Secured Party; should the Guarantor fail to pay any premiums when due then the Secured Party may do so and the cost of such premiums shall be added to the Obligations and shall be secured by the security interests granted herein; the policy or policies of insurance required by this paragraph shall show the Secured Party as mortgagee and loss payee and shall contain a mortgage clause in form satisfactory to the Secured Party; all such policies of insurance shall neither permit nor provide for any amount of coinsurance by the Guarantor;
 - (iii) keep the then existing Collateral in good condition and repair according to the nature and description thereof, and to not use the Collateral in violation of the provisions of this Security Agreement or any other agreement of the Guarantor relating to the Collateral or any policy issued to the Guarantor insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance, and the Secured Party may, whenever it deems necessary, either in person or by agent, enter upon the Guarantor's property and inspect the Collateral and the reasonable cost of such inspection shall be payable on demand and added to the Obligations and the Secured Party may make repairs as it deems necessary, and the cost thereof shall be payable on demand and added to the Obligations;
 - (iv) set up and maintain accounting systems and books of account in accordance with generally accepted accounting principles and furnish to the Secured Party at any time upon request by the Secured Party all such information concerning the Guarantor's affairs and business as the Secured Party may reasonably require;
 - materially comply with every covenant and undertaking heretofore or hereafter given by it to the Secured Party;

- (vi) materially comply with valid requirements of any governmental authority pertaining to the operation by the Guarantor of its business;
- (vii) permit the Secured Party at any time and from time to time, after the security granted pursuant to this Security Agreement shall have become enforceable, to require any account debtor of the Guarantor to make payment to the Secured Party of any or all amounts owing by the account debtor to the Guarantor and the Secured Party may take control of any proceeds referred to in Section 2(f) hereof and may hold all amounts received from any account debtor and any proceeds as cash collateral as part of the Collateral and as security for the Obligations;
- (viii) pay or cause to be paid all taxes, rates and other impositions whatsoever already charged or hereafter to be charged by any authority on any of the Collateral as and when they shall generally fall due and, upon the request of the Secured Party, deliver to the Secured Party evidence of such payments;
- (ix) materially comply with all applicable laws, regulations and orders, including, without limitation, all public and employee health and safety provisions and all applicable federal, provincial, state or municipal environmental laws and all regulations or requirements thereunder relating in any way to the environment or the release of any substance into the environment;
- (x) defend the Collateral against the claims and demand of all other parties claiming the same or an interest therein and take all reasonable actions to keep the Collateral free from all encumbrances, other than permitted encumbrances;
- (xi) notify the Secured Party promptly of:
 - A. any material change in the information contained herein relating to the Guarantor, including without limitation any change in the Guarantor's registered office address, the Guarantor's business or the Collateral;
 - B. the details of any significant acquisition or disposition of Collateral;
 - C. the details of any material complaints, violations, claims or litigation affecting the Guarantor or the Collateral;
 - D. any material loss or damage to the Collateral;
 - E. any default by the Guarantor in payment or performance of its Obligations with respect to the Collateral; and
 - F. the return to or repossession by the Guarantor of the Collateral;
- (xii) do, execute, acknowledge and deliver such further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may from time to time be reasonably requested by the Secured Party of or with respect to the Collateral in order to give effect to this Security Agreement and to pay all costs and expenses (including reasonable and documented legal fees) of the Secured Party incurred with respect to searches and filings in connection therewith and with respect to the preparation, execution and filing of this Security Agreement and keeping the security interest granted hereunder perfected;
- (xiii) pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Guarantor or the Collateral as and when the same may become due and payable;

- (xiv) prevent the Collateral from being or becoming an accession to other property not covered by this Security Agreement;
- (xv) carry on and conduct the business of the Guarantor so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, financial statements supported by the books of account for the Guarantors' business as well as accurate and complete records concerning the Collateral;
- (xvi) make available to the Secured Party from time to time promptly upon the request of the Secured Party true and complete copies of:
 - A. any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral,
 - B. all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same,
 - all financial statements prepared by or for Guarantor regarding Guarantor's business,
 - D. all policies and certificates of insurance relating to the Collateral, and
 - E. such information concerning Collateral, Guarantor and Guarantor's business and affairs as the Secured Party may reasonably request;
- (xvii) observe and perform its obligations under all material leases, licences, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances;
- (xviii) maintain its corporate existence and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets; and
- (xix) subject to the transportation and location of equipment outside of Ontario in the ordinary course of business, prior to the removal of any of the Collateral from the province in which it is or they are situated at the date of this Security Agreement or to leasehold property, effect such further registrations and obtain such other consents and give such other security as may be required or desirable to protect or preserve the security hereby created, and the Guarantor shall forthwith notify the Secured Party of the intended removal and the action proposed to be taken.
- 10. The Guarantor hereby agrees that it will at all times, both before and after default, do or cause to be done such additional things and execute and deliver or cause to be executed and delivered all such further acts and documents as the Secured Party may reasonably require for the better mortgaging, charging, transferring, assigning, confirming and granting of security interests in the present or future Collateral to the Secured Party.
- Subject to compliance with the Guarantor's covenants contained herein, the Guarantor may, until the security granted pursuant to this Security Agreement shall have become enforceable, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Guarantor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the

Guarantor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Guarantor.

F. DEFAULT

- 12. The Obligations shall, at the option of the Secured Party, become payable and the security granted pursuant to this Security Agreement shall become enforceable in each and every of the events following (each, an "Event of Default"):
 - (a) if the Guarantor defaults in the observance or performance of any material agreement or undertaking given by the Guarantor to the Secured Party in the Guarantee, this Security Agreement, or in any document executed in connection herewith, other than as contemplated in Section 12(b) below;
 - (b) if the Guarantor defaults in payment of any of the Obligations of the Guarantor to the Secured Party when due;
 - (c) if the Guarantor ceases or threatens to cease to carry on business or if the Guarantor commits or threatens to commit any act of bankruptcy or if the Guarantor becomes insolvent or makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets or if a bankruptcy petition is filed or presented against the Guarantor;
 - (d) the transfer or disposition of any of the Collateral, other than in the regular course of business, by the Guarantor, except as expressly permitted by this Security Agreement;
 - (e) if the Guarantor shall seek relief or consents to the filing of a petition against it under any law which involves any compromise of any secured creditor's rights against the Guarantor;
 - (f) if an execution or any other process of any court becomes enforceable against the Guarantor or if a distress or analogous process is levied upon the property of the Guarantor or any part thereof, provided such execution, court process, distress or analogous process is in response to an award or award(s) against the Guarantor which in the aggregate exceed CDN\$250,000;
 - (g) if the Guarantor shall permit any sum which has been admitted as due by the Guarantor or is not disputed to be due by it and which forms or is capable of being made a charge upon any of the Collateral with equal priority to or senior to the charge created by this Security Agreement to remain unpaid for thirty (30) days after proceedings have been taken to enforce the same;
 - (h) if any material licences, permits or approvals required by any law, regulation or governmental policy or any governmental agency or commission for the operation by the Guarantor of its business shall be withdrawn or cancelled;
 - (i) if any representation or warranty in the Guarantee, in this Security Agreement or in any document executed in connection therewith, made by the Guarantor or any of its affiliates or officers to the Secured Party shall be false or inaccurate in any material respect;
 - (j) if the Guarantor is dissolved or the Guarantor's existence is otherwise terminated or any action is taken by the Guarantor to effect such termination or dissolution;
 - (k) if any material portion of the Guarantor's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity or if the Guarantor is enjoined, restrained, or in any way

prevented by court order from continuing to conduct all or any material part of its affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of the Guarantor's assets by any government agency;

- (I) if there is a material default or other failure to perform in any material agreement to which the Guarantor is a party or by which the Guarantor is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any indebtedness in an amount exceeding \$250,000; or
- (m) if any material misrepresentation, misstatement or omission existed at the time made in any warranty or representation set forth herein, in the Guarantee, in this Security Agreement or in any document executed in connection therewith,

provided, that, notwithstanding the foregoing, the Obligations shall not become payable and the security granted pursuant to this Security Agreement shall not become enforceable by reason only of the occurrence of an Event of Default (if such Event of Default is an Event of Default other than as a result of: (i) a failure to pay any Obligation of the Guarantor to the Secured Party when due, as contemplated by paragraph (b) above, or (ii) if the Guarantor ceases to carry on business or if the Guarantor commits any act of bankruptcy or if the Guarantor becomes insolvent or makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets or if a bankruptcy petition is filed or presented against the Guarantor as contemplated by paragraph (c) above), and such Event of Default is remedied within thirty (30) business days from the date the Guarantor became aware of such Event of Default or should reasonably have become aware of such Event of Default, or does not otherwise continue for at least thirty (30) business days from such date. Any event set forth above which pursuant to this section, the Guarantor may remedy within the permitted thirty (30) business day period, shall not be considered to be an "Event of Default" unless such event goes unremedied for a period of twenty (20) consecutive business days, however, the Guarantor hereby covenants to advise the Secured Party in writing immediately upon the occurrence of an event, set forth above regardless of any permitted remedy period.

13. This Security Agreement may be amended or modified, and any obligation, right or condition set forth herein may be waived, by an instrument in writing duly executed by the Guarantor and the Secured Party.

G. REMEDIES OF THE SECURED PARTY

- 14. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by, without limitation:
 - (a) entry;
 - (b) the appointment by instrument in writing of a receiver or receivers of the Collateral or any part thereof (which receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Secured Party or not and the Secured Party may remove any receiver or receivers so appointed and appoint another or others in his or their stead);
 - (c) proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof;
 - (d) preserving, protecting and maintaining the Collateral and making such replacements and repairs and additions to the Collateral as the Secured Party deems advisable;
 - (e) disposing of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms

as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Guarantor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;

- (f) using, selling, assigning, leasing, licensing or sub-licensing any of the Collateral; or
- (g) any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity.

In addition, the Secured Party may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relating to the Guarantor.

Any receiver or receivers so appointed shall have power to:

- (i) take possession of, to protect, to preserve and to use the Collateral or any part thereof:
- (ii) carry on the business of the Guarantor (including, but not limited to, the taking or defending of any actions or legal proceedings, and the doing or refraining from doing all other things as to the receiver may seem necessary or desirable in connection with the business, operations and affairs of the Guarantor);
- (iii) borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Guarantor;
- (iv) further charge the Collateral in priority to the security interests of this Security Agreement as security for money so borrowed; and
- (v) sell, lease, license or sub-license (to the extent permitted by the applicable license in the case of intellectual property or technology licensed from a third party), or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as the receiver shall determine.

The Secured Party shall not be responsible for any actions or errors of omission by the receiver or receivers in exercising any such powers.

In addition, the Secured Party may enter upon, use, occupy and possess the Collateral or any part thereof, free from all encumbrances, liens and charges, without hindrance, interruption or denial of the same by the Guarantor or by any other person or persons save only a landlord pursuant to its rights of reversion under any lease of real property on expiry of its term, and may lease or sell the whole or any part or parts of the Collateral. Any sale hereunder may be made by public auction, by public tender or by private contract, with or without notice and with or without advertising and without any other formality (except as required by law), all of which are hereby waived by the Guarantor. Such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Secured Party in its sole discretion may seem advantageous. Such sale may take place whether or not the Secured Party has taken possession of the Collateral.

The Guarantor agrees to pay to the Secured Party forthwith on demand all expenses incurred by the Secured Party in the preparation, perfection, administration and enforcement of this Security Agreement (including without limitation expenses incurred in considering and protecting or improving the Secured Party's position, or attempting to do so, whether before or after default), all amounts borrowed by the receiver from the Secured Party as hereinbefore provided and all costs, charges, expenses and fees (including, without limiting the generality of the foregoing, the fees and

expenses of any reasonable and documented receiver and reasonable and documented legal fees on a solicitor and client basis) of or incurred by the Secured Party and by any receiver or receivers or agent or agents appointed by the Secured Party in connection with the recovery or enforcing of payment of any moneys owing hereunder, whether by realization, by taking possession or otherwise. All such sums, together with interest thereon at the rate applicable to the Obligations, shall form part of the Obligations and shall be secured by the security interests granted herein.

No remedy for the realization of the security interests granted herein or for the enforcement of the rights of the Secured Party shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "**receiver**" as used in this Security Agreement includes a receiver and manager.

- 15. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by notifying all or any debtors of the security interest contemplated herein and may also direct such debtors to make all payments on the Collateral to the Secured Party. The Guarantor acknowledges that any payments or other proceeds of the Collateral received by the Guarantor from such debtors after notification of the security interest contemplated herein to such debtors shall be received and held by the Guarantor in trust for the Secured Party and shall be turned over to the Secured Party upon request.
- 16. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Guarantor will not request or receive any money or other proceeds constituting income or interest from or interest on the Collateral and if the Guarantor receives any such money or proceeds without any request by it, the Guarantor will pay the same promptly to the Secured Party. So long as the security granted pursuant to this Security Agreement has not become enforceable or does not remain enforceable, the Guarantor reserves the right to receive any money or other proceeds constituting income from or interest on Collateral and if the Secured Party receives any such money or proceeds prior to default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to Guarantor.
- 17. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party shall at all times and from time to time have the right to change any appropriation as the Secured Party may see fit.

H. RIGHTS OF THE SECURED PARTY

- 18. The Secured Party may pay and satisfy the whole or any part of any liens, taxes, rates, charges or encumbrances now or hereafter existing in respect of any of the Collateral and such payments together with all costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations and shall be secured by the security interests granted herein. In the event of the Secured Party satisfying any such lien, charge or encumbrance, it shall be entitled to all the equities and securities of the person or persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so.
- 19. The Guarantor grants to the Secured Party the right to set off against any and all accounts, credits or balances maintained by it with the Secured Party, the aggregate amount of any of the Obligations.
- 20. The Secured Party, without exonerating in whole or in part the Guarantor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from

- perfecting securities of, may accept compositions from, and may otherwise deal with the Guarantor and all other persons and securities as the Secured Party may see fit.
- 21. Nothing herein shall obligate the Secured Party to extend any credit to the Guarantor.
- 22. The Secured Party may assign, transfer and deliver to any permitted transferee, any of the Obligations or any security or any documents or instruments held by the Secured Party in respect thereof provided that no such assignment, transfer or delivery shall release the Guarantor from any of the Obligations; and thereafter the Secured Party shall be fully discharged from all responsibility with respect to the Obligations and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Secured Party under such security, documents or instruments but the Secured Party shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Guarantor shall not assign any of its rights or obligations hereunder without the prior written consent of the Secured Party.

I. MISCELLANEOUS

- No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may remedy any default by Guarantor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Guarantor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 24. The security interest created hereby is intended to attach when this Security Agreement is executed by the Guarantor and delivered to the Secured Party.
- 25. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- Upon payment by the Guarantor or its successors or permitted assigns, and the fulfillment of all the Obligations and provided that the Secured Party is then under no obligation (conditional or otherwise) to make any further loan or extend any other type of credit to the Guarantor, the Secured Party shall, upon request in writing by the Guarantor, discharge this Security Agreement.
- 27. This Security Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario. For the purpose of legal proceedings, this Security Agreement shall be deemed to have been made in the said Province and to be performed therein and the courts of that Province shall have jurisdiction over all disputes which may arise under this Security Agreement. Each of the Guarantor and the Secured Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts.
- 28. The headings in this Security Agreement are included for convenience of reference only, and shall not constitute a part of this Security Agreement for any other purpose.
- 29. This Security Agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party.
- 30. This Security Agreement and all its provisions shall enure to the benefit of the Secured Party, its successors and assigns, and, subject to the final sentence of Section 22, shall be binding on the Guarantor, its successors and permitted assigns.

- Any demand, notice or other communication by the Secured Party in connection with this Security Agreement shall be subject to the notice provisions of the Guarantee. Notwithstanding the foregoing, if the Act or any other statute requires a demand or notice to be given in a certain way or specifies the time at which the Guarantor is deemed to have received a demand or notice then the Secured Party shall make the demand or notice in accordance with the particular statute and the demand or notice shall be deemed to have been received by the Guarantor on the date or at the time specified by the particular statute.
- 32. In construing this Security Agreement, terms herein shall have the same meaning as defined in the Act, unless the context otherwise requires. The word "Guarantor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Guarantor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Guarantor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Guarantor, including, without limiting the generality of the foregoing, the death of any or all of the partners.
- 33. This Security Agreement may be executed in any number of separate counterparts and all such signed counterparts constitute one and the same agreement. Delivery by facsimile, email, pdf or other electronic means of an originally executed signature page to this Security Agreement by a party is as effective as personal delivery of such signature page.

K. INDEMNIFICATION

The Guarantor agrees to pay, and to save the Secured Party harmless from, any and all liabilities, 34. reasonable costs and expenses (including, without limitation, reasonable and documented legal fees and expenses): (i) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral, (ii) with respect to, or resulting from, any delay in complying with any law, rule, regulation or order of any court, arbitrator or governmental entity, jurisdiction or authority applicable to any of the Collateral or (iii) in connection with any of the transactions contemplated by this Security Agreement. In any suit, proceeding or action brought by the Secured Party under any accounts for any sum owing thereunder to the Guarantor, or to enforce any provisions of any accounts, the Guarantor will save, indemnify and keep the Secured Party harmless from and against all reasonable and documents expenses, losses or damages suffered by reason of any defense, setoff, counterclaim, recoupment or reduction or liability whatsoever of the account Guarantor or obligor thereunder, arising out of a breach by the Guarantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account Guarantor or obligor or its successors from the Guarantor.

[Signature Page Follows]

IN WITNESS WHEREOF this Security Agreement has been executed by the Guarantor and the Secured Party as of the date first written above.

GUARANTOR:

PATHWAY HEALTH SERVICES CORP.

By:

Name: Ken Yoon

Title: **Chief Executive Officer**

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

By:

Name: David Dozzo

Title: Director

SHARE PLEDGE AGREEMENT

THIS SHARE PLEDGE AGREEMENT (the "Agreement") is made as of the 29th day of July, 2022

BY:

PATHWAY HEALTH SERVICES CORP., (together with its successors and assigns, the "Pledgor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (Ontario), as in force at the date of this Agreement, which Act including amendments thereto and any Act substituted therefor and amendments thereto is herein defined as the "PPSA".

2. SECURITY INTEREST AND CHARGE

- (a) As continuing security for the payment and performance of all debts, liabilities and obligations of Pledgor to the Secured Party (present and future, direct and indirect) (the "Indebtedness"), the Pledgor hereby grants a mortgage, pledge, charge and security interest to and in favour of the Secured Party in:
 - (i) the shares described in Schedule A hereto represented by the share certificates described in Schedule A hereto, all after acquired shares held by the Pledgor in the capital of 10030712 Manitoba Ltd., 2563367 Ontario Limited and Slawner Ortho Ltee., together with any renewals thereof, substitutions therefor and additions thereto and all certificates and instruments evidencing or representing such securities;
 - (ii) any and all dividends, whether in cash, kind or stock, received or receivable upon or in respect of any Pledged Shares and all interest payments, money or other property payable or paid on account of any return or repayment of capital in respect of any Pledged Shares or otherwise distributed in respect thereof except as outlined in Section 2(d) and Section 2(e) below;
 - (iii) any and all other property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of, or in substitution for, or in addition to, or in exchange for, any of the foregoing;
 - (iv) any and all cash, securities and other proceeds of the foregoing and all rights and interest of the Pledgor in respect thereof or evidenced thereby including, without limitation, all money received from time to time by the Pledgor in connection with the sale of any of the Pledged Shares; and
 - (v) any and all property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of the Pledged Shares;

(collectively, the collateral described under subparagraphs 2(a)(i) to 2(a)(v) inclusive shall be hereinafter known as the "Pledged Shares")

- (b) The mortgages, pledges, charges and security interests granted hereunder are hereinafter collectively called the "Security Interests". The Pledgor warrants and acknowledges to and in favour of the Secured Party that:
 - (i) the parties intend the Security Interests hereby constituted in the Pledged Shares attaches upon execution and delivery hereof;
 - (ii) the parties intend the Security Interests created in any of the Pledgor's after-acquired Pledged Shares to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) Until Default (as defined herein), the Pledgor shall be entitled in good faith to exercise all voting power from time to time exercisable in respect of the Pledged Shares and give consents, waivers and ratifications in respect thereof. Immediately upon the occurrence and during the continuance of Default, all such right of the Pledgor to vote and give consents, waivers and ratifications shall cease and the Secured Party or its nominee shall be entitled to exercise all such voting rights and to give all consents, waivers and ratifications.
- (d) The Pledgor hereby agrees and undertakes to deliver to and deposit with, or cause to be delivered to and deposited with, the Secured Party's solicitors all certificates (duly endorsed in blank or accompanied by an executed stock transfer power of attorney) representing any of the Pledged Shares that the Pledgor may from time to time hereafter acquire or become entitled to or any share certificates which are issued as a result of reclassification, conversion or otherwise. The Pledgor hereby irrevocably authorizes and directs its solicitors to deliver to the Secured Party any such share certificates representing Pledged Shares.

3. REPRESENTATIONS AND WARRANTIES OF THE PLEDGOR

The Pledgor hereby represents and warrants to the Secured Party that:

- (a) the Pledged Shares are owned by the Pledgor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor and those shown on Schedule A, attached;
- (b) the Pledgor has full power and authority to execute, deliver and perform all of its obligations under this Agreement;
- (c) this Agreement when duly executed and delivered by the Pledgor will constitute a legal, valid and binding obligation of the Pledgor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other laws of general application affecting creditors' rights and by rules of equity governing enforceability by specific performance;
- (d) there is no provision in any agreement to which the Pledgor is a party, nor to the knowledge of the Pledgor is there any statute, rule or regulation, or any judgment, decree or order of any court, binding on the Pledgor which would be contravened by the execution and delivery of this Agreement;

- (e) there is no litigation, proceeding or dispute pending, or to the knowledge of the Pledgor threatened, against or affecting the Pledgor or the Pledged Shares, the adverse determination of which might impair the Pledgor's ability to perform its obligations hereunder; and
- (f) the Pledged Shares are or shall be located at the offices of the Secured Party and held pursuant to the terms of this Agreement.

4. COVENANTS OF THE PLEDGOR

The Pledgor hereby covenants with the Secured Party that:

- (a) the Pledgor owns and will maintain the Pledged Shares free of Encumbrances (save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor) and will defend title to the Pledged Shares for the benefit of the Secured Party against the claims and demands of all persons;
- (b) the Pledgor will immediately give notice to the Secured Party of:
 - (i) the details of any claims or litigation materially affecting the Pledgor or Pledged Shares; and
 - (ii) any change of its name, or the location of its chief executive office;
- (c) the Pledgor will observe the requirements of any regulatory or governmental authority with respect to the Pledged Shares; and
- (d) the Secured Party may pay or satisfy any Encumbrance created in respect of the Pledged Shares, or any sum necessary to be paid to clear title to such Pledged Shares, and the Pledgor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Pledgor on any portion of the Indebtedness.

5. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Pledgor fails to pay the Indebtedness when due;
- (b) if the Pledgor defaults in the observance or performance of any material agreement or undertaking given by the Pledgor to the Secured Party in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith;
- (c) any representation or warranty made in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith, proves to have been or to have become false or materially misleading;
- (d) the Pledgor becomes insolvent or makes an assignment or proposal for the benefit of its creditors, or a Bankruptcy Petition or Receiving Order is filed or made against the Pledgor, or a Receiver of the Pledgor or any part of its property is appointed, or the Pledgor commits or demonstrates an intention to commit any act of bankruptcy, or the Pledgor otherwise becomes subject to the provisions of the Bankruptcy and Insolvency Act (Canada) or any other legislation for the benefit of its creditors; and

(e) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Pledgor, or a secured party takes possession of any of the Pledgor's property.

6. REMEDIES

On Default:

- (a) the Secured Party may sell the same by public or private sale at such price and upon such terms as the Secured Party in its sole discretion may determine and the proceeds of such sale less all costs and expenses of the Secured Party (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) the Secured Party has the right to enforce this Agreement by any method provided for in this Agreement and as permitted by law, and to dispose of the Pledged Shares by any method permitted by law, including a private sale, disposal by lease or deferred payment;
- (c) the Secured Party may appoint, but shall not be obligated to appoint, any person or persons to be a Receiver of any Pledged Shares, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a Receiver-Manager;
- (d) the Secured Party or the Receiver, if appointed, will have the power:
 - (i) to take possession of any Pledged Shares and for that purpose to take any proceedings, in the name of the Pledgor or otherwise;
 - (ii) to sell or lease the Pledged Shares by public auction, tender or private sale on such terms and conditions as the Receiver shall determine and to deliver to the Purchaser thereof sufficient title documents, transfers and deeds for the same;
 - (iii) to make any arrangement or compromise which it may think expedient in the interest of the Secured Party;
 - (iv) to hold as additional security any increase or profits resulting from the Pledged Shares; and
 - (v) to exercise all rights that the Secured Party has under this Agreement or otherwise at law.
- (e) the Pledgor hereby appoints each Receiver appointed by the Secured Party to be its attorney to effect the sale or lease or other disposition of the Pledged Shares and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Pledgor; and
- (f) any Receiver will be deemed to be the agent of the Pledgor, and the Pledgor will be solely responsible for his acts or defaults and for his remuneration and expenses, and the Secured Party will not be in any way responsible for any misconduct or negligence on the part of any Receiver.

7. POWER OF ATTORNEY

The Pledgor irrevocably authorizes and appoints the Secured Party as its attorney and agent to

transfer the Pledged Shares or any part thereof into its own name or that of its nominee(s) in the event of Default so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof.

8. ACCELERATION

In the event of Default, the Secured Party, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable.

NOTICE

Any notice or demand required or permitted to be made or given by the Secured Party to the Pledgor shall be subject to the notice provisions of the credit agreement among, *inter alios*, Pathway Health Corp., as borrower, the Pledgor, as a guarantor and the Secured Party, as lender, as amended, supplemented, restated or replaced from time to time.

10. COSTS AND EXPENSES

The Pledgor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it (including, but without restricting the generality of the foregoing, reasonable and documented legal fees as between a solicitor and his own client on a full indemnity basis), in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of Pledged Shares and in enforcing or collecting the Indebtedness and all such costs, disposition and charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of Pledged Shares and shall be secured hereby.

11. MISCELLANEOUS

- (a) The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Pledgor, sureties and others and with the Pledged Shares and other security as the Secured Party may see fit without prejudice to the Secured Party's right to hold and realize the Security Interest.
- (b) All rights, remedies and powers of the Secured Party hereunder and under any other securities or agreements now or hereafter delivered to the Secured Party by the Pledgor are cumulative and in addition to any other rights or remedies. The enforcement of any one or more remedies by the Secured Party shall not be deemed to be an election of remedies. No judgment recovered by the Secured Party against the Pledgor or any other persons shall merge or in any manner affect the securities or agreements now or hereafter delivered to the Secured Party or the Secured Party right to interest as provided herein.
- (c) This Agreement shall enure to the benefit of and be binding upon the parties, their respective successors and assigns.
- (d) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by the Secured Party.
- (e) The Pledgor further agrees to execute and deliver to the Secured Party such further assurances and conveyances and supplemental deeds as may be necessary to properly carry out the intention of this Agreement, as determined by the Secured Party, acting reasonably or as may be required by the Secured Party from time to time.

(f) After Default, the Secured Party may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Pledgor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness.

12. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate. If more than one person executes this Agreement, their obligations under this Agreement are joint and several.
- (c) This Agreement will be interpreted in accordance with the laws of the Province of Ontario. The Pledgor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of the Province of Ontario or in any court of competent jurisdiction, as the Secured Party may elect. The Pledgor hereby attorns to the same.

13. DELIVERY

This Agreement may be delivered in PDF or other electronic form which Agreement when so delivered shall be valid and binding as if delivered in original form. The Pledgor shall forthwith deliver an original of the signed copy of this Agreement which was so delivered.

14. GOVERNING LAW

This Agreement shall be governed by the laws of the Province of Ontario.

15. COPY OF AGREEMENT

The Pledgor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

[Signature Page Follows]

IN WITNESS WHEREOF this Agreement has been executed by the Pledgor and the Secured Party as of the date first written above.

PLEDGOR:

PATHWAY HEALTH SERVICES CORP.

Ву:

Name: Ken Yoon

Title: Chief Executive Officer

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

By:

Name: David Dozzo

Title: Director

SCHEDULE A

PLEDGED SECURITIES

Issuer	Holder	Number and Class of Shares	Share Certificate No.
10030712 Manitoba Ltd.	Pathway Health Services Corp.	51 Common	C4
2563367 Ontario Limited	Pathway Health Services Corp.	50 Common	C4
Slawner Ortho Ltee.	Pathway Health Services Corp.	100 Class A Shares	A-003

THIS IS EXHIBIT "J" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

SHARE PLEDGE AGREEMENT

THIS SHARE PLEDGE AGREEMENT (the "Agreement") is made as of the 29th day of July, 2022

BY:

PATHWAY HEALTHCARE TECHNOLOGIES CORP., (together with its successors and assigns, the "**Pledgor**")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

1. **DEFINITIONS**

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (Ontario), as in force at the date of this Agreement, which Act including amendments thereto and any Act substituted therefor and amendments thereto is herein defined as the "PPSA".

2. SECURITY INTEREST AND CHARGE

- (a) As continuing security for the payment and performance of all debts, liabilities and obligations of Pledgor to the Secured Party (present and future, direct and indirect) (the "Indebtedness"), the Pledgor hereby grants a mortgage, pledge, charge and security interest to and in favour of the Secured Party in:
 - (i) the shares described in Schedule A hereto represented by the share certificates described in Schedule A hereto, all after acquired shares held by the Pledgor in the capital of 1964433 Alberta Ltd., together with any renewals thereof, substitutions therefor and additions thereto and all certificates and instruments evidencing or representing such securities;
 - (ii) any and all dividends, whether in cash, kind or stock, received or receivable upon or in respect of any Pledged Shares and all interest payments, money or other property payable or paid on account of any return or repayment of capital in respect of any Pledged Shares or otherwise distributed in respect thereof except as outlined in Section 2(d) and Section 2(e) below;
 - (iii) any and all other property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of, or in substitution for, or in addition to, or in exchange for, any of the foregoing;
 - (iv) any and all cash, securities and other proceeds of the foregoing and all rights and interest of the Pledgor in respect thereof or evidenced thereby including, without limitation, all money received from time to time by the Pledgor in connection with the sale of any of the Pledged Shares; and
 - any and all property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of the Pledged Shares;

(collectively, the collateral described under subparagraphs 2(a)(i) to 2(a)(v) inclusive shall

be hereinafter known as the "Pledged Shares")

- (b) The mortgages, pledges, charges and security interests granted hereunder are hereinafter collectively called the "Security Interests". The Pledgor warrants and acknowledges to and in favour of the Secured Party that:
 - the parties intend the Security Interests hereby constituted in the Pledged Shares attaches upon execution and delivery hereof;
 - (ii) the parties intend the Security Interests created in any of the Pledgor's afteracquired Pledged Shares to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) Until Default (as defined herein), the Pledgor shall be entitled in good faith to exercise all voting power from time to time exercisable in respect of the Pledged Shares and give consents, waivers and ratifications in respect thereof. Immediately upon the occurrence and during the continuance of Default, all such right of the Pledgor to vote and give consents, waivers and ratifications shall cease and the Secured Party or its nominee shall be entitled to exercise all such voting rights and to give all consents, waivers and ratifications.
- (d) The Pledgor hereby agrees and undertakes to deliver to and deposit with, or cause to be delivered to and deposited with, the Secured Party's solicitors all certificates (duly endorsed in blank or accompanied by an executed stock transfer power of attorney) representing any of the Pledged Shares that the Pledgor may from time to time hereafter acquire or become entitled to or any share certificates which are issued as a result of reclassification, conversion or otherwise. The Pledgor hereby irrevocably authorizes and directs its solicitors to deliver to the Secured Party any such share certificates representing Pledged Shares.

3. REPRESENTATIONS AND WARRANTIES OF THE PLEDGOR

The Pledgor hereby represents and warrants to the Secured Party that:

- the Pledged Shares are owned by the Pledgor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor and those shown on Schedule A, attached;
- (b) the Pledgor has full power and authority to execute, deliver and perform all of its obligations under this Agreement;
- (c) this Agreement when duly executed and delivered by the Pledgor will constitute a legal, valid and binding obligation of the Pledgor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other laws of general application affecting creditors' rights and by rules of equity governing enforceability by specific performance;
- (d) there is no provision in any agreement to which the Pledgor is a party, nor to the knowledge of the Pledgor is there any statute, rule or regulation, or any judgment, decree or order of any court, binding on the Pledgor which would be contravened by the execution and delivery of this Agreement;
- (e) there is no litigation, proceeding or dispute pending, or to the knowledge of the Pledgor

threatened, against or affecting the Pledgor or the Pledged Shares, the adverse determination of which might impair the Pledgor's ability to perform its obligations hereunder; and

(f) the Pledged Shares are or shall be located at the offices of the Secured Party and held pursuant to the terms of this Agreement.

4. COVENANTS OF THE PLEDGOR

The Pledgor hereby covenants with the Secured Party that:

- (a) the Pledgor owns and will maintain the Pledged Shares free of Encumbrances (save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor) and will defend title to the Pledged Shares for the benefit of the Secured Party against the claims and demands of all persons;
- (b) the Pledgor will immediately give notice to the Secured Party of:
 - (i) the details of any claims or litigation materially affecting the Pledgor or Pledged Shares; and
 - (ii) any change of its name, or the location of its chief executive office;
- (c) the Pledgor will observe the requirements of any regulatory or governmental authority with respect to the Pledged Shares; and
- (d) the Secured Party may pay or satisfy any Encumbrance created in respect of the Pledged Shares, or any sum necessary to be paid to clear title to such Pledged Shares, and the Pledgor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Pledgor on any portion of the Indebtedness.

5. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Pledgor fails to pay the Indebtedness when due;
- (b) if the Pledgor defaults in the observance or performance of any material agreement or undertaking given by the Pledgor to the Secured Party in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith;
- (c) any representation or warranty made in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith, proves to have been or to have become false or materially misleading;
- (d) the Pledgor becomes insolvent or makes an assignment or proposal for the benefit of its creditors, or a Bankruptcy Petition or Receiving Order is filed or made against the Pledgor, or a Receiver of the Pledgor or any part of its property is appointed, or the Pledgor commits or demonstrates an intention to commit any act of bankruptcy, or the Pledgor otherwise becomes subject to the provisions of the Bankruptcy and Insolvency Act (Canada) or any other legislation for the benefit of its creditors; and

(e) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Pledgor, or a secured party takes possession of any of the Pledgor's property.

6. REMEDIES

On Default:

- (a) the Secured Party may sell the same by public or private sale at such price and upon such terms as the Secured Party in its sole discretion may determine and the proceeds of such sale less all costs and expenses of the Secured Party (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) the Secured Party has the right to enforce this Agreement by any method provided for in this Agreement and as permitted by law, and to dispose of the Pledged Shares by any method permitted by law, including a private sale, disposal by lease or deferred payment;
- (c) the Secured Party may appoint, but shall not be obligated to appoint, any person or persons to be a Receiver of any Pledged Shares, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a Receiver-Manager;
- (d) the Secured Party or the Receiver, if appointed, will have the power:
 - to take possession of any Pledged Shares and for that purpose to take any proceedings, in the name of the Pledgor or otherwise;
 - (ii) to sell or lease the Pledged Shares by public auction, tender or private sale on such terms and conditions as the Receiver shall determine and to deliver to the Purchaser thereof sufficient title documents, transfers and deeds for the same;
 - (iii) to make any arrangement or compromise which it may think expedient in the interest of the Secured Party;
 - (iv) to hold as additional security any increase or profits resulting from the Pledged Shares; and
 - (v) to exercise all rights that the Secured Party has under this Agreement or otherwise at law.
- (e) the Pledgor hereby appoints each Receiver appointed by the Secured Party to be its attorney to effect the sale or lease or other disposition of the Pledged Shares and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Pledgor; and
- (f) any Receiver will be deemed to be the agent of the Pledgor, and the Pledgor will be solely responsible for his acts or defaults and for his remuneration and expenses, and the Secured Party will not be in any way responsible for any misconduct or negligence on the part of any Receiver.

7. POWER OF ATTORNEY

The Pledgor irrevocably authorizes and appoints the Secured Party as its attorney and agent to

transfer the Pledged Shares or any part thereof into its own name or that of its nominee(s) in the event of Default so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof.

8. ACCELERATION

In the event of Default, the Secured Party, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable.

9. NOTICE

Any notice or demand required or permitted to be made or given by the Secured Party to the Pledgor shall be subject to the notice provisions of the credit agreement among, *inter alios*, Pathway Health Corp., as borrower, the Pledgor, as a guarantor and the Secured Party, as lender, as amended, supplemented, restated or replaced from time to time.

10. COSTS AND EXPENSES

The Pledgor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it (including, but without restricting the generality of the foregoing, reasonable and documented legal fees as between a solicitor and his own client on a full indemnity basis), in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of Pledged Shares and in enforcing or collecting the Indebtedness and all such costs, disposition and charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of Pledged Shares and shall be secured hereby.

11. MISCELLANEOUS

- (a) The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Pledgor, sureties and others and with the Pledged Shares and other security as the Secured Party may see fit without prejudice to the Secured Party's right to hold and realize the Security Interest.
- (b) All rights, remedies and powers of the Secured Party hereunder and under any other securities or agreements now or hereafter delivered to the Secured Party by the Pledgor are cumulative and in addition to any other rights or remedies. The enforcement of any one or more remedies by the Secured Party shall not be deemed to be an election of remedies. No judgment recovered by the Secured Party against the Pledgor or any other persons shall merge or in any manner affect the securities or agreements now or hereafter delivered to the Secured Party or the Secured Party right to interest as provided herein.
- (c) This Agreement shall enure to the benefit of and be binding upon the parties, their respective successors and assigns.
- (d) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by the Secured Party.
- (e) The Pledgor further agrees to execute and deliver to the Secured Party such further assurances and conveyances and supplemental deeds as may be necessary to properly carry out the intention of this Agreement, as determined by the Secured Party, acting reasonably or as may be required by the Secured Party from time to time.

(f) After Default, the Secured Party may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Pledgor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness.

12. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate. If more than one person executes this Agreement, their obligations under this Agreement are joint and several.
- (c) This Agreement will be interpreted in accordance with the laws of the Province of Ontario. The Pledgor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of the Province of Ontario or in any court of competent jurisdiction, as the Secured Party may elect. The Pledgor hereby attorns to the same.

13. DELIVERY

This Agreement may be delivered in PDF or other electronic form which Agreement when so delivered shall be valid and binding as if delivered in original form. The Pledgor shall forthwith deliver an original of the signed copy of this Agreement which was so delivered.

14. GOVERNING LAW

This Agreement shall be governed by the laws of the Province of Ontario.

15. COPY OF AGREEMENT

The Pledgor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

[Signature Page Follows]

IN WITNESS WHEREOF this Agreement has been executed by the Pledgor and the Secured Party as of the date first written above.

PLEDGOR:

PATHWAY HEALTHCARE TECHNOLOGIES CORP.

Bv:

Name: Michael Steele
Title: President and CEO

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

Rv.

Name: David Dozzo
Title: Director

David Dozzo

SCHEDULE A

PLEDGED SECURITIES

Issuer	Holder	Number and Class of Shares	Share Certificate No.
1964433 Alberta Ltd.	Pathway Healthcare Technologies Corp.	1,515,126 Class A Voting	A-31

THIS IS EXHIBIT "K" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Government of Alberta ■

Personal Property Registry Search Results Report

Page 1 of 3

Search ID #: Z16437714

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW EDMONTON, AB T5J 3H1 Party Code: 50073881 Phone #: 780 429 5969

Reference #:

Search ID #: Z16437714

Date of Search: 2023-Aug-09

Time of Search: 08:19:54

Business Debtor Search For:

PATHWAY HEALTH CORP

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches. Be sure to read the reports carefully.



Government of Alberta

Personal Property Registry Search Results Report

Page 2 of 3

Search ID #: Z16437714

Business Debtor Search For:

PATHWAY HEALTH CORP

Search ID #: Z16437714

Date of Search: 2023-Aug-09

Time of Search: 08:19:54

Registration Number: 23020717584

Registration Type: SECURITY AGREEMENT

Registration Status: Current Registration Date: 2023-Feb-07

Expiry Date: 2028-Feb-07 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status Current

PATHWAY HEALTH CORP. 1

16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Block

Status Current

1

1

HEAL GLOBAL HOLDINGS CORP. 12TH FLOOR, 850 - 2 STREET SW

CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Collateral: General

Description Block

All present and after-acquired personal property of the debtor.

Status

Current

Government of Alberta ■

Personal Property Registry Search Results Report

Page 3 of 3

Search ID #: Z16437714

Business Debtor Search For:

PATHWAY HEALTH CORP

Search ID #: Z16437714

Date of Search: 2023-Aug-09

Time of Search: 08:19:54

Registration Number: 23020717625

Registration Date: 2023-Feb-07

Registration Type: LAND CHARGE

Registration Status: Current Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Status Block Current

PATHWAY HEALTH CORP.

16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Status Block Current

HEAL GLOBAL HOLDINGS CORP. 1 12TH FLOOR, 850 - 2 STREET SW CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Result Complete

Government of Alberta ■

Personal Property Registry Search Results Report

Page 1 of 3

Search ID #: Z16437719

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW EDMONTON, AB T5J 3H1 Party Code: 50073881 Phone #: 780 429 5969

Reference #:

Search ID #: Z16437719

Date of Search: 2023-Aug-09

Time of Search: 08:20:15

Business Debtor Search For:

PATHWAY HEALTH SERVICES CORP

Inexact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Government of Alberta ■

Personal Property Registry Search Results Report

Page 2 of 3

Search ID #: Z16437719

Business Debtor Search For:

PATHWAY HEALTH SERVICES CORP

Search ID #: Z16437719

Date of Search: 2023-Aug-09

Time of Search: 08:20:15

Registration Number: 23020717584

Registration Date: 2023-Feb-07

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Feb-07 23:59:59

Inexact Match on:

Debtor

No: 1

Debtor(s)

Block

Block

1

Status Current

Status

Current

PATHWAY HEALTH CORP.

16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

1 HEAL GLOBAL HOLDINGS CORP.

12TH FLOOR, 850 - 2 STREET SW

CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Collateral: General

Block Description Status |

All present and after-acquired personal property of the debtor.

Current

Government of Alberta ■

Personal Property Registry Search Results Report

Page 3 of 3

Search ID #: Z16437719

Business Debtor Search For:

PATHWAY HEALTH SERVICES CORP

Search ID #: Z16437719

Date of Search: 2023-Aug-09

Time of Search: 08:20:15

Registration Number: 23020717625

Registration Type: LAND CHARGE

Registration Date: 2023-Feb-07

Registration Status: Current Registration Term: Infinity

Inexact Match on:

Debtor

No: 1

Debtor(s)

Status Block Current

PATHWAY HEALTH CORP. 16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Status Block Current

HEAL GLOBAL HOLDINGS CORP. 1 12TH FLOOR, 850 - 2 STREET SW CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Result Complete

Government of Alberta ■

Personal Property Registry Search Results Report

Page 1 of 3

Search ID #: Z16437724

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW EDMONTON, AB T5J 3H1 Party Code: 50073881 Phone #: 780 429 5969

Reference #:

Search ID #: Z16437724

Date of Search: 2023-Aug-09

Time of Search: 08:20:39

Business Debtor Search For:

PATHWAY HEALTHCARE TECHNOLOGIES CORP

Inexact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Government of Alberta ■

Personal Property Registry Search Results Report

Page 2 of 3

Search ID #: Z16437724

Business Debtor Search For:

PATHWAY HEALTHCARE TECHNOLOGIES CORP

Search ID #: Z16437724

Date of Search: 2023-Aug-09

Time of Search: 08:20:39

Registration Number: 23020717584

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Feb-07

Registration Status: Current

Expiry Date: 2028-Feb-07 23:59:59

Inexact Match on:

Debtor

No: 1

Debtor(s)

Block Status Current

1

PATHWAY HEALTH CORP. 16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Status **Block** Current

1

HEAL GLOBAL HOLDINGS CORP. 12TH FLOOR, 850 - 2 STREET SW CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Collateral: General

<u>Block</u> Description **Status** Current

All present and after-acquired personal property of the debtor.

Government of Alberta ■

Personal Property Registry Search Results Report

Page 3 of 3

Search ID #: Z16437724

Business Debtor Search For:

PATHWAY HEALTHCARE TECHNOLOGIES CORP

Search ID #: Z16437724

Date of Search: 2023-Aug-09

Time of Search: 08:20:39

Registration Number: 23020717625

Registration Date: 2023-Feb-07

Registration Type: LAND CHARGE

Registration Status: Current Registration Term: Infinity

Inexact Match on:

Debtor

No: 1

Debtor(s)

Block Status Current

1 PATHWAY HEALTH CORP.

16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

<u>Status</u> Current

1 HEAL GLOBAL HOLDINGS CORP. 12TH FLOOR, 850 - 2 STREET SW CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Result Complete

THIS IS EXHIBIT "L" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

UNLESS PERMITTED UNDER SECURITIES LEGISLATION IN CANADA, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF THE ISSUANCE OF THIS SECURITY.

SECURED CONVERTIBLE PROMISSORY GRID NOTE

Calgary, Alberta

February 3, 2023

FOR VALUE RECEIVED, **PATHWAY HEALTH CORP**., a corporation existing under the laws of the Province of Alberta ("**Pathway**" or the "**Borrower**") promises to pay to the order of **HEAL GLOBAL HOLDINGS CORP**., a corporation existing under the laws of the Province of Alberta or its permitted assigns ("**HEAL**" or the "**Lender**"), the aggregate principal sum of all Advances (as defined herein) equal to the greater of:

- a) five hundred thousand Canadian Dollars (Cdn.\$500,000); and
- b) the amount of the principal balance from time to time owing by the Borrower to the Lender as recorded by or on behalf of the Lender on the grid attached hereto as Schedule "A" and any further grids attached hereto, all of which grids form part of this Note up to a maximum of Cdn.\$1,250,000,

(in the case of a) and b), the "Principal Amount"), together with accrued and unpaid interest thereon, and other fees and expenses from the applicable date of advance through and including the date on which such interest and all fees and expenses are paid in full, at the rate provided in Section 5 below (the Principal Amount, accrued and unpaid interest thereon and any other fees and expenses being collectively referred to herein as the "Indebtedness"), subject to the terms and conditions of this Note, as the same may be amended from time to time.

- 1. **Definitions**. In this Note, including the recitals and the Schedules hereto and in all notices given pursuant to this Note, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:
 - "ABCA" means the *Business Corporations Act* (Alberta), including the regulations promulgated thereunder, as the same may be amended from time to time.
 - "Accounts Payable" means all accounts payable, notes payable, trade payables, bonus payable and other amounts, due, owing or accruing by the Borrower.
 - "Accounts Receivable" means all accounts receivable, notes receivable, trade receivables, rights to receive payment, book debts and other amounts, due, owing or accruing due to the Borrower.
 - "Additional Security" means the security agreements and other documents required to be provided to the Lender pursuant to Section 11, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing.

"ADH Credit Facility" means the credit agreement entered into among the Borrower, as borrower, certain subsidiaries of the Borrower, as guarantors, and Avonlea-Drewry Holdings Inc., as lender pursuant to which the lender advanced \$3.5 million to the Borrower, on a secured, non-convertible basis.

"Advance" means each disbursement made by the Lender to the Borrower under this Note.

"Affiliate" means an affiliate as defined in the ABCA.

"Amount Due and Payable" has the meaning ascribed thereto in Section 6.

"Applicable Law" means, in relation to any person, transaction or event:

- (a) all applicable provisions of the common law and all statutes, rules and regulations of any Governmental Authority in effect from time to time having force of law; and
- (b) all judgments, orders, awards, decrees, official directives, writs and injunctions all having force of law from time to time in effect of any Governmental Authority in an action, proceeding or matter in which the person is a party or by which it or its property is bound or having application to the transaction or event.

"Borrower" means Pathway Health Corp., a corporation incorporated under the laws of the Province of Alberta.

"Business Day" means a day of the year, other than a Saturday, Sunday or statutory holiday, on which banking institutions are open for business in Calgary, Alberta.

"Canadian Dollars", "Cdn.\$" or "\$" mean lawful money of Canada.

"Collateral" means all property, assets and undertaking of the Borrower at any time in which a security interest is granted to the Lender, together with all proceeds of the foregoing.

"Common Shares" means the common shares in the capital of the Borrower.

"Conversion Price" means in respect of the Principal Amount \$0.05 per Common Share and in respect of any accrued but unpaid interest, the Market Price at the time of such conversion in accordance with the rules and policies of the TSXV.

"Conversion Shares" has the meaning ascribed thereto in Section 6.

"Creditor Proceedings" means any dissolution, winding up, total or partial liquidation, plan of arrangement, receivership, insolvency, proposal, bankruptcy or compromise under Insolvency Legislation, or the arrangement provisions of any applicable corporate law, or a general assignment for the benefit of creditors or similar proceedings offered with respect to the Borrower, or its properties or liabilities; provided however that the Pathway Transaction and any related transactions thereto will not constitute a Creditor Proceeding for the purposes of this Note.

"Default Rate" has the meaning ascribed there in Section 5.

"Distribution" means any amount paid to or on behalf of the shareholders, directors, officers or employees of the Borrower or any Affiliate of the Borrower, and whether any of the foregoing is made, paid or satisfied in or for cash, property or both; provided that salaries and commissions paid to employees of the Borrower in the ordinary course of business shall not be considered to be Distributions.

"Effective Time" shall have the meaning set forth in the Pathway Definitive Agreement.

"Event of Default" means any of the events or circumstances specified in Section 16.

"Extended Maturity Date Period" has the meaning ascribed thereto in Section 6.

"GSA" means the general security agreement entered into between the Borrower and the Lender concurrently with the issuance of this Note and which secures the Obligations.

"Governmental Authority" means Canada, any province or territory thereof, as applicable, any municipal or other political subdivision of any such province or territory, and any agency, department, commission, board, bureau or instrumentality of any of them and judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Indebtedness" has the meaning ascribed thereto on the face page of this Note.

"Insolvency Legislation" means legislation in any applicable jurisdiction relating to Creditor Proceedings, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any applicable corporate legislation.

"Lender" means HEAL Global Holdings Corp. and its successors and assigns, as lender under this Note.

"Lien" means any mortgage, charge, security agreement, security interest, assignment, pledge, lien, builders' lien or other encumbrance of whatsoever kind or nature, regardless of form and whether consensual or arising by law (statutory or otherwise), that secures the payment of any indebtedness or liability or the observance or performance of any obligation.

"Market Price" has the meaning ascribed thereto in the TSXV Corporate Finance Manual, policy 1.1.

"Material Adverse Effect" means any matter, event or circumstance, other than with respect to the Pathway Transaction or any transactions related thereto, relating to the Borrower which could in the reasonable opinion of the Lender, if not remedied, have a material adverse effect on: (i) its business, financial condition, operations, property, assets or undertaking, (ii) its ability to repay any Indebtedness under, or perform any other obligations in accordance with, this Note or any of the Security to which it is a party, (iii) the validity or enforceability of this Note or the Security to which it is a party, (iv) the rights and remedies of the Lender, or (v) the priority ranking of any Liens granted to the Lender pursuant to the Security.

"Maturity Date" has the meaning ascribed thereto in Section 2.

"Note" means this secured convertible promissory grid note, together with all schedules, appendices and exhibits attached to it.

"Note Documents" means this Note, the Security and the certificate evidencing the issuance of the Warrants, substantially in the form attached hereto as Schedule "D".

"Obligations" means, at any time and from time to time, all Indebtedness, liabilities and obligations, whether direct or indirect, absolute or contingent, matured or unmatured, owing to the Lender in respect of the Note Documents or otherwise payable pursuant to this Note, including without limitation, all principal, interest, fees, indemnities, costs and expenses relating to any of the foregoing.

"Outside Date" has means June 30, 2023.

"Pathway LOI" means the letter of intent entered into between the Borrower, the Lender and The Newly Institute Inc. dated December 16, 2022, as amended from time-to-time.

"Pathway Transaction" means the transaction substantially as set forth in the Pathway LOI.

"Pathway Definitive Agreement" means the definitive agreement in relation to the Pathway Transaction that is to be entered into among Pathway, HEAL and The Newly Institute Inc., and, if entered into, the definitive agreement in relation to the Pathway Transaction entered into among Pathway, HEAL and The Newly Institute Inc.

"Pathway Third-Party Loan" means the senior secured \$3.5 million line of credit that is expected to be offered to the Borrower by an arms-length third party in connection with the Pathway Transaction and, if offered and entered into, the senior secured \$3.5 million line of credit entered into between the Borrower and such arms-length third party.

"Permitted Indebtedness" means, without duplication:

- trade payables of the Borrower (other than indebtedness for borrowed money) incurred in the ordinary course of business, provided that such indebtedness is or would be classified as a current liability on the Borrower's financial statements;
- (b) all Indebtedness of the Borrower to the Lender under this Note or under or secured by any Security;
- (c) capital lease obligations and indebtedness secured by purchase money liens;
- (d) the ADH Credit Facility;
- (e) the Pathway Third-Party Loan, so long as any security granted by the Borrower to the lender under such Pathway Third-Party Loan is satisfactory to the Lender;
- (f) indebtedness of 10030712 Manitoba Ltd., a 51% owned subsidiary of Pathway, in respect of leasehold improvement loans;

- (g) Canada Emergency Business Account loans of each of 2563367 Ontario Ltd. (dba Silver Medical Group Centre for Pain Care) and 9393 1681 Quebec Inc. (dba Slawner Ortho Lteé), subsidiaries of Pathway;
- (h) all indebtedness secured by Permitted Liens; and
- (i) such other indebtedness of the Borrower which the Lender has consented to in writing.

"Permitted Liens" means, as at any particular time, any of the following encumbrances on the Collateral:

- (a) Statutory Liens in respect of any amount which is not at the time overdue, or which may be overdue but the validity of which are then being contested in good faith;
- (b) undetermined or inchoate Liens incidental to operations arising in the ordinary course of business which relate to obligations (i) not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same, or (ii) are then being contested in good faith;
- (c) liens arising out of judgments, awards or claims filed which are then being contested in good faith;
- (d) security given to a public utility or any Governmental Authority to secure obligations incurred in the ordinary course of business and not at the time overdue;
- (e) easements, rights-of-way, servitudes or other similar rights in and (including rights-of-way and servitudes for railways, sewers, drains, pipelines, gas and water mains, electric light and power, telephone, telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which either alone or in the aggregate do not materially detract from the value of land or materially impair its use;
- (f) Liens arising in connection with the construction or improvement of land or arising out of the furnishing of materials or supplies therefor, provided that any such Lien secures moneys not at the time overdue (or if overdue, are then being contested in good faith), notice of such Lien has not been given to the Lender, and such Lien has not been registered against title to such land;
- (g) Liens securing Permitted Indebtedness; and
- (h) all such other claims and encumbrances as are specifically disclosed by notice in writing to the Lender to the extent that the Lender, by specific notice in writing to the Borrower, advises the Borrower that the Lender agrees to accept such claims and encumbrances as Permitted Liens for the purposes of this Note;

provided that the use of the term "Permitted Liens" to describe such Liens means that they are permitted to exist and shall not be interpreted as meaning that such Liens are entitled to priority over the Security.

"person" means any individual, corporation, company, partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.

"Principal Amount" has the meaning ascribed thereto on the face page of this Note.

"Security" means the GSA, the guarantees, security agreements and other documents required to be provided to the Lender pursuant to Section 11, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing and, for certainty shall include any Additional Security.

"Statutory Lien" means a Lien in respect of any property or assets of any person created by or arising pursuant to any applicable legislation in favour of any person (such as but not limited to a Governmental Authority), including in respect of obligations to deduct and remit taxes, duties, assessments, employee source deductions and goods and services taxes pursuant to Applicable Law.

"TSXV" means the TSX Venture Exchange.

"Warrants" means Common Share purchase warrants issued to the Lender in connection with this Note which are exercisable for Common Shares at a price of \$0.05 per share for a period of 12-months from the date of issuance.

- 2. **Loan**. A loan of up to an aggregate amount of Cdn.\$1,2500,000 is being made available to be Borrower by the Lender. The Borrower may, with the prior approval of the Lender (other then when an Event of Default has occurred and is continuing), borrow amounts from the Lender on the terms as set out in this Note according to the following schedule:
 - (a) On the date hereof, Cdn.\$500,000;
 - (b) On or after February 15, 2023, Cdn.\$500,000; and
 - (c) On or after March 15, 2023, Cdn.\$250,000,

which the Lender shall advance to the Borrower in reliance upon the representations and warranties contained herein and subject to the terms and conditions of this Note. Notwithstanding the forgoing, the Lender may provide Advances hereunder at such times and from time to time, in such amounts as determined by the Lender, or may refuse to make any Advance for any reason whatsoever, in its sole and unfettered discretion.

- 3. Advances. As a condition precedent to the Lender making an Advance to the Borrower:
 - (a) no Event of Default shall have occurred and be continuing or would arise immediately after giving effect to or as a result of such extension of credit; and
 - (b) the representations and warranties of the Borrower in Section 12 shall be true and correct as of the date of such Advance.

and the Lender, in it sole and unfettered discretion, may require evidence of the above by way of affidavit, officer's certification or otherwise prior to making an Advance.

4. **Repayment**. Payment of all Indebtedness owing under this Note shall be made on or before the earlier of: (i) the Outside Date; (ii) that date on which the Pathway LOI is terminated (other than

by reason of the entering into of the Pathway Definitive Agreement) or expires in accordance with its terms; and (iii) that date on which the Pathway Definitive Agreement is terminated in accordance with its terms (in each case, the "Maturity Date"). Payment of Principal Amount, any fees and the interest due on this Note shall be payable at the instructions set forth on Schedule "B", or at such other place as may be designated by Lender, by written notice to the Borrower. Interest on this Note shall accrue and be paid in accordance with Section 5. All payments under this Note shall be made in lawful money of Canada in immediately available funds.

Subject to Section 5, in the event that the Maturity Date occurs due to, or in connection with, the occurrence of an Event of Default, the Lender shall have the option (but not the obligation), at its sole discretion, to:

- (a) avail itself of the remedies as provided for in Section 17 and in the Note Documents; or
- (b) subject to the prior approval of the TSXV, extend the Maturity Date of the Note to the last day of the Extended Maturity Date Period, during which time the Note will accrue interest at the Default Rate.
- 5. **Interest.** The Principal Amount shall bear interest on the terms and conditions set forth herein, from the date hereof. While outstanding, the Principal Amount shall bear interest at the rate of fifteen percent (15%) per annum, calculated monthly and compounded annually, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year.

In the event that: (i) all Indebtedness is not repaid on or before the Maturity Date, or (ii) there occurs an Event of Default on, before or in connection with the Maturity Date, interest will be deemed to accrue from the issuance date of the Note at a rate of 24% per annum, calculated monthly and compounded annually, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year (the "**Default Rate**") and added to the Indebtedness.

The theory of deemed reinvestment shall not apply to the calculation of interest or payment of fees or other amounts hereunder, notwithstanding anything contained in this Note now or hereafter granted to or taken by the Lender and all interest and fees payable by the Borrower to the Lender shall accrue from day to day and be computed as described herein in accordance with the "nominal rate" method of interest calculation.

The Borrower hereby waives, to the fullest extent it may do so under Applicable Law, any provisions of Applicable Law, including specifically the *Interest Act* (Canada) and any analogous provincial legislation which may be inconsistent with this Note

Notwithstanding any provision of this Note, the parties intend that the interest rate and fees on this Note will never exceed the maximum rate permitted by Applicable Law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at, but not in excess of, the highest rate recoverable under Applicable Law.

6. Conversion. All or any portion of the outstanding Indebtedness owing to the Lender under this Note, is convertible into Common Shares at any time and from time-to-time on or before the Maturity Date at the Conversion Price, subject only to the rules and policies of the TSXV regarding the conversion price applicable to accrued but unpaid interest. In addition, in the event

that this Note is not fully repaid on the Maturity Date and the Note has not otherwise been converted, the Lender shall, subject to the prior approval of the TSXV, have the option to extend the Maturity Date for a period of up to 24 months (the "Extended Maturity Date Period"), during which time the Note shall accrue interest at the Default Rate. For greater certainty, no conversion of the Note shall occur following the Effective Time.

The conversion of all or any portion of the Indebtedness (the aggregate amount of such Indebtedness so converted hereinafter referred to as the "Amount Due and Payable") into Common Shares (the "Conversion Shares") at the Conversion Price shall be subject to the following.

- (a) The Lender shall effect the conversion of the Note by delivering to the Borrower a written notice of its intention to convert all or a portion of the Amount Due and Payable pursuant to Section 18 (each, a "Notice of Conversion"), specifying therein (i) the Amount Due and Payable of this Note to be converted and the date on which such conversion shall be effected (such date, the "Conversion Date"); and (ii) the name and delivery instructions for each person to whom the Conversion Shares are to be issued upon conversion, it being agreed that no Conversion Shares shall be issued in the name of HEAL unless HEAL has satisfied Pathway of compliance with Applicable Laws (including in regard to restrictions in the ABCA relating to a subsidiary corporation holding shares of its parent corporation). If no Conversion Date is specified in a Notice of Conversion, the Conversion Date shall be the date that such Notice of Conversion is deemed delivered pursuant to 18;
- (b) If the Borrower at any time subdivides or consolidates the Common Shares issuable upon conversion, the Lender shall thereafter be entitled on conversion to receive the shares to which it was before such subdivision or consolidation entitled, as subdivided or consolidated, and the conversion rate of the Indebtedness shall be adjusted accordingly. Any such adjustment shall become effective on the date and at the time that such subdivision or consolidation becomes effective. The provisions of this Section shall similarly apply to successive subdivisions and consolidations;
- (c) In case of:
 - any reclassification or change of the type or class of shares issuable upon conversion;
 - (ii) any consolidation, merger or amalgamation of the Borrower with or into another corporation or corporations;
 - (iii) the sale of the properties and assets of the Borrower substantially as an entirety to any other corporation or corporations followed by a winding-up of the Borrower or a distribution of its assets to the shareholders; or
 - (iv) the sale of the properties and assets of the Borrower substantially as an entirety to another person or persons in exchange for securities in or of such other person or persons or any affiliate thereof;

the Lender shall have the right thereafter to convert this Note (or any portion thereof) into the kind and amount of shares or other securities and property (or the applicable portion thereof) receivable on such reclassification, change, consolidation, merger, amalgamation or sale that the Lender would have been entitled to receive thereupon had the Lender been the registered holder of the number of shares into which this Note might have been converted immediately prior thereto. The provisions of this Section shall similarly apply to successive reclassifications and changes of shares and to successive consolidations, mergers, amalgamations and sales.

- (d) Upon issuance of the Conversion Shares, the Lender shall surrender this Note to the Borrower marked "paid in full" and upon such surrender the Borrower shall forthwith issue and deliver to the Lender, certificate(s) evidencing the Conversion Shares, and, if only a portion of this Note was converted, the Borrower shall, in addition, forthwith issue and deliver to the Lender a new Note evidencing the remaining Amount Due and Payable.
- (e) Upon the conversion or payment of all of the Amount Due and Payable under this Note through the issuance of Conversion Shares in respect of any conversion (or successive conversions) or otherwise, this Note shall terminate and the Borrower shall be released and discharged by the Lender from all of the Borrower's obligations and agreements under the Note Documents; provided that the Borrower shall not be released and discharged if any other Note has been issued to which the Security applies. Further, the Lender shall execute and deliver all such documents as the Borrower may reasonably request to effect such release, discharge and reconveyance of the Security.
- (f) In the event that a final order of the Court is issued pursuant to subsection 193(4) of the ABCA, in form and substance satisfactory to each Party, acting reasonably, approving the Pathway Transaction, as such order may be amended by the Court (with the consent of each of the Parties, acting reasonably), the Lender agrees to convert the entire Amount Due and Payable into Conversion Shares at the Conversion Price immediately prior to the Effective Time failing which the entire Amount Due and Payable shall automatically convert into Conversion Shares at the Conversion Price without any further action of the Lender or the Borrower.
- 7. **Reporting Requirements**. The Borrower shall cause to be prepared and delivered to the Lender, in form and substance satisfactory to the Lender, the following:
 - (a) no later than three (3) Business Days after the end of each calendar week, a report describing all Accounts Payable and the Accounts Receivable, and the aging thereof; and
 - (b) no later than the 25th day after the end of each calendar month, internally prepared monthly financial statements on a consolidated basis.
- 8. **Expenses**. The Borrower shall pay all reasonable and documented attorneys' fees and court costs incurred by Lender in enforcing and collecting this Note. Each party shall bear their own costs and expenses incurred to document the Note, while the Borrower shall bear the costs and expenses related to required regulatory or other filings to protect Lender's security interest and any amendments, modifications or supplements to the Note. Amounts due under this provision, together with the principal and interest and amounts due shall form part of the Obligations.

- 9. **Prepayment**. This Note may be prepaid, in whole or in part, without penalty:
 - upon no less than three Business Days' notice to the Lender prior to the Maturity Date;
 and
 - (b) upon no less than 10 Business days' notice during the Extended Maturity Date Period.
- 10. **Setoff**. The Obligations owning under this Note shall be paid without setoff or counterclaim, except as expressly set forth herein, and free and clear of and exempt from, and without deduction for or on account of, any present or future taxes, levies, imposts, duties, deductions, withholdings or other charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government or any political subdivision or taxing authority thereof.
- 11. Security. Payment of all Indebtedness and Obligations owing to Lender under this Note are secured by the Security and any Additional Security. The Lender shall have the right to request Additional Security from time-to-time at its sole discretion. The Borrower shall do, at the Borrower's sole cost and expense, all such commercially reasonable acts, execute all such instruments and provide such further assurances as the Lender may reasonably request to ensure that the priority of the Liens created by all of the Security executed and delivered to the Lender as contemplated hereby is duly protected and perfected by registration, filing or recordation of such Security or a caution, caveat, security notice or other appropriate instrument at all offices where necessary or of material advantage to the protection or perfection thereof; and to cooperate with the Lender and Lender's counsel in renewing or refiling any registration, filing or recordation required hereby from time to time in order to preserve, protect and maintain the priority of such Liens.
- Warrants. In connection with the transaction contemplated herein, the Borrower agrees to issue to the Lender 25,000,000 Warrants in the form attached hereto as Schedule "D", such Warrants which shall be "Detachable Warrants" as such term is defined in the policy 4.1 of the TSXV Corporate Finance Manual, and such Warrants shall be issued to the Lender at the time of each Advance, in proportion to the amount of the Advance as compared to the aggregate Principal Amount available to the Borrower hereunder.
- 13. **Representation and Warranties**. In addition to the representations and warranties set forth in the other Note Documents, which are expressly incorporated by reference into this Note and form an integral part hereof, the Borrower represents and warrants to the Lender as follows:
 - (a) the Borrower is duly organized, validly existing and in good standing in its jurisdiction of formation. The Borrower has all requisite power and authority to execute and deliver the Note Documents and to perform the obligations hereunder;
 - (b) the execution, delivery and performance by the Borrower of the Note Documents has been duly authorized by all necessary organizational action and will not (a) contravene the terms of the Borrower's organizational documents, (b) violate any applicable and material law or (c) any other agreements of the Borrower which could result a Material Adverse Effect;
 - (c) this Note has been duly executed by the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable against it in accordance with its terms,

- except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles;
- (d) the execution, delivery and performance by the Borrower of the Note Documents does not require any governmental action, license, consent or approval of or notice to or filing with any Governmental Authority which has not been obtained and do not and will not contravene any provision of Applicable Law or any governmental action applicable to it or any of its assets, subject only to the filing of requisite forms under applicable securities laws and TSXV approval;
- (e) except as otherwise previously disclosed to the Lender, the Borrower is not in material breach or material default of, 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 under any material agreement or instrument by which it or any of its properties, assets or undertakings are bound, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (f) except as otherwise previously disclosed to the Lender, there are no material actions, suits or proceedings pending or threatened against it at law or in equity by or before any Governmental Authority, domestic or foreign, or before any arbitrator of any kind, and it is not in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any Governmental Authority, domestic or foreign, or any arbitrator of any kind, except in each case to the extent it would not reasonably be expected to have a Material Adverse Effect;
- (g) all financial information submitted to the Lender fairly reflect, as of the dates thereof, the consolidated financial condition of the Borrower and the results of its operations for the periods covered thereby, have been prepared in accordance with generally accepted accounting principles and, from the date of the latest such financial information submitted to the Lender, there has been no material adverse change in the consolidated financial condition of the Borrower or its properties, assets, condition or undertaking which has not been disclosed in writing to the Lender;
- (h) other than as disclosed to the Lender in writing, the Borrower has filed all tax returns which were required to be filed, has paid or made provision for payment of all taxes which are due and payable, and has provided adequate reserves for the payment of any taxes the payment of which is being contested in good faith;
- (i) the Borrower has in full force and effect such policies of insurance in such amounts issued by insurers of recognized standing insuring its properties and operations, including business interruption insurance and replacement cost insurance, and providing such coverage as would be maintained by a prudent operator engaged in the same or similar business where its properties and operations are located;
- (j) the Borrower is in material compliance with all Applicable Laws;
- (k) subject to the assumptions and qualifications made by the Borrower and provided to the Lender in writing, the projections and other related data provided to the Lender by the

- Borrower, to the best of the knowledge of the Borrower, fairly and properly reflect the interests and projections of the Borrower therein and thereto as of the date thereof;
- except as otherwise disclosed to the Lender, no event or circumstance has occurred
 which constitutes, or which with the giving of notice, lapse of time or both would
 constitute, an Event of Default; and
- (m) to the knowledge of the Borrower, there is no fact that the Borrower has not disclosed to the Lender in writing, or of which the Lender is not otherwise aware, that could reasonably be expected to have a Material Adverse Effect.
- 14. General Covenants. In addition to covenants set forth elsewhere in this Note and in the other Note Documents, which are expressly incorporated by reference into this Note and form an integral part hereof, the Borrower covenants and agrees with the Lender that, so long as any Obligations remain outstanding and unpaid, the Borrower shall:
 - (a) Pay and Perform Obligations: duly and punctually pay all principal, interest, fees and other amounts payable hereunder on the dates, times and places, and in the manner specified herein or therein, and observe and comply with all other terms and conditions of the Note Documents;
 - (b) Use of Proceeds: use the proceeds advanced by the Lender under the Note solely for those purposes set forth in Schedule "C" attached hereto, except where the Borrower has received the prior written consent of the Lender to deviate from such purposes.
 - (c) Maintain Existence: maintain and preserve its existence and status in its jurisdiction of organization and make all filings and registrations in each other jurisdiction necessary or advisable in connection therewith, except to the extent failure to make such filings would not have a Material Adverse Effect, or where the Borrower has received the prior written consent of the Lender to carry out such action;
 - (d) Conduct Business: conduct its business in a proper and efficient manner, and maintain its property and assets in good repair and condition, subject to ordinary wear and tear;
 - (e) Pathway Transaction: use commercially reasonable efforts to effect the Pathway Transaction in accordance with the Pathway Definitive Agreement prior to the Outside Date;
 - (f) Pay Remittances: duly remit as and when due all employee pension contributions and/or other benefits (including workers' compensation premiums, employer health tax premiums, Canada Pension Plan contributions, Employment Insurance Commission premiums), and statutory remittances (including income tax, goods and services tax, or where applicable, provincial sales tax or harmonized sales tax);
 - (g) Provide Access: permit any representatives of the Lender to enter upon and inspect its assets, books and records, and discuss with its senior management its business, financial condition and operations, from time to time upon reasonable notice and conditions of confidentiality and during normal business hours;

- (h) Maintain Security: ensure that the Security granted to the Lender remains legal, valid, binding and enforceable in accordance with the terms thereof, subject to general principles of equity and laws affecting creditors' rights generally;
- (i) Security Registrations: co-operate with the Lender so as to permit the Lender to forthwith register, file and record the Security (or notices, financing statements or other registrations, including amending registrations) in all proper offices where such registration, filing or recording may be necessary or of material advantage to perfect or protect the Liens constituted thereby, and ensure that such Security ranks in priority to any other Liens granted by it other than Permitted Liens;
- (i) Give Notice: promptly give written notice to the Lender of:
 - (i) any Event of Default of which it becomes aware, using reasonable diligence,
 - (ii) any damage to or destruction of any assets which might give rise to a claim for insurance monies in excess of \$100,000,
 - (iii) any litigation, arbitration or other proceeding commenced or threatened against or affecting it which would reasonably be expected to have a Material Adverse Effect,
 - (iv) any Lien of which it becomes aware that has been registered, filed or recorded against the interests of it in any Collateral which is not a Permitted Lien; and
 - (v) any other change (financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of it that has or would reasonably be expected to have a Material Adverse Effect,
 - and from time to time provide the Lender with all information requested by the Lender concerning the status of any of the foregoing; and
- (k) Provide Other Documents: use reasonable efforts to provide the Lender from time to time with such other documents, security, opinions, consents, acknowledgments and agreements as are requested by the Lender and are necessary to implement this Note and the Security, and any other Note Document.
- 15. **Negative Covenants**. Without the prior written consent of the Lender or in connection with the Pathway Transaction, the Borrower hereby covenants and agrees that it shall not:
 - (a) Incur Debt: create, incur, assume or permit to exist any debt, other than Permitted Indebtedness;
 - (b) Financial Assistance: provide financial assistance, guarantees, investments, additional management remuneration (in excess of salary and bonuses paid to employees in the ordinary course of business), dividends or any other employee loans to any persons including Affiliates except for (i) those approved by the Lender, (ii) those provided to Affiliates in respect of acquisitions and projects in the ordinary course of business;

- (c) Negative Pledge: create, incur, permit or suffer to exist any Liens upon or with respect to any Collateral, other than Permitted Liens;
- (d) Material Changes: liquidate or dissolve, cease to carry on business as now being conducted by it, complete any transaction whereby all or substantially all of its property and assets would become the property of any other person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, or amend in any material respect its Constating Documents;
- (e) Limit Activities: make any material change in the nature of its business nor take any action that is inconsistent with past practices, or that is not taken in the ordinary course of the normal day-to-day operations of its business, until such time as the Obligations are repaid in full, or with the written consent of the Lender, including any change which would effect the ability of the Lender to convert the Obligations into Conversion Shares;
- (f) Restrictions on Dispositions: directly or indirectly sell, lease, assign, transfer, convey or otherwise dispose of any of its assets greater than \$100,000;
- (g) Distributions: declare, pay or make any Distributions or payments on subordinated debt when an Event of Default has occurred and is continuing or would reasonably be expected to occur as a result of making such Distribution; and
- (h) Change of Control: permit a change of control or ownership.
- 16. **Events of Default**. In addition to Events of Default set forth in the other Note Documents and which are applicable to the Borrower, which are expressly incorporated by reference into this Note and form an integral part hereof, the occurrence of any one or more of the following events, other than in connection with the Pathway Transaction, after the expiry of any applicable cure period set out below, shall constitute an "**Event of Default**" under this Note:
 - (a) if the Borrower or any of its Affiliates defaults in the observance or performance of any material agreement, covenant or undertaking given by the Borrower to the Lender in any Note Document or in any document executed in connection herewith, in any other future loan or credit facility agreement between the Lender and the Borrower, or in any document executed in connection therewith;
 - (b) if the Borrower defaults in payment of any of the Obligations of the Borrower to the Lender when due;
 - (c) the transfer or disposition of any of the Collateral, other than in the regular course of business, by the Borrower, except as expressly permitted by the Note Documents;
 - (d) if any material licences, permits or approvals required by any law, regulation or governmental policy or any governmental agency or commission for the operation by the Borrower of its business shall be withdrawn or cancelled;
 - (e) if any representation or warranty in any Note Document, in any other future loan or credit facility agreement between the Borrower and the Lender, or in any document executed in connection therewith, made by the Borrower or any of its Affiliates to the Lender shall be false or inaccurate in any material respect;

- (f) if there is a material default or other failure to perform in any material agreement to which the Borrower is a party or by which the Borrower is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any indebtedness in an amount exceeding \$50,000;
- (g) if any material misrepresentation, misstatement or omission existed at the time made in any warranty or representation set forth herein, or in any other Note Document, in any other future loan or credit facility agreement between the Borrower and the Lender, or in any document executed in connection therewith
- (h) if the Borrower shall:
 - (i) become insolvent, or generally not pay its debts or meet its liabilities as the same become due, or suspend or threaten to suspend the conduct of its business, or admit in writing its inability to pay its debts generally, or declare any general moratorium on payment of its indebtedness or interest thereon, or propose a compromise or arrangement between it and any of its creditors,
 - (ii) make an assignment of its property for the general benefit of its creditors, whether or not under the *Bankruptcy and Insolvency Act* (Canada), or make a proposal (or file a notice of its intention to do so), whether or not under such Act,
 - (iii) institute any Creditor Proceedings seeking to adjudicate it an insolvent, or seeking compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation,
 - (iv) apply for the appointment of, or the taking of possession by, a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property, or
 - (v) take any overt action to approve, consent to or authorize any of the actions described in this paragraph (h) or in paragraph (i) below;
- (i) if any petition shall be filed, application be made or other proceeding be instituted by a third party against it:
 - seeking to adjudicate it an insolvent, or a declaration that an act of bankruptcy has occurred,
 - (ii) seeking a receiving order against it, including under the *Bankruptcy and Insolvency Act* (Canada),
 - (iii) seeking liquidation, dissolution, winding-up, reorganization, administration, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation, or

 seeking the entry of an order for relief or the appointment of a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property,

and such petition, application or proceeding shall continue undismissed, or unstayed and in effect, for a period of 15 Business Days after the institution thereof, provided that if an order, decree or judgment which is not stayed has been granted (whether or not entered or subject to appeal) against it thereunder in the interim, such grace period shall cease to apply;

- (including by way of execution, attachment, garnishment or distraint) or any Lien thereon shall be enforced, or such property shall become subject to any receivership, or any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of \$100,000 shall exist or such property, or any receiver, sheriff, civil enforcement agent or other person shall become lawfully entitled to seize or distrain upon any such property under the Civil Enforcement Act (Alberta), the Workers' Compensation Act (Alberta), the Personal Property Security Act (Alberta) or any other Applicable Law whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, receivership, charging order or equitable execution, or other seizure or right, shall continue in effect and not released or discharged for more than 15 Business Days;
- (k) if one or more judgments for the payment of money in the aggregate in excess of \$100,000 from time to time, and not substantially covered by insurance, shall become enforceable against it and it shall not have (i) provided for its discharge in accordance with its terms within 15 Business Days from the date of entry thereof, or (ii) procured a stay of execution thereof within 15 Business Days from the date of entry thereof and within such period, or such longer period during which execution of such judgment shall have been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal;
- (I) if it denies, to any material extent, its obligations under the Note or claims the Note to be invalid or withdrawn in whole or in part; or any of the Note or any material provision becomes unlawful or is changed by virtue of legislation or by a court, statutory board or commission;
- (m) if the Security is not enforceable or if it shall dispute or deny any liability or obligation under the Security;
- (n) if the Pathway LOI is terminated (other than by reason of entering into the Pathway Definitive Agreement) or expires, if the Pathway Definitive Agreement is terminated, or if the Pathway Transaction does not close on or before the Outside Date; or
- (o) if a Material Adverse Effect has occurred.
- 17. **Remedies**. Upon the occurrence of any Event of Default: (a) all indebtedness, liabilities and obligations of the Borrower under this Note shall at the Lender's option and without notice become immediately due and payable without presentment, demand, protest or notice of

dishonor, all of which are hereby expressly waived by the Borrower; and (b) the Lender shall have all rights, powers and remedies available under the Note Documents, or accorded by Applicable Law, including the right to resort to any or all Collateral for any Obligations subject hereto and to exercise any or all of the rights of a beneficiary or secured party pursuant to all Applicable Law. All rights, powers and remedies of the Lender may be exercised at any time by the Lender and from time to time after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.

18. **Notices.** Any demand, notice or other communication in connection with this Note shall be in writing and shall be personally delivered, mailed by registered mail or sent by email, to the address or email address of the addressee set out below or to such other coordinates as the relevant party may from time to time designate to the other party in such manner.

In the case of the Borrower:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

Attention:

Ken Yoon, Chief Executive Officer

E-mail:

ken.yoon@pathwayhealth.ca

In the case of the Lender:

HEAL Global Holdings Corp. 12th Floor Banker's Court 850, 2 Street SW Calgary, AB T2P 0R8

Attention:

Mr. Michael Steele. Chief Executive Officer

E-mail:

steeleconsult@aol.com

With a copy to (which shall not constitute legal notice):

Dentons Canada LLP 12th Floor Banker's Court 850, 2 Street SW Calgary, AB T2P 0R8

Attention:

James O'Sullivan

E-mail :

james.osullivan@dentons.com

Any communication which is personally delivered shall be deemed to have been validly and effectively given on the date of such delivery if such date is a business day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of delivery. Any communication which is mailed shall be deemed to have been validly and effectively given on the

fifth business day following the date of mailing provided that, in the event of an interruption in postal services before such fifth business day, such communication shall be given by one of the other means. Any communication which is transmitted by email shall be deemed to have been validly and effectively given on the date of transmission if such date is a business day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of transmission.

- 19. Waiver. Borrower hereby waives demand, notice, presentment, protest and notice of dishonor.
- 20. Severability. Any provision of this Note or the Security which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Note fail to provide for any relevant matter, the validity, legality or enforceability of this note shall not hereby be affected
- 21. Further Assurances. The Borrower shall, at the request of the Lender do all such further acts and execute and deliver all such further documents as may, in the reasonable opinion of the Lender, be necessary or desirable in order to fully perform and carry out the purpose and intent of the Note Documents.
- 22. Time of the Essence. Time shall be of the essence in the Note Documents.
- 23. **Governing Law**. This Note shall be governed by and construed under the laws of the Province of Alberta, as applied to agreements among Alberta residents, made and to be performed entirely within the Province of Alberta, without giving effect to conflicts of laws principles.
- 24. Indemnification. The Borrower shall indemnify the Lender against all suits, actions, proceedings, claims, losses, expenses (including reasonable fees, charges and disbursements of counsel), damages and liabilities that the Lender may sustain or incur as a consequence of any misrepresentation contained in any writing from the Borrower delivered to the Lender in connection with this Note, or from any default in the observance or performance of any material agreement, covenant or undertaking given by the Borrower to the Lender in the Note Documents.
- 25. **Modification; Waiver**. Any term of this Note may be amended or waived only with the written consent of Borrower and Lender and the prior approval of the TSXV. Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them.
- 26. Assignment. So long as no Event of Default has occurred and is continuing, this Note may not be transferred or assigned by Lender to any person other than ADH without Borrower's prior written consent provided ADH executes and delivers a counterpart to this Note pursuant to which it agrees to be bound by the terms hereof. No such assignment shall relieve the Lender of its obligations hereunder. Interest and principal shall be paid solely to Lender or such permitted assign. Such payment shall constitute full discharge of Borrower's obligation to pay such interest and principal. Borrower may not at any time assign any of its rights or its obligations under this Note.

[Signature Page Follows]

IN WITNESS WHEREOF, Borrower has caused this Note to be issued as of the date first set forth above.

PATHWAY HEALTH CORP.

By: 75085665704548B

Name: Ken Yoon

Title: Chief Executive Officer

HEAL GLOBAL HOLDINGS CORP.

By: Michael Stelle

Name: Michael Steele Title: Chief Executive Officer

DocuSign Envelope ID: BBEEC76A-260C-4868-B209-7470BC60B06E

SCHEDULE "A"

GRID TO SECURED CONVERTIBLE GRID PROMISSORY NOTE

Date	Principal Amount of Advance	Indebtedness to which Interest applies	Principal Paid or Prepaid	Balance of Principal Unpaid	Amount of Interest Paid	Balance of Interest Unpaid	Notation Made by:
February 6, 2023	\$150,000	\$150,000		\$150,000		TBD	Dentons
February 9, 2023	\$350,000	\$500,000		\$500,000	*	TBD	Dentons
February 17, 2023	\$500,000	\$1,000,000	7.	\$1,000,000	а	TBD	Dentons
March28, 2023	\$250,000	\$1,250,000	(9	\$1,250,000		TBD	Dentons

SCHEDULE "B"

PAYMENT INSTRUCTIONS

Beneficiary: Dentons Canada LLP

Address: 850 2nd Street SW, Calgary AB T2P 0R8

Beneficiary Bank: Bank of Montreal

Bank Address: 595 8th Avenue SW, Calgary AB T2P 1G1

Swift Code: BOFMCAM2

Bank Code: 001

Branch / Transit: 25159-001

Account Number: 1037-813

Memo reference: 592347-000001

SCHEDULE "C"

USE OF PROCEEDS

DOF / 2023	Initial date	February	March	Total
Working capital (including aging payables)	277,000	173,000	50,000	500,000
Transaction costs and professional fees (audit, legal,				
other professional fees)	148,000	125,000	85,000	358,000
Growth/ Expansion/ Integration Projects				
- IRP Clinics (BC)		30,000		30,000
- Growth in existing clinics		117,000	50,000	167,000
- Medical cannabis /ecommerce project	75,000	55,000	65,000	195,000
				0
TOTAL	\$ 500,000	\$ 500,000	\$ 250,000	\$1,250,000

SCHEDULE "D"

FORM OF WARRANT

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE $[\bullet]$, 2023.

THE WARRANTS REPRESENTED BY THIS CERTIFICATE WILL BE VOID AND OF NO VALUE UNLESS EXERCISED BY 5:00 P.M. (CALGARY TIME), ON FEBRUARY [●], 2024 OR SUCH EARLIER DATE AS PROVIDED HEREIN, AFTER WHICH TIME THE WARRANTS EVIDENCED HEREBY SHALL BE NULL AND VOID AND OF NO FURTHER FORCE AND EFFECT.

Number of Warrants: 25,000,000 Issue Date: February [●], 2023

Certificate No: W-1 Expiry Date: February [●], 2024

WARRANT CERTIFICATE

PATHWAY HEALTH CORP.

For value received pursuant to the Pathway Note and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HEAL Global Holdings Corp. ("HEAL"), 12th Floor Banker's Court, 850, 2 Street SW Calgary, AB T2P 0R8 (HEAL, and any transferee from time to time pursuant to a transfer made in accordance with the terms hereof, the "Holder") is the registered holder of that number of warrants (the "Warrants") of Pathway Health Corp. ("Pathway" or the "Corporation") as set forth above.

- 1. Glossary. Unless otherwise defined herein, the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):
 - (a) "1933 Act" has the meaning ascribed thereto in Section 14;
 - (b) "Affiliate" means an affiliate as defined in the Business Corporations Act (Alberta);
 - (c) "Business Day" means any day other than a Saturday or Sunday or a day that is a statutory or civic holiday or day on which banking institutions are closed in the City of Calgary, Alberta;
 - (d) "Capital Reorganization" has the meaning ascribed thereto in Section 10(d);
 - (e) "Corporation" has the meaning ascribed thereto on the face page of this Warrant certificate;
 - (f) "Current Market Price" means, at any date, the weighted average sale price per Share (or any other security in respect of which a determination of Current Market Price is being made) on the principal stock exchange or over-the-counter market on which the Shares (or any other security in respect of which a determination of Current Market Price is being made) are listed or posted for trading, or such other stock exchange on which the Shares (or any other security in respect of which a determination of Current Market Price is being made) may then be listed, during the 20

consecutive Trading Days prior to the date on which the Current Market Price must be determined; provided that the weighted average sale price will be determined by dividing the aggregate sale price of all Shares (or any other security in respect of which a determination of Current Market Price is being made) sold on such exchange or market, as the case may be, during such 20 consecutive Trading Days by the total number of Shares (or any other security in respect of which a determination of Current Market Price is being made) so sold; and provided further that if the Shares (or any other security in respect of which a determination of Current Market Price is being made) are not then listed on any stock exchange or over-the-counter market, then the Current Market Price will be determined by an independent third party valuator selected by the directors of the Corporation, acting reasonably and in good faith, such valuator to be a nationally recognized investment banking firm having appropriate valuation experience and who is independent of both parties and their respective Affiliates, which determination shall be conclusive (absent manifest error); and provided further that if the Shares (or any other security in respect of which a determination of Current Market Price is being made) are listed on more than one stock exchange or quotation system, the Current Market Price shall be calculated based on the stock exchange or quotation system on which the volume of transactions for the Shares (or any other security in respect of which a determination of Current Market Price is being made) was the highest during such 20 consecutive Trading Days;

- (g) "Equity Shares" means the Shares and shares of any other class or series of the Corporation which may from time to time be authorized for issue if by their terms such shares confer on the holders hereof the right to participate in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of the Corporation beyond a fixed sum or a fixed sum plus accrued dividends;
- (h) "Exemption" has the meaning ascribed thereto in Section 14;
- (i) "Exercise Price" means CAD \$0.05 per Share as may be adjusted pursuant to Section 10, Section 11 and (or) Section 12;
- (j) "Expiry Date" means February [●], 2024;
- (k) "Expiry Time" means 5:00 pm (Calgary time) on the Expiry Date;
- (1) "Holder" has the meaning ascribed thereto on the face page of this Warrant certificate;
- (m) "Issue Date" means February [●], 2023;
- (n) "Pathway Note" means the Secured Convertible Promissory Grid Note dated February 3, 2023 issued by Pathway as borrower to HEAL as lender thereunder;
- (o) "Register" has the meaning ascribed thereto in Section 5;
- (p) "Reporting Jurisdictions" has the meaning ascribed thereto in Section 17(c);
- (q) "Rights Offering" has the meaning ascribed thereto in Section 10(b);
- (r) "Rights Period" has the meaning ascribed thereto in Section 10(b);
- (s) "Share" has the meaning ascribed thereto in Section 2;
- (t) "Share Reorganization" has the meaning ascribed thereto in Section 10(a);
- (u) "Special Distribution" has the meaning ascribed thereto in Section 10(c);

- (v) "successor corporation" has the meaning ascribed thereto in Section 12(a);
- (w) "Trading Day" means a day on which the TSXV is open for trading;
- (x) "TSXV" means the TSX Venture Exchange; and
- (y) "Warrants" has the meaning ascribed thereto on the face page of this Warrant certificate.
- 2. Warrants. Each Warrant shall entitle the Holder to purchase one common share in the capital of the Corporation as constituted on the Issue Date (each, a "Share") at the Exercise Price at any time prior to the Expiry Time.
- 3. **Transferable.** All or any portion of the Warrants represented by this Warrant certificate may be transferred upon written notice by the Holder to the Corporation in the form attached as Schedule "C" hereto duly completed and executed. Transfer of the Warrants shall be subject to the receipt of such documentation from the Holder and the transferee(s) as may be required by applicable laws, including securities laws and stock exchange rules.
- 4. Warrants Exercise Procedure. The Warrants represented by this Warrant certificate may be exercised by the Holder in whole or in part at any time prior to the Expiry Time by surrendering the original of this Warrant certificate at the offices of the Corporation set out in subsection 20(g) hereof together with a subscription form in the form attached as Schedule "A" hereto duly completed and executed, such additional documents as may be contemplated thereby, and a certified cheque, bank draft or money order in lawful money of Canada payable to or to the order of the Corporation or by wire transfer as directed by the Corporation, subject to the cashless exercise provisions of this Warrant certificate.
- Register of Warrantholders. The Corporation shall cause a register (the "Register") to be kept in which shall be entered the name and address of the Holder of the Warrants and the number of Warrants held. The Corporation may treat the registered holder of any certificate representing Warrants as the absolute owner of the Warrants represented thereby for all purposes, and the Corporation shall not be affected by any notice or knowledge to the contrary except where the Corporation is required to take notice by statute or by order of a court of competent jurisdiction.
- 6. **Partial Exercise.** The Holder may subscribe for and purchase less than the full number of Shares entitled to be subscribed for and purchased hereunder. In the event that the Holder subscribes for and purchases less than the full number of Shares entitled to be subscribed for and purchased under this Warrant certificate prior to the Expiry Time, the Corporation shall issue a new Warrant certificate to the Holder in substantially the same form as this Warrant certificate with appropriate changes to reflect the unexercised balance of the Warrants.
- 7. **Cashless Exercise**. The Holder may, in lieu of delivering cash to exercise such Warrants, elect to receive such number of Shares as is equal to quotient obtained by the following formula:

$$X = \underline{Y (A-B)}$$
A
where

X = the number of Shares to be issued to the Holder upon exercise of Warrants pursuant to this Section 7:

Y = the number of Warrants being exercised;

A = the Current Market Price; and

B = the Exercise Price (as adjusted to the date of such calculation).

- 8. **Delivery of Shares.** Within three Business Days of receipt by the Corporation of this Warrant certificate in accordance with, and the documents and payment noted in, Section 4, the Corporation will deliver a certificate(s) representing the Shares subscribed for and purchased by the Holder hereunder, and a replacement Warrant certificate, if any.
- 9. **No Rights of Shareholders.** Nothing contained in this Warrant certificate shall be construed as conferring upon the Holder any right or interest whatsoever as a holder of Shares of the Corporation or any other right or interest except as herein expressly provided.
- 10. Adjustment to Exercise Price. The Exercise Price in effect at any time the Warrants remain outstanding is subject to adjustment from time to time in the events and in the manner provided as follows:
 - (a) **Share Reorganizations**—If and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation:
 - (i) fixes a record date for the issue of, or issues, Shares or securities exchangeable or exercisable for or convertible into Shares to all or substantially all the holders of all or substantially all of the outstanding Shares as a stock dividend, or
 - (ii) fixes a record date for the distribution to, or makes a distribution to, the holders of all or substantially all of the outstanding Shares payable in Shares or securities exchangeable or exercisable for or convertible into Shares, or
 - (iii) subdivides, re-divides or changes its outstanding Shares into a greater number of Shares, or reduces, combines or consolidates its outstanding Shares into a smaller number of Shares,

(each such event a "Share Reorganization"), then, in each such event, the Exercise Price will be adjusted effective immediately on the earlier of the effective date or record date for the happening of a Share Reorganization, as the case may be, by multiplying the Exercise Price in effect immediately prior to such effective date or record date by a fraction, the numerator of which is the number of Shares outstanding on such effective date or record date, as the case may be, before giving effect to such Share Reorganization and the denominator of which is the number of Shares outstanding immediately after giving effect to such Share Reorganization (including, in the case where securities exchangeable or exercisable for or convertible into Shares are distributed, the number of Shares that would have been outstanding had all such securities been exchanged, exercised or converted into Shares on such effective date or record date).

To the extent that any adjustment in the Exercise Price occurs pursuant to this Section 10(a)(i) or Section 10(a)(ii) as a result of the fixing by the Corporation of a record date in respect of a stock dividend or distribution specified in such sections, the Exercise Price shall be readjusted immediately after the expiry of any relevant exchange, exercise or conversion right to the Exercise Price which would then be in effect based upon the number of Shares actually issued and remaining issuable after such expiry. To the extent the Holder has not exercised its right to subscribe for and purchase Shares on or prior to the record date of such stock dividend or distribution or the effective date of a subdivision or consolidation or reduction, combination or consolidation, as the case may be, then upon the exercise of such right thereafter, the Holder shall be entitled to receive and shall accept in lieu of the number of Shares then subscribed for and purchased by the Holder, at the Exercise Price determined in accordance with this Section 10(a), the aggregate number of Shares that the Holder would have been entitled to receive as a result of such Share Reorganization if, on such record date or effective date, as the case may be, the Holder had been the holder of record of the number of Shares so subscribed for and purchased.

(b) **Rights Offerings**—If and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation fixes a record date for the issue or distribution of rights, options or warrants to the

holders of all or substantially all of its outstanding Shares under which such holders are entitled to subscribe for or purchase Shares or securities exchangeable or exercisable for or convertible into Shares, where:

- (i) the right to subscribe for or purchase Shares, or the right to exchange securities for or convert securities into Shares, expires not more than 90 days after the record date of such issuance (the period from the record date to such date of expiry, the "Rights Period"), and
- (ii) the subscription or purchase price per Share during the Rights Period (or, in the case of securities exchangeable or exercisable for or convertible into Shares, the exchange, exercise or conversion price per Share) is less than 95% percent of the Current Market Price of the Shares on the record date,

(each such event a "Rights Offering"), then the Exercise Price will be adjusted effective immediately after the record date for such Rights Offering to a price determined by multiplying the Exercise Price in effect on such record date by a fraction:

- (i) the numerator of which is the aggregate of:
 - (A) the number of Shares outstanding as of the record date for the Rights Offering; and
 - (B) a number determined by dividing either:
 - (1) where the event giving rise to the application of this Section 10(b) was the issue or distribution of rights, options or warrants to the holders of Shares under which such holders are entitled to subscribe for or purchase additional Shares, the product of the maximum number of Shares so offered and the subscription or purchase price per Share at which such Shares are offered, or
 - (2) where the event giving rise to the application of this Section 10(b) was the issue or distribution of rights, options or warrants to the holders of Shares under which such holders are entitled to subscribe for or purchase securities exchangeable or exercisable for or convertible into Shares, the product of the exchange, exercise or conversion price per security of the securities so offered and the maximum number of Shares for or into which the securities so offered pursuant to the Rights Offering may be exchanged, exercised or converted, as the case may be

by the Current Market Price of the Shares as of the record date for the Rights Offering; and

(ii) the denominator of which shall be the aggregate of the number of Shares outstanding on such record date and including the number of Shares offered pursuant to the Rights Offering (including, in the case of the issue or distribution of securities exchangeable or exercisable for or convertible into Shares, the number of Shares for or into which such securities may be exchanged, exercised or converted).

Any Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation will be deemed not to be outstanding for the purpose of any such computation.

If by the terms of the rights, options or warrants referred to in this Section 10, there is more than one subscription, purchase, conversion, exercise or exchange price per Share, the aggregate price of the total number of additional Shares offered for subscription or purchase, or the aggregate conversion, exercise or exchange price of the convertible securities exchangeable so offered, will be calculated for purposes of the adjustment on the basis of (a) the lowest subscription, purchase, conversion, exercise or exchange price per Share, as the case may be, if such price is applicable to all Shares which are subject to the rights, options or warrants, and (b) the average subscription, purchase, conversion, exercise or exchange price per Share, as the case may be, if the applicable price is determined by reference to the number of Shares acquired.

To the extent that any adjustment in the Exercise Price occurs pursuant to this Section 10 as a result of the fixing by the Corporation of a record date for the distribution of rights, options or warrants referred to in this Section 10, the Exercise Price will be readjusted immediately after the expiration of any relevant exchange, conversion or exercise right to the Exercise Price which would then be in effect based upon the number of Shares actually issued and remaining issuable after such expiration, and will be further readjusted in such manner upon expiration of any further such right. To the extent that such Rights Offering is not ultimately so made, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed.

- (c) **Special Distributions**—If and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation fixes a record date for the issue or the distribution to the holders of all or substantially all its Shares of:
 - (i) shares of the Corporation of any class other than Shares;
 - (ii) rights, options or warrants to acquire shares of any class of the Corporation or securities exchangeable for or convertible into shares of any class of the Corporation or property or other assets of the Corporation;
 - (iii) evidence of indebtedness of the Corporation; or
 - (iv) any property or other assets of the Corporation,

and if such issue or distribution does not constitute a Share Reorganization or a Rights Offering (any of such event, other than a Share Reorganization or a Rights Offering, a "Special Distribution"), the Exercise Price will be adjusted effective immediately after such record date to a price determined by multiplying the Exercise Price in effect on such record date by a fraction:

- (i) the numerator of which is:
 - (A) the product of the number of Shares outstanding on such record date and the Current Market Price of the Shares on such record date; less
 - (B) the aggregate fair market value (as determined by action of the directors of the Corporation, and subject to the approval of any stock exchange on which the Shares may then be listed, where required) to the holders of the Shares of such securities, indebtedness or property or other assets so issued or distributed in the Special Distribution; and
- (ii) the denominator of which is the number of Shares outstanding on such record date multiplied by the Current Market Price of the Shares on such record date.

Any Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation will be deemed not to be outstanding for the purpose of any such computation. To the

extent that such Special Distribution is not ultimately so made, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed.

- (d) Adjustment to Exercisable Securities based on Capital Reorganizations—If and whenever at any time after the date hereof and prior to the Expiry Date there is:
 - a reclassification or redesignation of the Shares outstanding at any time or change of the Shares into other shares or other securities or that results in the Shares ceasing to exist or any other capital reorganization, including an arrangement;
 - (ii) a consolidation, amalgamation or merger of the Corporation with or into any other corporation or other entity (other than a consolidation, amalgamation or merger which does not result in any reclassification or redesignation of the outstanding Shares or a change of the Shares into other shares); or
 - (iii) a transfer of the undertaking, property, or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity;

(each such event, a "Capital Reorganization"), the Warrants shall remain outstanding and the Holder, upon exercising any of the Warrants after the effective date of such Capital Reorganization, will be entitled to receive in lieu of the number of Shares to which such Holder was theretofore entitled upon such exercise, the aggregate number of shares or other securities or other property (including cash) which such Holder would have been entitled to receive as a result of such Capital Reorganization if, on the effective date thereof, the Holder had been the registered holder of the number of Shares to which such Holder was theretofore entitled upon exercise of such Warrants. If necessary, as a result of any Capital Reorganization, appropriate adjustments will be made in the application of the provisions set forth in this Section 10 with respect to the rights and interests thereafter of the Holder such that the provisions set forth in this Section 10 will thereafter be applicable in a like manner to any shares, other securities or other property thereafter deliverable upon the exercise hereof.

- (e) Adjustment to Exercisable Shares on Certain Events—If at any time after the date hereof and prior to the Expiry Date any adjustment in the Exercise Price shall occur as a result of:
 - (i) an event referred to in Section 10(a);
 - (ii) the fixing by the Corporation of a record date for a Rights Offering referred to in Section 10(b); or
 - (iii) the fixing by the Corporation of a record date for a Special Distribution referred to in Section 10(c) if such event constitutes the issue or distribution of Equity Shares, or securities exchangeable for or convertible into Equity Shares at an exchange or conversion price per Equity Share less than the Current Market Price on such record date or rights, options or warrants to acquire Equity Shares at an exercise, exchange or conversion price per Equity Share less than the Current Market Price on such record date,

then, the number of Shares issuable upon the subsequent exercise of any of the Warrants shall be simultaneously adjusted by multiplying the number of Shares issuable upon the exercise of a Warrant immediately prior to such adjustment by a fraction which shall be the reciprocal of the applicable fraction employed in the adjustment of the Exercise Price pursuant to Section 10(a), Section 10(b) or Section 10(c), as applicable. To the extent any adjustment in subscription rights occurs pursuant to this Section 10(e) as a result of a distribution of exchangeable, exercisable or convertible securities referred to in Section 10(a) or as a result of the fixing by the Corporation of a record date for the distribution of rights, options or warrants referred to in Section 10(b), the

number of Shares issuable upon exercise of a Warrant shall be readjusted immediately after the expiration of any relevant exchange, exercise or conversion right to the number of Shares which would be issuable based upon the number of Shares actually issued and remaining issuable immediately after such expiration, and shall be further readjusted in such manner upon expiration of any further such right. To the extent that any adjustment in subscription rights occurs pursuant to this Section 10(e) as a result of the fixing by the Corporation of a record date for the distribution of exchangeable, exercisable or convertible securities or rights, options or warrants referred to in Section 10(c), the number of Shares issuable upon exercise of a Warrant shall be readjusted immediately after the expiration of any relevant exchange, exercise or conversion right to the number which would be issuable pursuant to this Section 10(e) if the fair market value of such securities or such rights, options or warrants had been determined for purposes of the adjustment pursuant to this Section 10(e) on the basis of the number of Shares issued and remaining issuable immediately after such expiration, and shall be further readjusted in such manner upon expiration of any further such right.

- 11. Rules Regarding Calculation of Adjustment of Exercise Price. The following rules shall apply to the calculation of adjustment of the Exercise Price:
 - (a) If more than one subsection of Section 10 is applicable to a single event, the subsection shall be applied that produces the largest adjustment and no single event shall cause an adjustment under more than one subsection of Section 10 so as to result in duplication.
 - (b) The adjustments provided for in Section 10 are cumulative and will apply to successive subdivisions, consolidations, dividends, distributions and other events resulting in any adjustment under the provisions of such section and will, in the case of adjustments to the Exercise Price, be computed to the nearest one-tenth of one cent and will be made successively whenever an event referred to therein occurs, subject to the following subsections of this Section 11.
 - (c) If at any time a dispute arises with respect to adjustments provided for in Section 10, such dispute will be conclusively determined by the auditors of the Corporation or if they are unable or unwilling to act, by such other independent firm of chartered accountants as may be selected by action of the directors of the Corporation and any such determination, where required, will be binding upon the Corporation, the Holder and shareholders of the Corporation, absent manifest error. The Corporation will provide such auditors or accountants with access to all necessary records of the Corporation.
 - (d) In case the Corporation after the date hereof takes any action affecting the Shares, other than action described in Section 10, which would reasonably be expected to materially affect the rights of the Holder, the Exercise Price will be adjusted in such manner, if any, and at such time, by action of the directors of the Corporation, acting reasonably, but subject in all cases to the approval of any stock exchange on which the Shares may then be listed, where required, and any necessary regulatory approval.
 - (e) If the Corporation sets a record date to determine the holders of the Shares for the purpose of entitling them to receive any dividend or distribution or sets a record date to take any other action and, thereafter and before the distribution to such shareholders of any such dividend or distribution or the taking of any other action, decides not to pay or deliver such dividend or distribution or take such other action, then no adjustment in the Exercise Price will be required by reason of the setting of such record date.
 - (f) In the absence of a resolution of the directors of the Corporation fixing a record date for a Special Distribution or Rights Offering, the Corporation will, for the purposes of this Warrant certificate, be deemed to have fixed as the record date therefor the date on which the Special Distribution or Rights Offering is effected.

- (g) As a condition precedent to the taking of any action which would require any adjustment to this Warrant certificate, including the Exercise Price, the Corporation shall take such corporate action as may be necessary in order that the Corporation will have unissued and reserved in its authorized capital, and may validly and legally issue as fully paid and non-assessable, such shares or other securities which the Holder is then entitled to receive on the full exercise thereof in accordance with the provisions hereof.
- (h) The Corporation will from time to time, immediately after the occurrence of any event which requires an adjustment or readjustment as provided in Section 10, forthwith give notice to the Holder specifying the event requiring such adjustment or readjustment and the results thereof, including the resulting Exercise Price.
- (i) The Corporation covenants to and in favour of the Holder that, so long as this Warrant certificate remains outstanding, it will give notice to the Holder of its intention to fix a record date for any event referred to in Section 10 and, in each case, such notice shall specify the particulars of such event and the record date and the effective date for such event; provided that the Corporation is only required to specify in such notice such particulars of such event as have been fixed and determined on the date on which such notice is given. Such notice shall be given not less than 21 days (or such fewer number of days as the Holder may accept) prior to each such applicable record date or effective date.

12. Consolidation and Amalgamation.

- In the case of the Corporation entering into a transaction whereby all or substantially all of its (a) undertaking, property and assets would become the property of any other corporation and/or its securities exchanged for the securities of another corporation (herein called a "successor corporation") whether by way of reorganization, reconstruction, consolidation, amalgamation, merger, transfer, sale, disposition or otherwise, the successor corporation shall be bound by all of the provisions hereof including the due and punctual performance of all covenants of the Corporation, and forthwith following the occurrence of such event the successor corporation resulting from such reorganization, reconstruction, consolidation, amalgamation, merger, transfer, sale, disposition or otherwise (if not the Corporation) shall expressly assume, by supplemental certificate satisfactory in form to the Holder, acting reasonably, and executed and delivered to the Holder, the due and punctual performance and observance of this Warrant certificate to be performed and observed by the Corporation and the securities and the terms set forth in this Warrant certificate will be a valid and binding obligation of the successor corporation entitling the Holder, as against the successor corporation, to all the rights of the Holder under this Warrant certificate.
- (b) Whenever the conditions of Section 12(a) shall have been duly observed and performed the successor corporation shall possess, and from time to time may exercise, each and every right and power of the Corporation under this Warrant certificate in the name of the Corporation or otherwise and any act or proceeding by any provision hereof required to be done or performed by any director or officer of the Corporation may be done and performed with like force and effect by the directors or officers of the successor corporation.
- 13. Warrants for Fractions of Shares. To the extent that the Holder is entitled to receive on the exercise or partial exercise hereof a fraction of a Share, such right may be exercised in respect of such fraction only in combination with another Warrant which in the aggregate entitle the Holder to receive a whole number of Shares.
- 14. **Legending of Shares.** The Warrants have been, and Shares issued upon exercise of the Warrants will be, issued pursuant to an exemption from the prospectus requirements of applicable securities law set forth in National Instrument 45-106 *Prospectus Exemptions* (an "Exemption"). The Shares issued upon exercise of the Warrants may, to the extent required pursuant to the applicable Exemption, be subject to restrictions on resale and transferability contained in applicable securities laws and the certificate or certificates representing such Shares shall, to the extent required, be impressed with a legend in the following form:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE ______, 2023.

WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL THE DATE THAT IS FOUR MONTHS AND A DAY AFTER JUNE , 2023.

The Warrants and the Shares issuable upon exercise hereof have not been registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state of the United States. Accordingly, the Warrants and the Shares issuable upon exercise hereof may not be offered or sold, directly or indirectly, in the United States except pursuant to registration under the 1933 Act and the applicable securities laws of all applicable states or available exemption therefrom. The Warrants may not be exercised by or on behalf of a U.S. person or person in the United States unless the Warrants and the Shares issuable upon exercise of the Warrants have been registered under the 1933 Act and the applicable securities legislation of any such state or an exemption from such registration requirements is available. "United States" and "U.S. person" are as defined by Regulation S under the 1933 Act.

The Holder hereby agrees and consents by acceptance hereof that all certificates representing Shares acquired upon exercise of the Warrants by, or for the account or benefit of, U.S. persons or persons in the United States shall have the following legend:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON EXCHANGES IN CANADA.

provided that, if the Shares are being sold under clause (B) above, the legend set forth above may be removed by providing a declaration to the Corporation and its registrar and transfer agent in the form attached hereto as Schedule "B" or such other evidence of exemption as the Corporation or its registrar and transfer agent may from time to time prescribe (which may include an opinion satisfactory to the Corporation and its registrar and transfer agent), to the effect that the sale of the Shares is being made in compliance with Rule 904 of Regulation S under the 1933 Act; provided further that, if any of the Shares are being sold pursuant to Rule 144 of the 1933 Act and in compliance with any applicable state securities laws, the legend may be removed by delivery to the Corporation's registrar and transfer agent of an opinion satisfactory to the Corporation and its registrar and transfer agent to the effect that the legend is no longer required under applicable requirements of the 1933 Act or state securities laws.

- 15. Change; Waiver. Subject to the receipt of any necessary approval of the TSXV, the provisions of these Warrants may from time to time be amended, modified or waived, if such amendment, modification or waiver is in writing and consented to in writing by the Corporation and the Holder.
- 16. **No Obligation to Purchase.** Nothing herein contained or done pursuant hereto shall obligate the Holder to exercise Warrants or the Corporation to issue any Shares except those Shares in respect of which the Holder shall have exercised its right to purchase in the manner provided hereunder.

17. Covenants.

- (a) The Corporation covenants that (i) so long as any Shares evidenced hereby remain outstanding, it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of Shares to satisfy the right of purchase provided for herein should the Holder determine to exercise its rights in respect of all the Shares available for purchase and issuance under outstanding Warrants, and (ii) all Shares issued upon the due exercise of the Holder's right to purchase pursuant to the provisions hereof, shall be issued as fully paid and non-assessable common shares in the capital of the Corporation and, in respect of the Corporation, free of all liens, charges and encumbrances.
- (b) The Corporation shall use commercially reasonable efforts to preserve and maintain its corporate existence.
- (c) The Corporation shall use commercially reasonable efforts to maintain the listing of its Shares on the TSXV or such other recognized stock exchange and its status as a reporting issuer not in default or the equivalent under the securities legislation of each of the jurisdictions in which it is a reporting issuer or the equivalent as of the date hereof (the "Reporting Jurisdictions") up to and including the Expiry Date, provided the foregoing shall not, in any manner, preclude the Corporation from pursuing or completing a transaction that would result in the delisting of the Shares from the TSXV or ceasing to be a reporting issuer or the equivalent in each of the Reporting Jurisdictions where the board of directors of the Corporation, acting in good faith and in accordance with applicable laws, determines that such a transaction is in the best interests of the Corporation.
- (d) If, in the opinion of counsel for the Corporation, any prospectus or other filing is required to be filed with or any permission is required to be obtained from any securities regulatory body or any other step is required under any federal or provincial law before any Shares which the Holder is entitled to purchase pursuant to the Warrant may properly and legally be issued upon exercise thereof, the Corporation covenants that it will use commercially reasonable efforts to take such action.

18. Representations and Warranties.

The Corporation hereby represents and warrants to the Holder as follows:

- (a) the Corporation is duly authorized and has the corporate power and authority to create and issue this Warrant certificate and the Shares issuable upon the exercise hereof and perform its obligations hereunder, and this Warrant certificate represents a valid, legal and binding obligation of the Corporation enforceable in accordance with its terms except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles;
- (b) the Corporation has applied to the TSXV to list the Shares issuable upon the exercise of the Warrants, subject to TSXV approval in respect thereof.

19. **Lost Certificate.** If this Warrant certificate is stolen, lost, mutilated or destroyed, the Corporation may, on such terms as it may in its discretion impose, issue and countersign a new Warrant certificate of like denomination, tenor and date as the Warrant certificate so stolen, lost, mutilated or destroyed.

20. General.

- (a) The headings in this Warrant certificate are for reference only and do not constitute terms of the Warrant certificate.
- (b) Whenever the singular or masculine is used in this Warrant certificate the same shall be deemed to include the plural or the feminine or the body corporate as the context may require.
- (c) This Warrant certificate shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- (d) Time shall be of the essence of this Warrant certificate.
- (e) This Warrant shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, without reference to its principles governing the choice or conflict of laws. The Corporation and the Holder hereby irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta, with respect to any dispute related to or arising from this Warrant certificate.
- (f) All references herein to monetary amounts are references to lawful money of Canada.
- (g) All notices or other communications to be given to the Holder by the Corporation under this Warrant certificate shall be delivered by hand, courier, ordinary prepaid mail, facsimile or electronic mail; and, if delivered by hand, shall be deemed to have been given on the delivery date, if delivered by ordinary prepaid mail shall be deemed to have been given on the fifth day following the delivery date and, if sent by facsimile or electronic mail, on the date of transmission if sent before 5:00 p.m. (Calgary time) on a Business Day or, if such day is not a Business Day, on the first Business Day following the date of transmission.

Notices to the Holder shall be addressed to the address of the Holder set out in this Warrant certificate.

Notices to the Corporation shall be addressed to:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

Attention: Ken Yoon, Chief Executive Officer E-mail: ken.yoon@pathwayhealth.ca

Each of the Corporation and the Holder may change its address for service by notice in writing to the other of them specifying its new address for service under this Warrant certificate.

[REMAINDER OF PAGE INTENTIONALLY BLANK – EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF the Corporation has caused this Warrant cert officer effective as of the Issue Date.	nificate to be signed by its duly authorized
PATHWAY HEALTH CORP.	
By: Authorized Signatory	

SCHEDULE "A"

WARRANT CERTIFICATE SUBSCRIPTION FORM

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5 Attn: Chief Executive Officer Dear Sirs/Mesdames: common shares (the "Shares") of Pathway Health Corp. (the The undersigned hereby subscribes for "Corporation") upon the exercise of the corresponding number of Warrants referred to in the Warrant certificate attached hereto according to the terms and conditions thereof as follows (please check ONE applicable box): This Subscription Form is accompanied by a certified cheque or bank draft payable to or to the order of the Corporation or by wire transfer as directed by the Corporation for the whole amount of the exercise price of the Shares. The Warrants are being exercised pursuant to the cashless exercise provisions set forth in Section 7 of the Warrant certificate. In connection with the exercise of the Warrants as set forth herein, the undersigned represents as follows (please check the **ONE** box applicable): The undersigned (i) at the time of exercise is not a U.S. person, (ii) at the time of exercise is not П 1. within the United States, (iii) is not exercising any of the Warrants represented by this Warrant certificate for the account or benefit of any U.S. person or person within the United States, and (iv) did not execute or deliver this Subscription Form in the United States.

"1933 Act" means the United States Securities Act of 1933, as amended. "U.S. person" and "United States" are as defined by Regulation S under the 1933 Act.

The undersigned has delivered to the Corporation a written opinion of U.S. counsel reasonably

satisfactory to the Corporation to the effect that the Shares to be delivered upon exercise hereof are exempt from registration under the 1933 Act and the securities laws of all applicable states of

Certificates representing Shares issued upon exercise of the Warrants hereto will not be registered or delivered to an address in the United States unless Box 2 is checked and the requirements in connection therewith have been satisfied.

Certificates representing Shares issued upon exercise of Warrants hereto pursuant to Box 2 above will bear a U.S. restrictive legend.

If any Warrants represented by this Warrant certificate are not being exercised, a new Warrant certificate evidencing the Warrants that remain outstanding will be issued and delivered with the Share certificate(s).

П

2.

the United States.

Please	e issue and deliver a ce	rtificate for the Shares being	ourchased as follows:
	NAME:	(please print)	
	ADDRESS:	<u> </u>	
	DELIVERY		
INST	RUCTIONS:	*	
1.	to the Corporation Warrants being ex amount of the exc representing the Sh	this Subscription Form an ercised, subject to Section 'ercise price for the Shares ares acquired on exercise of swithin three business days after	its right to acquire Shares by completing and surrendering and the ORIGINAL Warrant certificate representing the 7 of the Warrant certificate, together with the aggregate as provided for in the Warrant certificate. Certificates such Warrants will be sent by prepaid first class mail to the ter the receipt of all required documentation, subject to the
2.	registered holder of the Warrants exercised: (i) the signature of the registered holder on this Subscription Form must be medallion guaranteed by an authorized officer of a chartered bank, trust Corporation or a investment dealer who is a member of a recognized stock exchange, and (ii) the registered holder must part to the Corporation all applicable taxes and other duties.		
3.			
DAT	ED this day o	f	
			(Signature)
	nture of Witness se Note Instruction 2])	Signature of registered holder or Signatory thereof
Print	name of Witness)	If applicable, print Name and Office of Signatory
)))	Print Name of registered holder as on certificate
)	Street Address
)))	City, Province/State and Postal/ZIP Code

SCHEDULE "B"

FORM OF DECLARATION FOR REMOVAL OF U.S. LEGEND

To: The Registrar and Transfer Agent for the Common Shares of Pathway Health Corp. (the "Corporation").

And To: The Corporation

The undersigned (a) acknowledges that the sale of the securities of the Corporation to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "1933 Act") and (b) certifies that (1) the undersigned is not an "affiliate" of the Corporation (as that term is defined in Rule 405 under the 1933 Act), (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (B) the transaction was executed in, on or through the facilities of the TSXV and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the 1933 Act), (5) the seller does not intend to replace such securities with fungible unrestricted securities of the Corporation and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act. Terms used herein have the meanings given to them by Regulation S under the 1933 Act.

Date	X
XSignature of individual (if Holder is an individual)	Name of authorized signatory (please print)
Name of Holder (please print)	Official capacity of authorized signatory (please print)

SCHEDULE "C"

WARRANT TRANSFER FORM

FOR VALUE RECEIVED, the undersigned registered owner of the Warrants evidenced by Warrant Certificate No. W-1 (the "Warrant Certificate") of Pathway Health Corp. (the "Corporation") hereby sells, assigns and transfers unto the transferee (the "Transferee") named below all of the right, title and interest of the undersigned to the Warrants set forth in the Warrant Certificate (and otherwise) including, without limitation, all rights to exercise the Warrants to purchase the number of Shares (as defined in the Warrant Certificate) set forth below:

Name of Transferee	Address	No. of Shares
and does hereby irrevocably constitute books of the Corporation maintained for	and appointor the purpose, with full power o	to make such transfer on the f substitution in the premises.
The Transferee is not a "U.S. person" "1933 Act") or purchasing to or for the	as defined in Regulation S under account or benefit of a U.S. per	or the Securities Act of 1933, as amended (the eson.
Warrant certificate evidencing the Wawarranted, that the Transferee acknown exercise of the Warrants are being ac otherwise dispose of any such Warrants that will not result in a of the Warrants, the Transferee shall,	arrants transferred to the Transferwledges and agrees that (i) the quired for investment only; (ii) trants and/or Shares issued up violation of the 1933 Act, or an if requested by the Corporation	warrants, and the Transferee, by receipt of a bree, shall be deemed to have represented and Warrants and the Shares to be issued upon the Transferee will not offer, sell, transfer or non exercise of the Warrants except under y state securities laws; and (iii) upon exercise, confirm in writing, in a form satisfactory to be being acquired for investment only and not
Date		orized signatory (if Holder is not an idual)
XSignature of individual (if Holder is a		e of authorized signatory (please print)
Name of Holder (please print)		ial capacity of authorized signatory se print)

The signatures on this transfer form must correspond with the name as written upon the face of the Warrant Certificate, in every particular, without alteration or enlargement, or any change whatsoever, and must be guaranteed by a Canadian chartered bank or eligible guarantor institution with membership in an approved signature medallion program.

THIS IS EXHIBIT "M"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT (the "Security Agreement") is made as of the 3rd day of February, 2023

BY:

PATHWAY HEALTH CORP. (together with its successors and assigns, the "Debtor")

IN FAVOUR OF:

HEAL GLOBAL HOLDINGS CORP. (together with its successors and assigns, the "Secured Party")

A. OBLIGATIONS SECURED

1. The undersigned Debtor hereby enters into this Security Agreement with the Secured Party for valuable consideration and as security for the payment of all present and future indebtedness of the Debtor to the Secured Party and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, joint or several, of the Debtor to the Secured Party whether as principal or surety, including, without limiting the generality of the foregoing, pursuant to a secured convertible promissory grid note issued on the date hereof to the Secured Party by the Debtor, as may be amended from time to time (the "Promissory Note") (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). Insofar as it affects personal property located in Alberta, this Security Agreement is governed by the Personal Property Security Act (Alberta) and insofar as it affects personal property located in Ontario, this Security Agreement is governed by the Personal Property Security Act (Ontario) (in each case the "Act", as the case may be). Capitalized terms used herein but not otherwise defined herein shall have the meaning ascribed thereto in the Promissory Note or the Joint Facility Agreement, as the case may be.

B. GRANT OF MORTGAGES, CHARGES AND SECURITY INTERESTS

- 2. The Debtor hereby:
 - (a) mortgages and charges to and in favour of the Secured Party as and by way of a fixed and specific mortgage and charge, and grants to the Secured Party a security interest in, all its present and future equipment, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, devices, vehicles, tools and furniture now or hereafter owned or acquired;
 - (b) mortgages and charges to the Secured Party and grants to the Secured Party a security interest in all its present and future inventory, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service;
 - (c) assigns, transfers and sets over to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future accounts and intangibles, including, without limiting the generality of the foregoing, all its present and future book debts, accounts and other amounts receivable, contract rights and choses in action of every kind or nature including insurance rights arising from or out of the assets

referred to in Sections 2(a) and 2(b) hereof, goodwill, chattel paper, instruments of title, investments, money and securities;

- (d) assigns, transfers and conveys to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future intellectual property (hereinafter referred to as the "Intellectual Property Collateral") (whether registered or unregistered) comprising without limitation all formulations, computer programs, application software, hardware/software maintenance support agreements and all documentation related thereto, licenses of software, copyrights, patents and inventions, trade-marks, trade names, business names, trade styles and other business identifiers, industrial designs, clinical and treatment protocols, trade secrets and other confidential information and all know-how obtained, developed or used by the Debtor or contemplated at any time for use by the Debtor;
- (e) charges in favour of the Secured Party as and by way of a floating charge, and grants to the Secured Party a security interest in, its business and undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage, charge or security interest by Sections 2(a), 2(b), 2(c) and 2(d) hereof and the exceptions hereinafter contained);
- (f) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in the proceeds arising from any of the assets referred to in this Section 2; and
- (g) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in all additions to and replacements of the assets referred to in this Section 2.

For the purposes of this Security Agreement, the equipment, inventory, intangibles, Intellectual Property Collateral, undertaking, proceeds and all other property and assets of the Debtor referred to in this Section 2 are hereinafter collectively called the "Collateral".

C. LOCATION OF COLLATERAL

3. The Debtor hereby represents and warrants to the Secured Party that all Collateral material to the Debtor (including, without limitation, all of the Intellectual Property Collateral whatsoever) is presently at the following locations:

16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

Attention: Ken Yoon, Chief Executive Officer E-mail: ken.yoon@pathwayhealth.ca

4. The Collateral now situate in the Provinces of Ontario is on the date hereof primarily situate or located at the locations set out in Section 3 hereof but may, with prior written notice to the Secured Party, from time to time be located at other premises of the Debtor or (in the case of the Collateral described in Section 2(b) above) any third party manufacturing, clinic or inventory storage facility in the Province of Ontario. Such Collateral may also be located at other places in Ontario or in Canada while in transit to and from such locations and premises and such Collateral may from time to time be situate or located at any other places in Ontario and Canada when on lease or consignment to any lessee or consignee from the Debtor.

- 5. Debtor further represents and warrants to the Secured Party, and so long as this Security Agreement remains in effect, shall be deemed to continuously represent and warrant to the Secured Party that:
 - (a) it is a corporation incorporated and organized and validly existing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property in each jurisdiction where the failure to be so qualified would have a material adverse effect on the Debtor; and the execution, delivery and performance of this Security Agreement by the Debtor are within its corporate powers and have been duly authorized by all necessary corporate action of the Debtor; and
 - (b) the execution, delivery and performance of the Obligations and the creation of the security interest or assignment hereunder of the Debtor's rights in the Collateral to the Secured Party will not conflict with or constitute a breach of the Debtor's Articles of Incorporation, as amended to date, or by-laws, nor will they result in a breach of or an event of default under any agreement to which the Debtor is party or by which it is bound.
- Debtor further represents and warrants to the Secured Party that on the date hereof:
 - (a) it has rights in the Collateral and other than Permitted Encumbrances the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements of which the Debtor is aware, encumbrances or other adverse claims or interests, and subject to the fact that certain of the licenses and leases included in the Collateral may not be assignable or transferable, or may require consent to assignment or transfer, or may contain other restrictions on assignability or transferability;
 - (b) it has not granted any licenses in or of its Intellectual Property Collateral, other than in the ordinary course of its business; and
 - (c) each of the licenses granted in or of its Intellectual Property Collateral is non-exclusive.

D. LIMITED EXCEPTIONS TO GRANT OF CHARGE

7. The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Debtor, and whether falling within the general or particular description of the Collateral, is hereby and shall be excepted out of the mortgages, charges and security interests hereby or by any other instrument created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term, for the time being demised, as aforesaid, upon trust to assign and dispose of the same as any purchaser of such term shall direct.

E. AGREEMENTS OF THE DEBTOR

- 8. The Debtor and the Secured Party agree that they have not agreed to postpone the time for attachment of the security interests granted hereby with respect to the Debtor's presently existing Collateral and that such security interests shall attach to the Collateral acquired after the date hereof as soon as the Debtor has rights in such Collateral.
- 9. The Debtor agrees with the Secured Party that, until the Obligations have been satisfied or paid in full:
 - (a) it will not, without the prior written consent of the Secured Party:

- create, issue, transfer, or assign any new debt securities of the Debtor but, notwithstanding the foregoing, the Debtor may issue new debt securities without consent of the Secured Party, provided that the proceeds are used, at least in part, to satisfy and fully pay the Obligations outstanding;
- (ii) sell, transfer, assign, lease, license or otherwise dispose of the Collateral, or any interest therein, or attempt, offer or contract to do so, other than in the ordinary course of the Debtor's business and as would not have a material adverse effect on Debtor, its ability to pay the Obligations or the interests of the Secured Party hereunder:
- (iii) release, surrender or abandon possession of any material part of the Collateral;
- (iv) move or transfer any material part of the Collateral from the Province of Ontario or Canada without prior written notice to the Secured Party; or
- (v) change its name without notifying the Secured Party in writing.
- (b) unless otherwise agreed by, or stipulated pursuant to, the prior written consent or direction, as applicable, of the Secured Party, or as contemplated by the Pathway Definitive Agreement or the Pathway LOI (until such time as it is superseded by the Pathway Definitive Agreement), it will:
 - (i) hold the proceeds received from any direct or indirect dealing with the Collateral in trust for the Secured Party after either the security interests granted in this Security Agreement become enforceable or any of the Collateral is sold other than in the ordinary course of business of the Debtor and for the purpose of carrying on such business:
 - insure and keep insured all of the Collateral against loss or damage by fire and (ii) other insurable hazards for which such Collateral is commonly insured against in the Province of Ontario to the full insurable value thereof; the Debtor shall pay when due all premiums and other amounts payable for maintaining such insurance; the Debtor shall cause the insurance proceeds thereunder to be payable in case of loss to the Secured Party as mortgagee and loss payee and shall, if required, give to the Secured Party evidence of the payment of premiums and the assignment of such insurance to the Secured Party; should the Debtor fail to pay any premiums when due then the Secured Party may do so and the cost of such premiums shall be added to the Obligations and shall be secured by the security interests granted herein; the policy or policies of insurance required by this paragraph shall show the Secured Party as mortgagee and loss payee and shall contain a mortgage clause in form satisfactory to the Secured Party; all such policies of insurance shall neither permit nor provide for any amount of coinsurance by the Debtor;
 - (iii) keep the then existing Collateral in good condition and repair according to the nature and description thereof, and to not use the Collateral in violation of the provisions of this Security Agreement or any other agreement of the Debtor relating to the Collateral or any policy issued to the Debtor insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance, and the Secured Party may, whenever reasonably necessary, either in person or by agent, enter upon the Debtor's property and inspect the Collateral and the reasonable cost of such inspection shall be payable on demand and added to the Obligations and the Secured Party may make repairs as it deems necessary, and the cost thereof shall be payable on demand and added to the Obligations;

- (iv) set up and maintain accounting systems and books of account in accordance with generally accepted accounting principles and furnish to the Secured Party such financial information as required by the Promissory Note;
- (v) materially comply with every covenant and undertaking heretofore or hereafter given by it to the Secured Party;
- (vi) materially comply with valid requirements of any governmental authority pertaining to the operation by the Debtor of its business;
- (vii) permit the Secured Party at any time and from time to time, after the security granted pursuant to this Security Agreement shall have become enforceable, to require any account debtor of the Debtor to make payment to the Secured Party of any or all amounts owing by the account debtor to the Debtor and the Secured Party may take control of any proceeds referred to in Section 2(f) hereof and may hold all amounts received from any account debtor and any proceeds as cash collateral as part of the Collateral and as security for the Obligations;
- (viii) pay or cause to be paid all taxes, rates and other impositions whatsoever already charged or hereafter to be charged by any authority on any of the Collateral as and when they shall generally fall due and, upon the request of the Secured Party, deliver to the Secured Party evidence of such payments;
- materially comply with all applicable laws, regulations and orders, including, without limitation, all public and employee health and safety provisions and all applicable federal, provincial, state or municipal environmental laws and all regulations or requirements thereunder relating in any way to the environment or the release of any substance into the environment;
- (x) defend the Collateral against the claims and demand of all other parties claiming the same or an interest therein and take all reasonable actions to keep the Collateral free from all encumbrances, other than permitted encumbrances;
- (xi) notify the Secured Party promptly of:
 - any material change in the information contained herein relating to the Debtor, including without limitation any change in the Debtor's registered office address, the Debtor's business or the Collateral;
 - B. the details of any significant acquisition or disposition of Collateral;
 - C. the details of any material complaints, violations, claims or litigation affecting the Debtor or the Collateral;
 - D. any material loss or damage to the Collateral;
 - E. any default by the Debtor in payment or performance of its Obligations with respect to the Collateral; and
 - F. the return to or repossession by the Debtor of the Collateral;
- (xii) do, execute, acknowledge and deliver such further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may from time to time be reasonably requested by the Secured Party of or with respect to the Collateral in order to give effect to this Security Agreement and to pay all costs and expenses (including reasonable and documented legal fees) of the

- Secured Party incurred with respect to searches and filings in connection therewith and with respect to the preparation, execution and filing of this Security Agreement and keeping the security interest granted hereunder perfected;
- (xiii) pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same may become due and payable;
- (xiv) prevent the Collateral from being or becoming an accession to other property not covered by this Security Agreement;
- (xv) carry on and conduct the business of the Debtor so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, financial statements supported by the books of account for the Debtors' business as well as accurate and complete records concerning the Collateral;
- (xvi) make available to the Secured Party from time to time promptly upon the request of the Secured Party true and complete copies of:
 - A. any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral,
 - B. all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same,
 - C. all financial statements prepared by or for Debtor regarding Debtor's business,
 - D. all policies and certificates of insurance relating to the Collateral, and
 - such information concerning Collateral, Debtor and Debtor's business and affairs as the Secured Party may reasonably request;
- (xvii) observe and perform its obligations under all material leases, licences, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances;
- (xviii) maintain its corporate existence and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets; and
- (xix) subject to the transportation and location of equipment outside of Ontario in the ordinary course of business, prior to the removal of any of the Collateral from the province in which it is or they are situated at the date of this Security Agreement or to leasehold property, effect such further registrations and obtain such other consents and give such other security as may be required or desirable to protect or preserve the security hereby created, and the Debtor shall forthwith notify the Secured Party of the intended removal and the action proposed to be taken.
- 10. The Debtor hereby agrees that it will at all times, both before and after default, do or cause to be done such additional things and execute and deliver or cause to be executed and delivered all such further acts and documents as the Secured Party may reasonably require for the better

- mortgaging, charging, transferring, assigning, confirming and granting of security interests in the present or future Collateral to the Secured Party.
- Subject to compliance with the Debtor's covenants contained herein, the Debtor may, until the security granted pursuant to this Security Agreement shall have become enforceable, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor.

F. DEFAULT

- 12. The Obligations shall, at the option of the Secured Party, become payable and the security granted pursuant to this Security Agreement shall become enforceable upon the occurrence of any Event of Default, as such term is defined in the Promissory Note (for the purposes of this Security Agreement, each, an "Event of Default").
- 13. This Security Agreement may be amended or modified, and any obligation, right or condition set forth herein may be waived, by an instrument in writing duly executed by the Debtor and the Secured Party.

G. REMEDIES OF THE SECURED PARTY

- 14. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by, without limitation:
 - (a) entry;
 - (b) the appointment by instrument in writing of a receiver or receivers of the Collateral or any part thereof (which receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Secured Party or not and the Secured Party may remove any receiver or receivers so appointed and appoint another or others in his or their stead);
 - (c) proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof;
 - (d) preserving, protecting and maintaining the Collateral and making such replacements and repairs and additions to the Collateral as the Secured Party deems advisable;
 - (e) disposing of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
 - (f) using, selling, assigning, leasing, licensing or sub-licensing any of the Collateral; or

(g) any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity.

In addition, the Secured Party may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relating to the Debtor.

Any receiver or receivers so appointed shall have power to:

- (i) take possession of, to protect, to preserve and to use the Collateral or any part thereof;
- (ii) carry on the business of the Debtor (including, but not limited to, the taking or defending of any actions or legal proceedings, and the doing or refraining from doing all other things as to the receiver may seem necessary or desirable in connection with the business, operations and affairs of the Debtor);
- (iii) borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor;
- (iv) further charge the Collateral in priority to the security interests of this Security Agreement as security for money so borrowed; and
- (v) sell, lease, license or sub-license (to the extent permitted by the applicable license in the case of intellectual property or technology licensed from a third party), or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as the receiver shall determine.

The Secured Party shall not be responsible for any actions or errors of omission by the receiver or receivers in exercising any such powers.

In addition, the Secured Party may enter upon, use, occupy and possess the Collateral or any part thereof, free from all encumbrances, liens and charges, without hindrance, interruption or denial of the same by the Debtor or by any other person or persons save only a landlord pursuant to its rights of reversion under any lease of real property on expiry of its term, and may lease or sell the whole or any part or parts of the Collateral. Any sale hereunder may be made by public auction, by public tender or by private contract, with or without notice and with or without advertising and without any other formality (except as required by law), all of which are hereby waived by the Debtor. Such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Secured Party in its sole discretion may seem advantageous. Such sale may take place whether or not the Secured Party has taken possession of the Collateral.

The Debtor agrees to pay to the Secured Party forthwith on demand all expenses incurred by the Secured Party in the preparation, perfection, administration and enforcement of this Security Agreement (including without limitation expenses incurred in considering and protecting or improving the Secured Party's position, or attempting to do so, whether before or after default), all amounts borrowed by the receiver from the Secured Party as hereinbefore provided and all costs, charges, expenses and fees (including, without limiting the generality of the foregoing, the reasonable and documented fees and expenses of any receiver and reasonable and documented legal fees on a solicitor and client basis) of or incurred by the Secured Party and by any receiver or receivers or agent or agents appointed by the Secured Party in connection with the recovery or enforcing of payment of any moneys owing hereunder, whether by realization, by taking possession or otherwise. All such sums, together with interest thereon at the rate applicable to the Obligations, shall form part of the Obligations and shall be secured by the security interests granted herein.

No remedy for the realization of the security interests granted herein or for the enforcement of the rights of the Secured Party shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

- 15. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by notifying all or any debtors of the security interest contemplated herein and may also direct such debtors to make all payments on the Collateral to the Secured Party. The Debtor acknowledges that any payments or other proceeds of the Collateral received by the Debtor from such debtors after notification of the security interest contemplated herein to such debtors shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.
- 16. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Debtor will not request or receive any money or other proceeds constituting income or interest from or interest on the Collateral and if the Debtor receives any such money or proceeds without any request by it, the Debtor will pay the same promptly to the Secured Party. So long as the security granted pursuant to this Security Agreement has not become enforceable or does not remain enforceable, the Debtor reserves the right to receive any money or other proceeds constituting income from or interest on Collateral and if the Secured Party receives any such money or proceeds prior to default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to Debtor.
- Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party shall at all times and from time to time have the right to change any appropriation as the Secured Party may see fit.

H. RIGHTS OF THE SECURED PARTY

- 18. The Secured Party may pay and satisfy the whole or any part of any liens, taxes, rates, charges or encumbrances now or hereafter existing in respect of any of the Collateral and such payments together with all costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations and shall be secured by the security interests granted herein. In the event of the Secured Party satisfying any such lien, charge or encumbrance, it shall be entitled to all the equities and securities of the person or persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so.
- 19. The Debtor grants to the Secured Party the right to set off against any and all accounts, credits or balances maintained by it with the Secured Party, the aggregate amount of any of the Obligations.
- 20. The Secured Party, without exonerating in whole or in part the Debtor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with the Debtor and all other persons and securities as the Secured Party may see fit.
- 21. Nothing herein shall obligate the Secured Party to extend any credit to the Debtor.
- 22. The Secured Party may assign, transfer and deliver to any permitted transferee, any of the Obligations or any security or any documents or instruments held by the Secured Party in respect thereof provided that no such assignment, transfer or delivery shall release the Debtor from any of the Obligations; and thereafter the Secured Party shall be fully discharged from all responsibility

with respect to the Obligations and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Secured Party under such security, documents or instruments but the Secured Party shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Debtor shall not assign any of its rights or obligations hereunder without the prior written consent of the Secured Party.

I. MISCELLANEOUS

- 23. No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may remedy any default by Debtor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 24. The security interest created hereby is intended to attach when this Security Agreement is executed by the Debtor and delivered to the Secured Party.
- 25. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 26. Upon payment by the Debtor or its successors or permitted assigns, and the fulfillment of all the Obligations and provided that the Secured Party is then under no obligation (conditional or otherwise) to make any further loan or extend any other type of credit to the Debtor, the Secured Party shall, upon request in writing by the Debtor, discharge this Security Agreement.
- 27. This Security Agreement shall be construed in accordance with and be governed by the laws of the Province of Alberta. For the purpose of legal proceedings, this Security Agreement shall be deemed to have been made in the said Province and to be performed therein and the courts of that Province shall have jurisdiction over all disputes which may arise under this Security Agreement. Each of the Debtor and the Secured Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts.
- 28. The headings in this Security Agreement are included for convenience of reference only, and shall not constitute a part of this Security Agreement for any other purpose.
- 29. This Security Agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party.
- 30. This Security Agreement and all its provisions shall enure to the benefit of the Secured Party, its successors and assigns, and shall be binding on the Debtor, its successors and permitted assigns.
- Any demand, notice or other communication by the Secured Party in connection with this Security Agreement shall be subject to the notice provisions of the Promissory Note. Notwithstanding the foregoing, if the Act or any other statute requires a demand or notice to be given in a certain way or specifies the time at which the Debtor is deemed to have received a demand or notice then the Secured Party shall make the demand or notice in accordance with the particular statute and the demand or notice shall be deemed to have been received by the Debtor on the date or at the time specified by the particular statute.
- 32. In construing this Security Agreement, terms herein shall have the same meaning as defined in the Act, unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its"

and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

- This Security Agreement may be executed in any number of separate counterparts and all such signed counterparts constitute one and the same agreement. Delivery by facsimile, email, pdf or other electronic means of an originally executed signature page to this Security Agreement by a party is as effective as personal delivery of such signature page.
- To the extent of any conflict between the provisions of this Security Agreement and the provisions of the Promissory Note, the provisions of the Promissory Note shall govern.

K. INDEMNIFICATION

The Debtor agrees to pay, and to save the Secured Party harmless from, any and all liabilities, 35. reasonable costs and expenses (including, without limitation, reasonable and documented legal fees and expenses): (i) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral. (ii) with respect to, or resulting from, any delay in complying with any law, rule, regulation or order of any court, arbitrator or governmental entity, jurisdiction or authority applicable to any of the Collateral or (iii) in connection with any of the transactions contemplated by this Security Agreement. In any suit, proceeding or action brought by the Secured Party under any accounts for any sum owing thereunder to the Debtor, or to enforce any provisions of any accounts, the Debtor will save, indemnify and keep the Secured Party harmless from and against all reasonable and documented expenses, losses or damages suffered by reason of any defense, setoff, counterclaim, recoupment or reduction or liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by the Debtor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from the Debtor.

[Signature Page Follows]

Secured Party as of the date first written above.

PATHWAY HEALTH CORP.

By:
Name: Ken Yoon
Title: Chief Executive Officer

SECURED PARTY

HEAL GLOBAL HOLDINGS CORP.

By:

Name: Michael A . Steele
Title: Chief Executive Officer

IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor and the

THIS IS EXHIBIT "N" REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

PATHWAY HEALTH CORP. ANNOUNCES RESIGNATION OF MANAGEMENT TEAM AND BOARD OF DIRECTORS



NEWS PROVIDED BY

Pathway Health Corp. →

28 Jul. 2023, 09:29 ET

CALGARY, AB, July 28, 2023 /CNW/ - Pathway Health Corp. (TSXV: PHC) ("**Pathway**" or the "**Corporation**") today announces the resignation of the executive management team and board of directors of the Corporation and each of its subsidiaries.

The Corporation has been advised that its senior secured lender will not provide additional financing to support any ongoing operations, and Pathway has been unable to secure funding from other sources. The Corporation is unable to support its operations due to the lack of ability to produce sufficient revenue or raise capital to support its operations and maintain compliance with its current obligations. All employees of the Corporation and its subsidiaries have been terminated.

At this time, Kenneth Howling, Alison Wright, Dr. Rakesh Jetly, Mark Goldhar and Ken Yoon have resigned from their positions as board members of Pathway and from board and management positions at certain of Pathway's subsidiaries, as applicable. Additionally, Ken Yoon - Chief Executive Officer, Aura Balboa - Chief Financial Officer, Kim Wei - Chief Commercial Officer and Pram Sandhu - Vice President, Pharmacy Programs and Regulatory

Docusign Envelope ID: BBEEC76A-260C-4868-B209-7470BC60B06E ATTAIRS nave resigned as executives of the Corporation and from board and management positions of Pathway's subsidiaries. Marc Wagner has also resigned from his respective director and officer position at another Pathway subsidiary.

Following these resignations, the Corporation and its subsidiaries have no remaining directors or officers.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this Press Release. The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

SOURCE Pathway Health Corp.

For further information: Pathway Health Corp., Email: investor-relations@pathwayhealth.ca

THIS IS EXHIBIT "O" REFERRED TO IN THE AFFIDAVIT OF

Sworn before me this 9th of August, 2023

MICHAEL STEELE

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA



Derek Pontin Partner

derek.pontin@dentons.com D +1 403 268 6301 Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023

File No.: 587135-10

Delivered Via Registered Mail

Pathway Health Corp.
16 Four Seasons Place, Suite

203A, Toronto, Ontario M9B 6E5 Pathway Health Corp.

1500-850 2 Street SW Calgary AB T2P 0R8

To Whom It May Concern:

Re: Obligations of Pathway Health Corp. (the "Borrower") to Avonlea-Drewry Holdings Inc. ("Lender")

We are counsel to the Lender in connection with the credit facilities outstanding between the Borrower and the Lender. Reference is made to the credit facility documentation set out in Schedule "A" to this letter (hereafter, the "Facility Documents").

Advances have been made to the Borrower by the Lender and the Borrower is presently indebted to the Lender, as at August 3, 2023, as follows:

Facility Facilities Outstanding	<u>Principal</u> \$4,700,000	100,000.00	Work Fee \$35,000	Interest \$511,811	\$70,000	\$5,416,811.00
TOTAL	\$4,700,000		\$35,000	\$511,811		\$5,416,811.00

The Borrower is in default of its repayment obligations, including (without limitation) for failure to pay to the Lender amounts owing as the same have come due. The Borrower is obligated to repay its indebtedness upon demand.

Demand is hereby made upon the Borrower for repayment of the indebtedness in full, which, as at August 3, 2023, equals \$5,416,811.00, plus interest, plus all fees and costs, including all legal costs incurred by the Lender on a solicitor and its own client full indemnity basis (collectively, the "**Indebtedness**").

Zaanouni Law Firm & Associates ▶ LuatViet ▶ Fernanda Lopes & Associados ▶ Guevara & Gutierrez ▶ Paz Horowitz Abogados ▶ Sirote ▶ Adepetun Caxton-Martins Agbor & Segun ▶ Davis Brown ▶ East African Law Chambers ▶ For more information on the firms that have come together to form Dentons, go to dentons.com/legacyfirms



August 9, 2023 Page 2

The Indebtedness will continue to accrue interest at the rates agreed and to accrue costs and fees, all of which the Borrower is responsible for. Payment may be made by providing either a certified cheque or bank draft to the following address:

Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Borrower must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

The Lender reserves its rights to proceed against the Borrower: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Enclosed with this letter, for service upon the Borrower, is a Notice of Intention to Enforce Security ("NOI") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period, please provide your consent to early enforcement of the Lender's security by executing the consent and waiver attached to the NOI.

Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

FOR

Derek Pontin

Partner

Enclosure

PT/rlc



August 9, 2023 Page 3

SCHEDULE "A" FACILITY DOCUMENTS

The Lender intends to rely upon all of its agreements and security provided by the debtor and related parties including, but not limited to, the following:

- Credit Agreement dated July 29, 2023;
- Secured Promissory Grid Note dated May 27, 2022;
- Amended and Restated Secured Promissory Grid Note dated April 21, 2023;
- Guarantee provided by Pathway Health Services Corp. in support of Pathway Health Corp. dated May 27, 2022;
- General Security Agreement provided by Pathway Health Services Corp dated May 27, 2022;
- General Security Agreement provided by Pathway Health Corp. dated May 27, 2022;
- Guarantee provided by Pathway Health Technologies Corp. in support of Pathway Health Corp. dated July 29, 2022;
- Guarantee provided by Slawner Ortho Ltee in support of Pathway Health Corp. dated July 29, 2022;
- Guarantee provided by 2563367 Ontario Limited in support of Pathway Health Corp. dated July 29, 2022;
- Share Pledge Agreement provided by Pathway Health Corp. dated May 27, 2022;
- Share Pledge Agreement provided by Pathway Health Services Corp. dated July 29, 2022;
- Share Pledge Agreement provided by Pathway Health Technologies Corp. dated July 29, 2022;
- Secured Convertible Promissory Grid Note dated February 3, 2023; and
- General Security Agreement provided by Pathway Health Corp. to Heal Global Holdings Corp. dated February 3, 2023.

The Lender further relies upon all guarantees and additional collateral security as may have been provided in support of the Indebtedness, all forbearance agreements, forbearance amending and extension agreements, and restated forbearance agreements, all as may have been entered into from time to time., all as may have been entered into from time to time.

FORM 86

Notice of Intention to Enforce a Security (Rule 124)

To: Pathway Health Corp., an insolvent person

Take notice that:

- 1. Avonlea-Drewry Holdings Inc. (the "Secured Party"), a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - (a) All present and after acquired personal and real property;
 - (b) All shares held in Pathway Health Services Corp, Pathway Wellness Corp., Pathway Wellness Products Corp., Pathway Healthcare Technologies Corp. and 13199223 Canada Ltd.; and
 - (c) Proceeds: All proceeds of the foregoing.
- 2. The security that is to be enforced is the following
 - (a) General Security Agreement, dated May 27, 2022; and
 - (b) Share Pledge Agreement, dated May 27, 2022;

(collectively, the "Security").

- 3. The total amount of indebtedness secured by the Security, as of August 3, 2023, is \$5,416,811.00 plus all costs, including legal costs on a solicitor and own client, full indemnity basis, and expenses of the Secured Party in exercising its rights.
- 4. The Secured Party will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Calgary, Alberta, this 9th day of August 2023.

Dentons Canada LLP,

Solicitors for Avonlea-Drewry Holdings

Inc.

For: Derek Pontin

CONSENT AND WAIVER

WE THE UNDERSIGNED hereby:

I have authority to bind the corporation.

1.	Acknowledge receipt of the Notice herein;
2.	Waive the 10 days of notice required under section 244 of the Bankruptcy and Insolvency Act (Canada); and
3.	Consent to the immediate enforcement by the Secured Party of the Security referred to herein.
DATED	this day of, 2023.
PATHV	VAY HEALTH CORP.
Per:	Authorized Signatory
Name:	Additionized digitatory



Derek Pontin Partner

derek.pontin@dentons.com D +1 403 268 6301 Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023

File No.: 587135-10

Delivered Via Registered Mail

Sent Via Email: aura.balboa@theclinicnetwork.ca

Pathway Health Services Corp.
16 Four Seasons Place, Suite
203A

Pathway Health Services Corp. 1500-850 2 Street SW

Calgary AB T2P 0R8

Etobicoke, Ontario M9B 6H7

To Whom It May Concern:

Re: Guarantee of the Obligations of Pathway Health Corp. (the "Debtor") to Avonlea-Drewry Holdings Inc. (the "Lender") provided by Pathway Health Services Corp. (the "Guarantor")

We are counsel to the Lender in connection with certain credit facilities outstanding between the Debtor and the Lender. Advances have been made to the Debtor by the Lender under those credit facilities. The Debtor is indebted to the Lender, as of August 3, 2023 in the amount of \$5,416,811.00, plus further accruing interest, plus full indemnity for costs.

Demand has been made by the Lender upon the Debtor for repayment of the indebtedness. A copy of that demand is enclosed.

Reference is made to the guarantee provided by the Guarantor, in support of the indebtedness of the Debtor to the Lender (the "Guarantees"). Under the Guarantee, the Guarantor agreed to repay to the Lender all obligations of the Debtor to the Lender. The Guarantee is unlimited.

The Guarantee is payable upon demand. <u>Demand is hereby made upon you for payment in the amount of \$5,416,811.00</u>, plus interest and costs as are provided for under the Guarantee (the "Indebtedness").

Please note that your obligations under the Guarantee will continue to accrue interest at the rates agreed and to accrue costs, all of which you will be responsible for, until payment of all amounts owing is received.

Payment may be made by providing either a certified cheque or bank draft to the following address:



August 9, 2023 Page 2

Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Guarantor must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

The Lender reserves its rights to proceed against the Guarantor: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Enclosed with this letter, for service upon the Guarantor, is a Notice of Intention to Enforce Security ("NOI") in accordance with section 244 of the Bankruptcy and Insolvency Act (Canada). If you are prepared to waive the ten-day notice period, please provide your consent to early enforcement of the Lender's security by executing the consent and waiver attached to the NOI.

Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

FOR

Derek Pontin

Partner Enclosure

PT/rlc

FORM 86

Notice of Intention to Enforce a Security (Rule 124)

To: Pathway Health Services Corp., an insolvent person

Take notice that:

- 1. Avonlea-Drewry Holdings Inc. (the "Secured Party"), a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - (a) All present and after acquired personal and real property;
 - (b) All shares held in 10030712 Manitoba Ltd., 2563367 Ontario Limited and Slawner Ortho Ltee; and
 - (c) Proceeds: All proceeds of the foregoing.
- 2. The security that is to be enforced is the following
 - (a) General Security Agreement, dated May 27, 2022; and
 - (b) Share Pledge Agreement, dated July 29, 2022;

(collectively, the "Security").

- 3. The total amount of indebtedness secured by the Security, as of August 3, 2023, is \$5,416,811.00 plus all costs, including legal costs on a solicitor and own client, full indemnity basis, and expenses of the Secured Party in exercising its rights.
- 4. The Secured Party will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Calgary, Alberta, this 9th day of August 2023.

Dentons Canada LLP,

Solicitors for Avonlea-Drewry Holdings

FOR I

Per: Derek Pontin

CONSENT AND WAIVER

WE THE UNDERSIGNED hereby:

1.	Acknowledge receipt of the Notice herein;
2.	Waive the 10 days of notice required under section 244 of the Bankruptcy and Insolvency Act (Canada); and
3.	Consent to the immediate enforcement by the Secured Party of the Security referred to herein.
DATED	this day of, 2023.
PATHV	VAY HEALTH SERVICES CORP.
Per:	
	Authorized Signatory
Name:	
Title:	
I have a	authority to bind the corporation.



Derek Pontin Partner

derek.pontin@dentons.com D +1 403 268 6301

Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023

File No.: 587135-10

Delivered Via Registered Mail

Delivered via Email: steeleconsult@aol.com

Pathway Healthcare Technologies Corp.

Pathway Healthcare Technologies Corp.

16 Four Seasons Place, Suite 203A

1500-850 2 Street SW

Toronto, Ontario M9B 6E5

Calgary AB T2P 0R8

To Whom It May Concern:

Guarantee of the Obligations of Pathway Health Corp. (the "Debtor") to Avonlea-Drewry Re: Holdings Inc. (the "Lender") provided by Pathway Healthcare Technologies Corp. (the

"Guarantor")

We are counsel to the Lender in connection with certain credit facilities outstanding between the Debtor and the Lender. Advances have been made to the Debtor by the Lender under those credit facilities. The Debtor is indebted to the Lender, as of August 3, 2023 in the amount of \$5,416,811.00, plus further accruing interest, plus full indemnity for costs.

Demand has been made by the Lender upon the Debtor for repayment of the indebtedness. A copy of that demand is enclosed.

Reference is made to the guarantee provided by the Guarantor, in support of the indebtedness of the Debtor to the Lender (the "Guarantee"). Under the Guarantee, the Guarantor agreed to repay to the Lender all obligations of the Debtor to the Lender. The Guarantee is unlimited.

The Guarantee is payable upon demand. Demand is hereby made upon you for payment in the amount of \$5,416,811.00, plus interest and costs as are provided for under the Guarantee (the "Indebtedness").

Please note that your obligations under the Guarantee will continue to accrue interest at the rates agreed and to accrue costs, all of which you will be responsible for, until payment of all amounts owing is received.

Payment may be made by providing either a certified cheque or bank draft to the following address:

Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Zaanouni Law Firm & Associates ▶ LuatViet ▶ Fernanda Lopes & Associados ▶ Guevara & Gutierrez ▶ Paz Horowitz Abogados ▶ Sírote ▶ Adepetun Caxton-Martins Agbor & Segun ▶ Davis Brown ▶ East African Law Chambers ▶ For more information on the firms that have come together to form Dentons, go to dentons.com/legacyfirms



August 9, 2023 Page 2

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Guarantor must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

The Lender reserves its rights to proceed against the Guarantor: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Enclosed with this letter, for service upon the Guarantor, is a Notice of Intention to Enforce Security ("NOI") in accordance with section 244 of the Bankruptcy and Insolvency Act (Canada). If you are prepared to waive the ten-day notice period, please provide your consent to early enforcement of the Lender's security by executing the consent and waiver attached to the NOI.

Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

Out 1

FOR

Derek Pontin Partner

Enclosure

PT/rlc

FORM 86

Notice of Intention to Enforce a Security (Rule 124)

To: Pathway Healthcare Technologies Corp., an insolvent person

Take notice that:

- Avonlea-Drewry Holdings Inc. (the "Secured Party"), a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - (a) All shares held in 1964433 Alberta Ltd.; and
 - (b) Proceeds: All proceeds of the foregoing.
- 2. The security that is to be enforced is a Share Pledge Agreement, dated July 29, 2022 (the "Security").
- 3. The total amount of indebtedness secured by the Security, as of August 3, 2023, is \$5,416,811.00 plus all costs, including legal costs on a solicitor and own client, full indemnity basis, and expenses of the Secured Party in exercising its rights.
- The Secured Party will not have the right to enforce the Security until after the expiry of the 10day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Calgary, Alberta, this 9th day of August 2023.

1 May

FOR

Dentons Canada LLP, Solicitors for Avonlea-Drewry Holdings

Inc.

Per: Derek Pontin

CONSENT AND WAIVER

WE THE UNDERSIGNED hereby:

1.	Acknowledge receipt of the Notice herein;
2.	Waive the 10 days of notice required under section 244 of the Bankruptcy and Insolvency Ad (Canada); and
3.	Consent to the immediate enforcement by the Secured Party of the Security referred to herein.
DATED	this day of, 2023.
PATHV	VAY HEALTHCARE TECHNOLOGIES CORP.
Per:	
Managa	Authorized Signatory
Name: Title:	
I have a	authority to bind the corporation.



Derek Pontin

derek.pontin@dentons.com

Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023

File No.: 587135-10

Delivered Via Registered Mail

2563367 Ontario Limited 16 Four Seasons Place, Suite 2563367 Ontario Limited 16 Four Seasons Place, Suite

203A

203A

Toronto, Ontario M9B 6E5

Etobicoke, Ontario M9B 6H7

To Whom It May Concern:

Re: iuarantee of the Obligations of Pathway Health Corp. (the "Debtor") to Avonlea-Drewry loldings Inc. (the "Lender") provided by 2563367 Ontario Limited (the "Guarantor")

We are counsel to the Lender in connection with certain credit facilities outstanding between the Debtor and the Lender. Advances have been made to the Debtor by the Lender under those credit facilities. The Debtor is indebted to the Lender, as of August 3, 2023 in the amount of \$5,416,811.00, plus further accruing interest, plus full indemnity for costs.

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August 9, 2023 Page 2

Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Guarantor must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

The Lender reserves its rights to proceed against the Guarantor: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

Derek Pontin

Partner

FOR Enclosure

PT/rlc



Derek Pontin

derek.pontin@dentons.com D +1 403 268 6301 Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

File No.: 587135-10

dentons.com

August 9, 2023

Delivered Via Registered Mail

Slawner Ortho Ltee

Slawner Ortho Ltee

16 Four Seasons Place, Suite

4890 rue Jean-Talon O

203A

Montréal (Québec) H4P1W9

Toronto, Ontario M9B 6E5

Canada

Delivered via Email:aura.balboa@pathwayhealth.ca

To Whom It May Concern:

Re: iuarantee of the Obligations of Pathway Health Corp. (the "Debtor") to Avonlea-Drewry loldings Inc. (the "Lender") provided by 2563367 Ontario Limited (the "Guarantor")

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August 9, 2023 Page 2

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Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

Partner

Parine

FOR

Enclosure

PT/rlc

Clerk's stamp:

COURT FILE NUMBER

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF AVONLEA-DREWRY HOLDINGS INC.

DEFENDANTS PATHWAY HEALTH CORP., PATHWAY HEALTH

SERVICES CORP., PATHWAY HEALTHCARE TECHNOLOGIES CORP., 2563367 ONTARIO LIMITED AND SLAWNER ORTHO LTEE

DOCUMENT CERTIFICATE OF COMMISSIONER FOR OATHS

ADDRESS FOR SERVICE AND
CONTACT INFORMATION FOR PARTY

FILING THIS DOCUMENT

Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.

Calgary, Alberta T2P 0R8 Attention: Derek M. Pontin

Ph. (403) 268-6301 Fx. (403) 268-3100

File No.:

CERTIFICATE OF COMMISSIONER FOR OATHS

As described by the Chief Justice and Associate Chief Justices in NPP#2020-02 dated March 25, 2020, the process I followed for the commissioning of this Affidavit is as follows:

- A. The Deponent, **Michael Steele**, appeared in front of me by way of video technology on **August 9**, **2023**.
- B. While connected by way of video technology:
 - 1. The Deponent showed me the front and back of the Deponent's Government issued photo identification.

- 2. I compared this photo identification to the video image I saw before me and was satisfied that the Deponent was the person shown on the photo identification.
- 3. I confirmed that the Deponent and I each had an electronic copy of the Affidavit and all exhibits in front of us, and immediately thereafter the Deponent and I reviewed each page of the electronic copies before us to ensure they were identical.
- 4. At the conclusion of this review I administered the oath and the Deponent swore said oath, after which I watched the Deponent sign the Affidavit.
- The Deponent sent me an electronic copy of the sworn Affidavit and I compared each
 page to the pages of my copy of the Affidavit to ensure the Deponent had signed an
 identical copy.
- 6. I satisfied myself that the electronic copy of the Affidavit I received from the Deponent was identical to the copy I had before me, and affixed my name to the jurat of my initialled copy of the Affidavit.
- 7. Finally, I attached a copy of the swore Affidavit I received from the Deponent to my copy of the Affidavit with the completed jurat.

PKLikher

I, **Pavin Takhar**, Barrister and Solicitor in and for the Province of Alberta, am satisfied that the process of utilizing video technology for remote commissioning of affidavits was necessary because it was impossible or unsafe, for medical reasons, for the Deponent and any commissioner to be physically present together.

Dated: August 9, 2023

Clerk's stamp:

COURT FILE NUMBER

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

AVONLEA-DREWRY HOLDINGS INC.

DEFENDANTS

PATHWAY HEALTH CORP., PATHWAY HEALTH SERVICES CORP., PATHWAY HEALTHCARE TECHNOLOGIES CORP., 2563367 ONTARIO LIMITED and SLAWNER ORTHO LTEE.

DOCUMENT

AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8

Attn: Derek Pontin

Ph. (403) 268-6301 Fx. (403) 268-3100

File No.: 587135-10

AFFIDAVIT OF MICHAEL STEELE Sworn on August 9, 2023

I, MICHAEL STEELE, of the Town of Oliver, in the Province of British Columbia, SWEAR AND SAY THAT:

- 1. I am the CEO and a Director of the Plaintiff, Avonlea-Drewry Holdings Inc. ("ADH") and have personal knowledge of the matters hereinafter deposed to, except where stated to be based upon information and belief. Where that knowledge is based on information or belief, I have stated the source of that information and verily believe it to be true.
- 2. I swear this Affidavit in support of ADH's application (the "Interim Receivership Application") seeking the appointment of KSV Restructuring Inc. ("KSV") as interim receiver (in such capacity, the "Interim Receiver") over all of the current and future assets, undertakings and property of Pathway Health Corp. ("PHC") and Pathway Health Services Corp. ("PHSC" and, together with PHC, the "Debtors").
- 3. I have reviewed the business records of ADH relevant to the Interim Receivership Application and ADH's application seeking the appointment of an interim receiver and have satisfied myself that I am possessed of sufficient information and knowledge to swear this Affidavit on behalf of ADH.

The Parties

4. ADH is a corporation existing pursuant to the laws of Ontario, doing business in Alberta and elsewhere in Canada.

PKS

- 5. PHC is a company incorporated pursuant to the laws of Alberta, carrying on business of investing in businesses operating in the medical and retail cannabis industry, in the Province of Alberta and elsewhere in Canada. A copy of the Government of Alberta Corporation/Non-Profit Search for PHC is attached hereto and marked as **Exhibit "A"**.
- 6. PHSC is a company incorporated pursuant to the laws of Canada and extra provincially registered in the Province of Alberta, carrying on business in the Province of Alberta and elsewhere in Canada. A copy of the Government of Alberta Corporation/Non-Profit Search for PHSC is attached hereto and marked as **Exhibit "B"**.
- 7. Other companies, substantially wholly owned subsidiaries of PHC, comprise the Pathway group of companies (the "Pathway Group"), including Pathway Wellness Products Corp.; Pathway Healthcare Technologies Corp. ("Pathway Technologies"); 13199223 Canada Ltd. ("223 Canada"); 10030712 Manitoba Ltd.; 2563367 Ontario Limited ("367 Ontario"); Slawner Ortho Ltee ("Slawner"); and 1964433 Alberta Ltd.
- 8. 223 Canada is a company incorporated pursuant to the laws of Canada. A copy of a Government of Canada corporate NUANS search is attached hereto and marked as **Exhibit "C"**.
- 9. For certainty, the focus of the immediate application made by ADH is upon PHC and PHSC, with only tangential implications for the balance of companies within the Pathway Group.

Loan Obligations

- ADH as lender, PHC as borrower and PHSC, Pathway Technologies, 367 Ontario, and Slawner as guarantors, are parties to a credit facility agreement, dated July 29, 2022 (the "Credit Facility Agreement"). A copy of the Credit Facility Agreement is attached hereto, marked as <u>Exhibit "D"</u>.
- 11. Pursuant to the Credit Facility Agreement, ADH provided PHC a revolving credit facility in the amount of \$3,500,000.00 with interest at the greater of 12% per annum and the Bank of Canada prime rate plus 8.80%.
- 12. In advance of the entering of the Credit Facility Agreement, PHC and ADH executed a secured promissory grid note, dated May 27, 2022 and Amended and Restated Secured Promissory Grid Note dated April 21, 2023 (together, the "ADH Note"), in favour of ADH. A copy of the ADH Note is attached hereto and marked as **Exhibit "E"**.
- 13. In support of the ADH Note, PHSC provided to ADH an unlimited guarantee, dated May 27, 2022 (the "PHSC Guarantee"). A copy of the PHSC Guarantee is attached hereto, marked as **Exhibit** "F".
- 14. In support of the repayment of the indebtedness of PHC pursuant to the Credit Agreement each of Pathway Technologies, 367 Ontario and Slawner, provided to ADH an unconditional and unlimited guarantee, dated July 29, 2022 (the "Credit Agreement Guarantees"). Copies of the Credit Agreement Guarantees are attached hereto and marked as Exhibit "G".
- 15. To secure its obligations to ADH, PHC provided to ADH a General Security Agreement, dated May 27, 2022, charging all present and after-acquired personal property of PHC and a Share Pledge Agreement, dated May 27, 2022, charging all shares held by PHC in the capital of PHSC, Pathway Wellness Corp., Pathway Technologies, and 223 Canada (the "PHC Security"). Copies of the PHC Security are attached hereto and marked as Exhibit "H".
- 16. To secure its obligations to ADH, PHSC provided to ADH a General Security Agreement dated May 27, 2022, charging all present and after-acquired personal property of PHSC and a Share Pledge Agreement, dated July 29, 2022, charging all shares held by PHC in the capital of 10030712

MY

- Manitoba Ltd., 367 Ontario and Slawner (the "PHSC Security"). Copies of the PHSC Security are attached hereto and marked as **Exhibit "I"**.
- To secure its obligations to ADH, Pathway Technologies provided to ADH a Share Pledge Agreement dated July 29, 2022, charging all shares held by Pathway Technologies in the capital of 1964433 Alberta Ltd. (the "Pathway Technologies Security"). A copy of the Pathway Technologies Security is attached hereto and marked as Exhibit "J".
- 18. The PHC Security, PHSC Security and Pathway Technologies Security are collectively the "Security".
- 19. The Credit Facility Agreement, ADH Note, PHSC Guarantee, Credit Agreement Guarantees and Security are collectively, the "Loan Documents".
- ADH is in the process of registering its Security against each of PHC and PHSC and Pathway Technologies, as applicable. There are no registered/priority creditors to ADH and Heal. Copies of the Alberta Personal Property Debtor Name Search for each of PHC, PHSC and Pathway Technologies is attached hereto and marked as **Exhibit "K"**.

Heal Loan

- 21. Heal Global Holdings Corp. ("**Heal**") and PHC, executed a secured convertible promissory grid note in favour of Heal, dated February 3, 2023 (the "**Heal Note**"). A copy of the Heal Note is attached hereto and marked as **Exhibit "L"**.
- 22. To secure its obligations to Heal pursuant to the Heal Note, PHC provided to Heal a General Security Agreement, dated February 3, 2023, charging all present and after-acquired personal property of PHC (the "Heal Security"). A copy of the Heal Security is attached hereto and marked as Exhibit "M".
- 23. ADH and I own 100% of the common voting equity of Heal, and I am the sole director and officer of Heal. Heal is currently reviewing assignment of the Heal Note and Heal Security to ADH, to consolidate that indebtedness; however, at the date of this application that has not occurred. I confirm Heal is aware of and supports the within application, as a secured creditor of PHC.

Default and Demand

- 24. Each of the Debtors are in default of the Loan Documents for, among other reasons, failure to repay the Indebtedness owing to ADH in accordance with the terms of their agreements.
- 25. More urgently, the Board of Directors of PHC recently resigned. Attached hereto, marked as <u>Exhibit "N"</u>, is a copy of the press release advising of the resignations of all directors and officers of PHC.
- 26. Through my direct discussions with the former directors and officers of PHC, including Mr. Kim Wei, the former COO of PHC and PHSC, I am advised and aware that the directors and officers of each of PHSC, Pathway Wellness Corp. and Pathway Technologies have all resigned.
- 27. I am advised by Mr. Kim Wei that the landlord for the premises rented by 367 Ontario has taken action in the manner of taking over that business, as of August 1, 2023, and is purporting to operate. I am not aware of the current state of that business, or to where revenues are being applied.
- 28. ADH has demanded each of the Defendants repay their respective indebtedness to ADH and has issued Notices of Intention to Enforce Security under subsection 244(1) of the Bankruptcy and

PK)

- Insolvency Act, RSC 1985 c B-3 (the "NOIs") to Pathway, Pathway Services and Pathway Technologies. Copies of the demands and NOIs are attached hereto and marked as **Exhibit "O"**.
- 29. The Defendants have each refused or neglected, and continue to refuse or neglect, to repay the Indebtedness to ADH.

<u>Indebtedness Owing to ADH and Others</u>Pursuant to their respective obligations under the Loan Documents, the Defendants are each jointly and severally indebted to ADH as of August 3, 2023, in the amount of \$5,416,811.00 plus accrued and accruing interest, costs and expenses (including legal costs on a solicitor and own client, full indemnity basis) (the "**Indebtedness**").

- 31. As of August 9, 2023, the Indebtedness has not been repaid.
- 32. It is a term of the Loan Documents that the Indebtedness shall continue to accrue interest on all amounts outstanding at the rates set forth therein.
- I am advised by Mr. Kim Wei that Canada Revenue Agency is a creditor of PHSC, in the approximate amount of \$37,744.
- 34. I am aware that Tilray Medical is a creditor of PHC in the approximate amount of \$250,000. My understanding is that Tilray Medical is unsecured. I have discussed the proposed interim receivership with Tilray Medical and I verily believe they are not opposed to the relief sought in the within Application.
- I am not aware of any other secured creditor of PHC and PHSC, other than ADH and Heal. I am further advised by Mr. Kim Wei that, to the best of his knowledge, there are no other secured creditors of PHC and PHSC.

Appointment and Necessity of an Interim Receiver

- ADH is entitled to prosecute its legal remedies under its agreements with the Debtors, which includes the right to apply to this Honourable Court to appoint an interim receiver over the property, assets and undertaking of the Debtors. ADH wishes to exercise such right at this time.
- 37. The immediate appointment of an interim receiver of the assets, properties, and undertakings of the Debtors is necessary to protect the economic interests of ADH, and other stakeholders. This is principally driven by:
 - (a) The resignation from all companies, other than 223 Canada, of all directors and officers.
 - (b) The resulting cessation of business operations of PHC and PHSC.
 - (c) The majority of value in the Pathway Group is comprised of its licenses, intellectual property, goodwill and patient lists. These are not tangible assets that can be mothballed and marketed in a methodical fashion. The enterprise must be preserved, if ADH is to be able to realize any amount of its indebtedness.
 - (d) 223 Canada holds a non-possessory sales license for cannabis, for the purposes of facilitating the distribution of medical cannabis through the Pathway Group business infrastructure. That license is uncommon in Canada, and both time-consuming and expensive to obtain. Mr. Kim Wei has so far not resigned as a director and officer of 223 Canada, principally to preserve that license, but without operations in the Pathway Group, Mr. Wei is not being remunerated and is not incentivized to continue to remain in place. Mr. Wei's resignation from 223 Canada would invalidate the license, resulting in a significant loss of value to Pathway Group stakeholders.

PK)

- (e) The landlord of 367 Ontario has enforced its rights, without regard for the rights and claims of ADH as against that company. ADH is not aware of what other erosions are currently occurring in respect of the value and recoverability of its collateral.
- (f) PHSC was in the midst of negotiating a sale of Slawner when the leadership resignations occurred. There is significant potential value in that sale being completed. I am aware a term sheet was being circulated with a proposed closing date before the end of August. I believe the interim receiver, or a later appointed receiver, could revive and pursue that transaction.
- (g) On the balance of factors, there is no other just and convenient option for ADH and other stakeholders to preserve enterprise value in the circumstances. Moreover, the proposed appointment of an interim receiver, as a function of preservation, and not liquidation, creates no prejudice to any party that I am aware of.
- 38. I verily believe that KSV Restructuring Inc., with offices in the City of Calgary, is qualified and prepared to act as interim receiver of PHC and PHSC.
- 39. ADH intends to apply for appointment of KSV as receiver manager of PHC and PHSC within 30 days, which I understand is the legislated time limit in which either an extension of interim receivership or appointment of a receiver must be sought.
- 40. ADH intends to make that application for appointment of a receiver on notice to all affected parties. The within application, for appointment of KSV as interim receiver, is on notice only to the other secured creditor, due to the significant time constraints. As mentioned above, the secured creditor, Heal, has consented to the relief being sought.
- 41. I make this Affidavit in support of ADH's application for an interim receiver in respect of Pathway and Pathway Services.
- The deponent Michael Steele was not physically present before me but was linked with me utilizing video technology. I, PAVIN TAKHAR, confirm that while connected via video technology, Michael Steele had shown to me the front and back of his government-issued photo identity document and I am reasonably satisfied it is the same person and the document is valid and current. I confirm that I have reviewed each page of this affidavit and exhibits with Michael Steele and verify that the pages are identical.

SWORN BEFORE ME at Calgary, Alberta, this 9th day of August 2023.)))		
PKSelehar)		e .
Commissioner for Oaths in and for the)	MICHAEL STEELE	
Province of Alberta)	•	

PKS

THIS IS EXHIBIT "A"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search:

2023/08/08

Time of Search:

01:52 PM

Search provided by:

ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number:

40260851

Customer Reference Number:

Corporate Access Number: 2018454393 Business Number: 727752487

Legal Entity Name:

PATHWAY HEALTH CORP.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
COLSON CAPITAL CORP.	2021/05/31

Legal Entity Status:

Active

Designation Date

Alberta Corporation Type: Named Alberta Corporation

Registration Date:

2014/09/04 YYYY/MM/DD

Date of Last Status Change: 2017/01/05 YYYY/MM/DD

Registered Office:

Street:

1500-850 2 ST SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P0R8

Records Address:

Street:

1500-850 2 ST SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P0R8

Email Address: CORPORATE.CALGARY@DENTONS.COM

Primary Agent for Service:

ll ast Name	5	Middle Name	25722000	Street	City	Province	Postal Code	Email
O'SULLIVAN	JAMES	P.	DENTONS	1500-	CALGARY	ALBERTA	T2P0R8	JAMES.OSULLIVAN@DENTONS.COM
			CANADA	850 2				
			LLP	ST				
				SW				

Directors:

Last Name:

GOLDHAR

First Name:

MARK



Street/Box Number: 239 FIVE ISLAND ROAD

City: HUBLEY

Province: NOVA SCOTIA

Postal Code: B3Z1B5

Last Name: HOWLING First Name: KENNETH

Street/Box Number: 43 PARKHURST BOULEVARD

City: TORONTO
Province: ONTARIO
Postal Code: M4G2C8

Last Name: JETLY First Name: RAKESH

Street/Box Number: 317 AMITA CRESCENT

City: OTTAWA
Province: ONTARIO
Postal Code: K2C4J1

Last Name: WRIGHT First Name: ALISON

Street/Box Number: 1458 WOODEDEN DRIVE

City: MISSISSAUGA
Province: ONTARIO
Postal Code: L5H2T9

Last Name: YOON First Name: KEN

Street/Box Number: 138 DUNBLAINE AVENUE

City: NORTH YORK
Province: ONTARIO
Postal Code: M5M2S3

Transfer Agents:

Legal Entity Name: TSX TRUST COMPANY

Corporate Access Number: 3023749967

Street: 300-100 ADELAIDE ST W

City: TORONTO
Province: ONTARIO
Postal Code: M5H1S3

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE

Share Transfers Restrictions: NONE **Min Number Of Directors:** 3

PK)

Max Number Of Directors:

Business Restricted To:

NONE

Business Restricted From:

NONE

Other Provisions:

SEE SCHEDULE

Holding Shares In:

Legal Entity Name	
PATHWAY HEALTH SERVI	CES CORP.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2022	2022/10/26

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2014/09/04	Incorporate Alberta Corporation
2016/11/02	Status Changed to Start for Failure to File Annual Returns
2020/02/21	Update BN
2021/05/31	Name/Structure Change Alberta Corporation
2021/06/08	Change Address
2021/06/29	Change Agent for Service
2022/10/12	Change Director / Shareholder
2022/10/26	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2014/09/04
Other Rules or Provisions	ELECTRONIC	2014/09/04
Consolidation, Split, Exchange	ELECTRONIC	2021/05/31

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



PKS

THIS IS EXHIBIT "B"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar
Barrister & Solicitor

Government Corporation/Non-Profit Search of Alberta **Corporate Registration System**

Date of Search:

2023/08/08

Time of Search:

04:10 PM

Search provided by:

ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number:

40262818

Customer Reference Number:

Corporate Access Number: 2122929827

Business Number:

Legal Entity Name:

PATHWAY HEALTH SERVICES CORP.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
12352877 CANADA LTD.	2020/10/27
PATHWAY HEALTH CORP.	2021/05/28

Legal Entity Status:

Active

Extra-Provincial Type:

Federal Corporation

Registration Date:

2020/10/06 YYYY/MM/DD

Date Of Formation in Home Jurisdiction: 2020/09/18 YYYY/MM/DD **Home Jurisdiction:**

CANADA

Home Jurisdiction CAN:

12352877

Head Office Address:

Street:

1500-850 2 ST SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P0R8

Email Address:

CORPORATE.CALGARY@DENTONS.COM

Primary Agent for Service:

III.act Name		Middle Name		Street	City	Dwarrings	Postal Code	Email
O'SULLIVAN	JAMES		CANADA			ALBERTA	T2P0R8	CORPORATE.CALGARY@DENTONS.COM
				ST SW				

Directors:

Last Name:

GOLDHAR

First Name:

MARK

Street/Box Number: 239 FIVE ISLAND ROAD

City:

HUBLEY

Province:

NOVA SCOTIA

Postal Code:

B3Z1B5

Last Name:

HOWLING

First Name:

KENNETH

Street/Box Number: 43 PARKHURST BOULEVARD

City:

TORONTO

Province:

ONTARIO

Postal Code:

M4G2C8

Last Name:

JETLY

First Name:

RAKESH

Street/Box Number: 317 AMITA CRESCENT

City:

OTTAWA

Province:

ONTARIO

Postal Code:

K2C4J1

Voting Shareholders:

Legal Entity Name:

PATHWAY HEALTH CORP.

Corporate Access Number: 2018454393

Street:

1500-850 2 ST SW

City:

CALGARY

Province:

ALBERTA

Postal Code:

T2P0R8

Percent Of Voting Shares: 100

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2022	2022/11/23

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2020/10/06	Register Extra-Provincial Profit / Non-Profit Corporation
2021/03/28	Attorney for Service converted to Agent for Service
2021/05/28	Name Change Extra-Provincial
2022/10/12	Change Director / Shareholder
2022/11/23	Enter Annual Returns for Alberta and Extra-Provincial Corp.

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.





THIS IS EXHIBIT "C"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor



Government of Canada

Gouvernement du Canada

Do a pre-search: results - Nuans

Welcome Lindsey Ehredt (/app/scr/corp/nuans/sso/idmAccount.html) | Dashboard (/app/scr/corp/nuans/member/home.html) | Sign out (/app/scr/corp/nuans/sso/logout.html)

The results in the Search criteria entered table are based on the criteria you entered on the previous page. You can change your criteria by pressing the Refine search button.

Search criteria

Corporate name:

13199223 Canada

Registration information or application number:

Search within:

Search all

Refine search

A Warning

Your search resulted in an exact match. This occurs when a search exactly matches another name in our database. Please review all exact matches before ordering a report with your chosen name. Pay special attention to any names and trademarks that could be confused with your name. Trademarks are protected.

For more information, see:

Matching company names (Results are limited to 200 matching company names)

By clicking a name in one of the tables below, additional details about that company or trademark will appear in a dialogue box.

Download results as PDF 📥

Showing 1 to 2 of 2 entries Show 10 ∨ entries

Matching company names

Jurisdiction

Creation date

Status

Status date

Name 1

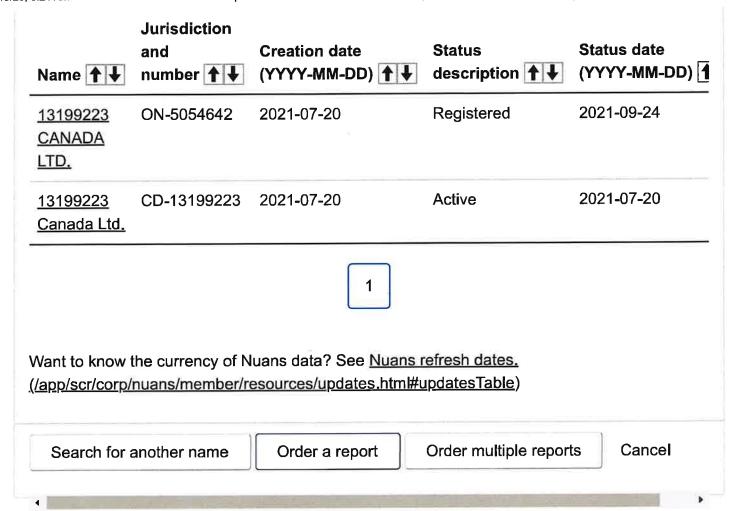
number 1 ↓

(YYYY-MM-DD) ↑ ↓

description ↑ ♦

(YYYY-MM-DD) 1





Date modified:

2023-04-14



THIS IS EXHIBIT "D"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

CREDIT AGREEMENT

among

PATHWAY HEALTH CORP.,

as the Borrower

and

PATHWAY HEALTH SERVICES CORP.,
PATHWAY HEALTHCARE TECHNOLOGIES CORP.,
2563367 ONTARIO LIMITED,
SLAWNER ORTHO LTEE.

as Guarantors

and

AVONLEA-DEWRY HOLDINGS INC.,

as Lender

DATED AS OF JULY 29, 2022

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THIS CREDIT AGREEMENT is made as of the 29th day of July, 2022

AMONG:

PATHWAY HEALTH CORP.,

as the Borrower

and

PATHWAY HEALTH SERVICES CORP.,
PATHWAY HEALTHCARE TECHNOLOGIES CORP.,
2563367 ONTARIO LIMITED,
SLAWNER ORTHO LTEE.,

as Guarantors

and

AVONLEA-DEWRY HOLDINGS INC.,

as Lender

WHEREAS the Borrower has requested a credit facility from the Lender to assist with (i) certain acquisitions, (ii) certain capital expenditures, (iii) general working capital; and (iv) the repayment of amounts owing by the Borrower to the Lender under the Promissory Note (as defined below), and the Lender has agreed to provide such credit facility to the Borrower subject to the execution and delivery of this Agreement and the other Credit Documents as described herein;

AND WHEREAS the Borrower has granted to the Lender that certain secured promissory grid note dated May 27, 2022, pursuant to which the Borrower is indebted to the Lender in the principal amount of One Million Dollars (\$1,000,000.00) plus interest accrued at 15% per annum (the "**Promissory Note**");

AND WHEREAS, in connection with the above, the Borrower, the Guarantors and the Lender wish to arrange for the aforementioned credit facility and, in connection therewith, to amend and restate the terms and conditions of the Promissory Note, without novation, as more particularly set out in this Agreement;

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

ARTICLE I INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals and the Schedules hereto and in all notices given pursuant to this Agreement, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

"1964433 Alberta" means 1964433 Alberta Ltd., a corporation incorporated under the laws of the Province of Alberta.

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"2563367 Ontario" means 2563367 Ontario Limited, a corporation incorporated under the laws of the Province of Ontario.

"10030712 Manitoba" means 10030712 Manitoba Ltd., a corporation incorporated under the laws of the Province of Manitoba.

"13199223 Canada" means 13199223 Canada Ltd., a corporation incorporated under the federal laws of Canada.

"Additional Security" means the security agreements and other documents required to be provided to the Lender pursuant to Section 4.1, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing.

"Adjusted EBITDA" means the EBITDA adjusted for, as applicable, share-based compensation, loss of control of related company, non-cash expenses, extraordinary and non-recurring expenses.

"Advance" means each and every advance of sums hereunder by the Lender to the Borrower.

"Affiliate" means an affiliate as defined in the CBCA.

"Agreement" means this credit agreement and any schedules hereto, as amended, supplemented, restated or replaced from time to time.

"Applicable Law" means, in relation to any person, transaction or event:

- (a) all applicable provisions of the common law and all statutes, rules and regulations of any Governmental Authority in effect from time to time having force of law; and
- (b) all judgments, orders, awards, decrees, official directives, writs and injunctions all having force of law from time to time in effect of any Governmental Authority in an action, proceeding or matter in which the person is a party or by which it or its property is bound or having application to the transaction or event.

"Borrower" means Pathway Health Corp., a corporation incorporated under the laws of the Province of Alberta.

"Borrower's Counsel" means Dentons Canada LLP, and/or such other legal counsel acceptable to the Lender.

"Business Day" means a day of the year, other than a Saturday, Sunday or statutory holiday, on which banking institutions are open for business in Calgary, Alberta, Toronto, Ontario and Montreal, Quebec.

"Canadian Dollars", "Cdn\$" or "\$" mean lawful money of Canada.

"CBCA" means the *Business Corporations Act* (Canada), including the regulations promulgated thereunder, as the same may be amended from time to time.

"CEBA Loans" means the Canada Emergency Business Accounts loans to the Borrower in the amount of \$80,000.

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"Closing Date" has the meaning ascribed to that term in Section 5.2.

"Collateral" means all property, assets and undertaking of the Credit Parties at any time in which a security interest is granted to the Lender, together with all proceeds of the foregoing.

"Constating Documents" means, with respect to a corporation, its articles of incorporation, amalgamation or continuance or other similar documents, and its by-laws, and with respect to any other person which is not a natural person, the organization and governance documents of such person; in each case as amended, supplemented, restated or replaced from time to time.

"Credit Documents" means this Agreement, the Security, and all other certificates, instruments, notices and documents delivered or to be delivered by the Credit Parties pursuant to this Agreement.

"Credit Facility" has the meaning ascribed thereto in Section 2.2.

"Credit Parties" means, collectively, the Borrower and the Guarantors, and "Credit Party" means any of them as the context requires.

"Creditor Proceedings" means any dissolution, winding up, total or partial liquidation, plan of arrangement, receivership, insolvency, proposal, bankruptcy or compromise under Insolvency Legislation, or the arrangement provisions of any applicable corporate law, or a general assignment for the benefit of creditors or similar proceedings offered with respect to the Credit Parties, or their respective properties or liabilities.

"Distribution" means any amount paid to or on behalf of the shareholders, directors, officers or employees of the Borrower or any Affiliate of the Borrower, and whether any of the foregoing is made, paid or satisfied in or for cash, property or both; provided that salaries and commissions paid to employees of the Borrower in the ordinary course of business shall not be considered to be Distributions.

"Drawdown Date" means the date, which shall be a Business Day, of any Advance requested pursuant to a Drawdown Notice.

"Drawdown Notice" means a notice requesting an Advance issued by the Borrower to the Lender, substantially in the form of Schedule A attached hereto.

"EBITDA" means net (loss)/income adjusted for income tax, depreciation of property and equipment, amortization of intangible assets, interest on long-term debt and other financing costs, interest income, and changes in fair values of derivative financial instruments.

"Enforcement Notice" has the meaning ascribed thereto in Section 8.3.

"Environmental Law" means all Applicable Law which pertains to public health or safety, the protection or enhancement of the environment or pursuant to which Environmental Liabilities would arise or have arisen, including relating to a Release or threatened Release of any Hazardous Material or the generation, use, storage or transportation of any Hazardous Material, and including any condition, restriction, prohibition or requirement contained in an approval, permit, license, consent, certificate or qualification or other authorization issued pursuant to Applicable Law.

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"Environmental Liabilities" means any and all liabilities and obligations for any Release, any environmental damage, any contamination or any other environmental problem caused or alleged to have been caused to any person, property or the environment as a result of any Release or the condition of any property or asset, whether or not caused by a breach of Environmental Law, including, without limitation, all liabilities and obligations arising from or related to any surface, underground, air, groundwater or surface water contamination; the abandonment or plugging of any well; restorations and reclamations; the removal of or failure to remove any foundations, structures or equipment; the cleaning up or reclamation of storage sites; any Release; the violation of pollution standards; and personal injury (including sickness, disease or death) and property damage arising from any of the foregoing.

"Event of Default" means any of the events or circumstances specified in Section 8.1.

"Existing Security" means the following guarantees and security documents previously delivered by certain of the Credit Parties, in favour of the Lender in connection with the Promissory Note:

- (a) a general security agreement from the Borrower granting a first priority Lien in and to all present and after-acquired personal property of the Borrower;
- (b) a share pledge agreement from the Borrower in respect of the shares of Pathway Health Services, Pathway Wellness Products, Pathway Healthcare Technologies and 13199223 Canada:
- (c) a guarantee from Pathway Health Services; and
- (d) a general security agreement from Pathway Health Services.

"Governmental Authority" means Canada, any Province, as applicable, any municipal or other political subdivision of any such Province, and any agency, department, commission, board, bureau or instrumentality of any of them and judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Guarantee" means, in respect of any person, any undertaking to assume, guarantee, indemnify, endorse (other than the routine endorsement of cheques in the ordinary course of business), contingently agree to purchase or to provide funds for the payment of, or otherwise become liable in respect of, any indebtedness of any person; provided that the amount of each Guarantee shall be deemed to be the amount of the indebtedness guaranteed thereby unless the Guarantee is limited to a specified amount as to realization exclusively on specified assets in which case the amount of such Guarantee shall be deemed to be the lesser of such specified amount or the fair market value of such specified assets, as the case may be, or the amount of such indebtedness.

"Guarantors" means, collectively, Pathway Heath Services, Pathway Healthcare Technologies, 2563367 Ontario and Slawner Ortho and "Guarantor" means any of them as the context requires.

"Hazardous Material" means any substance or mixture of substances, or any pollutant or contaminant, toxic or dangerous waste, toxic mould, or hazardous material, as defined in or regulated by any Environmental Law, from time to time, that if Released to the environment could reasonably be expected to cause, immediately or at some future time, harm or damage to or impairment of the environment, or any risk to human health or safety or property.



"IFRS" means International Financial Reporting Standards as set by the International Accounting Standards Board.

"Insolvency Default" means an Event of Default described in Sections 8.1(g) or (h).

"Insolvency Legislation" means legislation in any applicable jurisdiction relating to Creditor Proceedings, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any applicable corporations legislation.

"Interest Payment Date" means, with respect to the Credit Facility, the last Business Day of each calendar quarter, with the first such Interest Payment Date being the last Business Day of the calendar quarter ending six months from the Closing Date.

"Interest Rate" has the meaning ascribed thereto in Section 3.1.

"Lender" means Avolea-Drewry Holdings Inc. and its successors and assigns, as lender under the Credit Facility.

"Lender's Counsel" means Aird & Berlis LLP, or such other legal counsel as the Lender may from time to time designate.

"Lien" means any mortgage, charge, security agreement, security interest, assignment, pledge, lien, builders' lien or other encumbrance of whatsoever kind or nature, regardless of form and whether consensual or arising by law (statutory or otherwise), that secures the payment of any indebtedness or liability or the observance or performance of any obligation.

"Manitoba Joint Venture" means the joint venture between 10022241 Manitoba Ltd. and Pathway Health Services, as shareholders of 1003070712 Manitoba, in respect of the operation of medical clincs in Winnipeg and Selkirk, Manitoba.

"Material Adverse Effect" means any matter, event or circumstance relating to a Credit Party which could in the reasonable opinion of the Lender, if not remedied, have a material adverse effect on: (i) its business, financial condition, operations, property, assets or undertaking, (ii) its ability to repay any indebtedness under, or perform any other obligations in accordance with, this Agreement or any of the Security to which it is a party, (iii) the validity or enforceability of this Agreement or the Security to which it is a party, (iv) the rights and remedies of the Lender, or (v) the priority ranking of any Liens granted to the Lender pursuant to the Security.

"Maturity Date" means the earlier to occur of (i) the second anniversary of the Closing Date, or (ii) the due date of all Obligations under the Credit Facility resulting from the giving of an Enforcement Notice.

"Minimum Rate" has the meaning ascribed thereto in Section 3.1.

"Obligations" means, at any time and from time to time, all indebtedness, liabilities and obligations, whether direct or indirect, absolute or contingent, matured or unmatured, owing to the Lender in respect of the Credit Facility or otherwise payable pursuant to this Agreement, including without limitation, all principal, interest, fees, indemnities, costs and expenses relating to any of the foregoing.

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"Outstanding Principal" means, at any time in relation to the Credit Facility, the aggregate at such time of the principal amounts outstanding thereunder.

"Pathway Health Services" means Pathway Health Services Corp., a corporation incorporated under the federal laws of Canada.

"Pathway Healthcare Technologies" means Pathway Healthcare Technologies Corp., a corporation incorporated under the federal laws of Canada.

"Pathway Wellness" means Pathway Wellness Products Corp., a corporation incorporated under the federal laws of Canada.

"Permitted Contest" means action taken by the Borrower in good faith by appropriate proceedings diligently pursued to contest any taxes, claims or other Liens, provided that:

- reasonable reserves have been established in respect thereof in accordance with IFRS;and
- (b) proceeding with any such contest would not reasonably be expected to have a Material Adverse Effect.

"Permitted Indebtedness" means, without duplication:

- trade payables of the Borrower (other than indebtedness for borrowed money) incurred in the ordinary course of business, provided that such indebtedness is classified as a current liability on the Borrower's financial statements;
- (b) all indebtedness of the Borrower to the Lender under this Agreement or under or secured by any Credit Document;
- (c) the CEBA Loans;
- (d) the RBC Visa;
- (e) capital lease obligations and indebtedness secured by purchase money liens;
- (f) all indebtedness secured by Permitted Liens; and
- (g) such other indebtedness of the Borrower which the Lender has consented to in writing.

"Permitted Liens" means, as at any particular time, any of the following encumbrances on the Collateral:

- (a) Statutory Liens in respect of any amount which is not at the time overdue, or which may be overdue but the validity of which are then the subject of a Permitted Contest;
- (b) undetermined or inchoate Liens incidental to operations arising in the ordinary course of business which relate to obligations (i) not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same, or (ii) are then the subject of a Permitted Contest;

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- (c) Liens arising out of judgments, awards or claims filed which are then the subject of a Permitted Contest:
- (d) Security given to a public utility or any Governmental Authority to secure obligations incurred in the ordinary course of business and not at the time overdue;
- (e) easements, rights-of-way, servitudes or other similar rights in and (including rights-of-way and servitudes for railways, sewers, drains, pipelines, gas and water mains, electric light and power, telephone, telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which either alone or in the aggregate do not materially detract from the value of land or materially impair its use;
- (f) Liens arising in connection with the construction or improvement of land or arising out of the furnishing of materials or supplies therefor, provided that any such Lien secures moneys not at the time overdue (or if overdue, are then the subject of a Permitted Contest), notice of such Lien has not been given to the Lender, and such Lien has not been registered against title to such land;
- (g) Liens securing Permitted Indebtedness; and
- (h) all such other claims and encumbrances as are specifically disclosed by notice in writing to the Lender to the extent that the Lender, by specific notice in writing to the Borrower, advises the Borrower that the Lender agrees to accept such claims and encumbrances as Permitted Liens for the purposes of this Agreement;

provided that the use of the term "Permitted Liens" to describe such Liens means that they are permitted to exist and shall not be interpreted as meaning that such Liens are entitled to priority over the Security.

"person" means any individual, corporation, company, partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.

"Prime Rate" has the meaning ascribed to that term in Section 3.1.

"RBC Visa" means the Royal Bank of Canada corporate visa account with a credit limit in the amount of \$75,000.

"Release" or "Released" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, leeching or migration of any element or compound in or into the indoor or outdoor environment (including the abandonment or disposal of any barrels, tanks, containers or receptacles containing any contaminant), or in, into or out of any vessel or facility, including the movement of any contaminant through the air, soil, subsoil, surface, water, groundwater, rock formation or otherwise.

"Revolving Period" means, in respect of the Credit Facility, the period commencing on the Closing Date and ending at 2:30 p.m. (Toronto time) on the Maturity Date.

"Security" means the guarantees, security agreements and other documents required to be provided to the Lender pursuant to Section 4.1, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended

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to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing and, for certainty shall include the Existing Security and any Additional Security.

"Senior Officer" means any of the Chief Executive Officer, Chief Strategy Officer or Chief Financial Officer.

"Slawner Ortho" means Slawner Ortho Ltee., a corporation incorporated under the laws of the Province of Quebec.

"Statutory Lien" means a Lien in respect of any property or assets of any person created by or arising pursuant to any applicable legislation in favour of any person (such as but not limited to a Governmental Authority), including in respect of obligations to deduct and remit taxes, duties, assessments, employee source deductions and goods and services taxes pursuant to Applicable Law.

1.2 Knowledge

Where any representation, warranty or other provision of this Agreement is qualified by reference to the knowledge of a Credit Party, after reasonable inquiry, it shall be deemed to refer to the actual knowledge of the senior management of the Credit Party after having made such inquiries of its Senior Officers.

1.3 Headings and Table of Contents

The headings, the table of contents and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 References

Unless something in the subject matter or context is inconsistent therewith, all references to Sections, Articles and Schedules are to Sections, Articles of and Schedules to this Agreement.

1.5 Rules of Interpretation and Extended Meanings

In this Agreement, unless otherwise specifically provided, the singular includes the plural and vice versa, and "in writing" or "written" includes printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception, including by facsimile. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term "including" means "including, without limitation". Any reference herein to the exercise of discretion by the Lender (including phrases such as "in the opinion of", "to the satisfaction of" and similar phrases) means that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless expressly stated herein.

1.6 Generally Accepted Accounting Principles

Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with IFRS as in effect from time to time. All calculations of the components of financial information for the purposes of determining compliance with the Financial Covenant contained herein shall be made on a basis consistent with IFRS in existence on the date of this Agreement. IFRS. In the event that such a negotiation is unsuccessful, all calculations thereafter made for the purposes of

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determining compliance with the Financial Covenant contained herein shall be made on a basis consistent with IFRS as in existence on the date of this Agreement.

Notwithstanding the foregoing or any other provision of this Agreement, it is agreed that for the purposes of this Agreement and any financial calculations in respect hereof, including the calculation of EBITDA, that the financial results of the Manitoba Joint Venture shall be consolidated with those of the Borrower.

1.7 Time

Unless otherwise stated, all references to time herein shall mean local time in Toronto, Ontario.

1.8 Currency References

All amounts of money referred to in this Agreement are in Canadian Dollars unless otherwise indicated, and all payments made hereunder shall be made in Canadian Dollars.

1.9 Payment for Value

All payments required to be made hereunder shall be made for value on the required day in same day immediately available funds.

1.10 Schedules

Schedule A Form of Drawdown Notice

Schedule B - Milestone Matrix
Schedule C - 2022 Operating Plan

Schedule D - Form of Officer's Certificate

ARTICLE II CREDIT FACILITIES

2.1 Advances and Obligations under Promissory Note

Upon this Agreement becoming effective on the Closing Date and relying on each of the representations and warranties set out in Article VI, and subject to the terms and conditions of this Agreement, the Advance previously made by the Lender under the Promissory Note shall be deemed to be outstanding as an Advance made by the Lender to the Borrower under this Agreement and any obligations under the Promissory Note resulting from accrued but unpaid interest, fees or expenses, shall be Obligations of the Borrower under this Agreement.

2.2 Credit Facility

Subject to the provisions of this Agreement, the Lender agrees to make a credit facility available to the Borrower on a revolving basis during the Revolving Period and complete Advances to the Borrower not exceeding \$3,500,000 (the "Credit Facility"), unless otherwise authorized pursuant to the terms of this Agreement (including, for certainty, pursuant to Article III). For greater certainty, all other fees, expenses and interest payable by the Borrower hereunder will not act to reduce the amount available to the Borrower under the Credit Facility, but will be added to the Outstanding Principal, which as a result may exceed

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\$3,500,000. The principal amount of any Advance under the Credit Facility that is repaid may be reborrowed from time to time until the Maturity Date, on which date any undrawn amount under the Credit Facility will be cancelled, and all outstanding Obligations under the Credit Facility shall become due and payable in accordance with paragraph (b) below.

- (a) Purpose: The Credit Facility shall only be used for general corporate purposes of the Borrower, including without limitation: (i) to pay the fees, costs and expenses relating to the Credit Facility and the preparation, negotiation and settlement of this Agreement, the Security and the other Credit Documents, and (ii) for ongoing acquisition and working capital requirements.
- (b) <u>Scheduled Repayments</u>: The Borrower shall repay all outstanding Obligations in respect of the Credit Facility to the Lender on demand, and in the absence of demand, by (i) payments of accrued interest, due and payable in arrears on each Interest Payment Date from and after the Closing Date, and (ii) payment of all Outstanding Principal and any other outstanding Obligations in respect of the Credit Facility, due and payable on the last day of the Revolving Period.
- (c) <u>Voluntary Repayments</u>: The Borrower may from time to time repay Outstanding Principal under the Credit Facility in any amounts without notice.

2.3 Notices and Payments

- (a) The Borrower may on any Business Day give the Lender irrevocable written notice in the form of a Drawdown Notice for any Advance under the Credit Facility. If a Drawdown Notice is received by the Lender before 12:00 noon on any Business Day, such Advance shall be advanced on the first Business Day after the Drawdown Notice is received by the Lender.
- (b) Payments must be made prior to 12:00 noon on any Business Day that such payment is due. Notice of an intended prepayment of any Advance under the Credit Facility shall be given with the same number of Business Days' prior notice as matches the Drawdown Notice period required for the Advance.
- (c) If a notice or payment is not given or made by 12:00 noon on any Business Day, it shall be deemed to have been given or made on the next Business Day unless the Lender agrees, in its sole discretion, to accept a notice or payment at a later time as being effective on the date it is given or made.

2.4 Evidence of Indebtedness

The Obligations of the Borrower resulting from Advances made by the Lender under the Credit Facility shall be evidenced by records maintained by the Lender concerning those Advances it has made. The records maintained by the Lender shall constitute, in the absence of manifest error, *prima facie* evidence of the Obligations of the Borrower to the Lender in respect of Advances made and all details relating thereto. The failure by the Lender to correctly record any such amount or date shall not, however, absent manifest error adversely affect the Obligations of the Borrower to pay amounts due hereunder to the Lender in accordance with this Agreement.

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ARTICLE III INTEREST RATES AND FEES

3.1 Interest on Advances

The Borrower shall pay to the Lender interest at the greater of:

- (a) 12% per annum (the "Minimum Rate"); and
- (b) a variable rate per annum benchmarked to the Bank of Canada prime rate as at May 1, 2022 (which, for certainty, was 3.20%) (the "**Prime Rate**") plus 8.8%,

(the "Interest Rate").

The Interest Rate shall be calculated monthly in arrears and, unless and to the extent added to the PIK Accrual pursuant to Section 3.2, shall be payable on each Interest Payment Date for the period commencing on and including the immediately prior Interest Payment Date up to and including the last day prior to the Interest Payment Date on which such interest is to be paid and shall be calculated on the basis of the actual number of days elapsed in a year of 365 or 366 days, as applicable. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section are equivalent are the rates so determined multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest is payable and divided by 365 or 366, as applicable. For greater certainty, the amount of the accrued but unpaid interest shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.2 Payment in Kind

An amount equal to 2% of the Outstanding Principal will be added to the Outstanding Principal amount (i) as at the day immediately preceding the first anniversary of the Closing Date and (ii) as at the day immediately preceding the second anniversary of the Closing Date (in each case, the "**PIK Accrual**"). For certainty, in each case, the Outstanding Principal shall be deemed to be increased and set at an amount that includes such PIK Accrual and the Work Fee.

In addition to the PIK Accrual referenced in the immediately preceding paragraph, in the event the Interest Rate exceeds the Minimum Rate during the Revolving Period and in respect of such excess amount, such additional interest payable by the Borrower to the Lender may be added to the PIK Accrual at the option of the Borrower. In such an event or events, the Outstanding Principal shall be deemed to be increased and set at an amount that includes such additional amount. For greater certainty, the amount of the PIK Accrual shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.3 Interest on Overdue Amounts

Notwithstanding any other provision of this Agreement, in the event that any amount due hereunder (including any interest payment) is not paid when due (whether by acceleration or otherwise), the Borrower shall and hereby agrees to pay to the Lender interest on such unpaid amount, if and to the fullest extent permitted by Applicable Law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is made before 10:00 a.m. at the place of payment on the date of such payment), and such interest shall accrue daily, be calculated on the first

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Business Day of each calendar month and be payable on demand, as well after as before maturity, default and judgment, at a rate per annum in respect of the Credit Facility of 20% per annum.

The Borrower hereby waives, to the fullest extent it may do so under Applicable Law, any provisions of Applicable Law, including specifically the *Interest Act* (Canada) and any analogous Provincial legislation which may be inconsistent with this Agreement.

3.4 Arrangement Fee

The Borrower shall pay to the Lender an arrangement fee (the "Arrangement Fee") in an amount equal to \$100,000, which fee shall be earned by the Lender on Closing. Payment of the Arrangement Fee will be made by adding such fee to the Outstanding Principal as at the Closing Date, but for greater certainty, shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.5 Annual Work Fee

The Borrower shall pay the Lender an annual work fee equal to 1% of the Outstanding Principal as at the day immediately preceding the first and second anniversaries of the Closing Date (the "**Work Fee**"). Payment of the Work Fee will be made by adding such fee to the Outstanding Principal as at the relevant dates concurrently with the PIK Accrual. For greater certainty, the Work Fee shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.6 Maximum Rate Permitted by Law

No interest or fee to be paid hereunder shall be paid at a rate exceeding the maximum rate permitted by Applicable Law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under Applicable Law.

3.7 Interest and Fees Generally

The theory of deemed reinvestment shall not apply to the calculation of interest or payment of fees or other amounts hereunder, notwithstanding anything contained in this Agreement or in any other Credit Document now or hereafter granted to or taken by the Lender and all interest and fees payable by the Borrower to the Lender shall accrue from day to day and be computed as described herein in accordance with the "nominal rate" method of interest calculation. For greater certainty, the addition of interest and fees to the Outstanding Principal shall not affect the Borrower's access to an aggregate of \$3,500,000 in Advances, subject to the terms and conditions of this Agreement.

3.8 Per Annum Calculations

Unless otherwise stated, if reference is made in this Agreement to a rate of interest, fee or other amount "per annum" or a similar expression is used, such interest, fee or other amount shall be calculated on the basis of a 365 or 366 day year, as the case may be. If any interest, fee or other amount is determined or expressed on the basis of a period less than a full year, the equivalent yearly rate is equal to the rate so determined or expressed, multiplied by that number of days in such period, and divided by the actual number of days in that calendar year.

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ARTICLE IV SECURITY MATTERS

4.1 Security Documents

To secure due repayment and satisfaction in full of all Obligations of the Credit Parties owing to the Lender from time to time, including due performance, payment and satisfaction of all Obligations under this Agreement and the other Credit Documents, the Lender shall continue to hold the Existing Security for the benefit of the Lender, and the Borrower shall cause to be executed and delivered to the Lender the following Additional Security on or prior to the Closing Date:

- (a) a unlimited guarantee from each of 2563367 Ontario, Pathway Healthcare Technologies and Slawner Ortho;
- a share pledge agreement from Pathway Health Services in respect of the shares of 10030712 Manitoba, 2563367 Ontario and Slawner Ortho;
- (c) a share pledge agreement from Pathway Healthcare Technologies in respect of the shares of 1964433 Alberta; and
- (d) such other security documents as may be reasonably required by the Lender,

in each case, in form and substance satisfactory to the Lender and Lender's Counsel (collectively, the "Additional Security".

4.2 Continuing Guarantees and Security

The Additional Security and any other guarantees and security given shall for all purposes be treated as separate and continuing guarantees and security and shall be deemed to have been given in addition to and not in place of any other guarantee or other security now held or hereafter acquired by the Lender. No item or part of any Guarantee or other Security shall be merged or be deemed to have been merged in or by any simple contract debt or any judgment, and any realization of or steps taken or pursuant to any Guarantee or other Security shall be independent of and not create a merger with any other right available to the Lender under this Agreement, any other Guarantee or other Security, or any other Credit Document held by it or at law or in equity.

4.3 Dealing With Guarantees

The Lender may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Credit Parties and other persons (including other guarantors), sureties or securities as the Lender may in its sole discretion see fit, and the Lender may, subject to the provisions hereof, apply all moneys received from the Credit Parties and other persons, or from sureties or securities, to such part of the Obligations as the Lender may instruct, all without prejudice to or in any way limiting the liability of the Credit Parties under any of the Credit Documents.

4.4 Effectiveness

The Security required to be created hereby shall be effective upon execution and delivery thereof, and the undertakings as to the Guarantees and other Security herein or in any document hereunder shall be continuing, whether the monies hereby or thereby secured or any part thereof shall be advanced before

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or after or at the same time as the creation of any such Guarantees or other Security, or before or after or upon the date of execution of any amendments to or restatements of this Agreement, and shall not be affected by any Obligations fluctuating from time to time.

4.5 Registration

The Borrower shall do, and shall cause each Guarantor to do, at the Borrower's sole cost and expense, all such commercially reasonable acts, execute all such instruments and provide such further assurances as the Lender may reasonably request to ensure that the priority of the Liens created by all of the Security executed and delivered to the Lender as contemplated hereby is duly protected and perfected by registration, filing or recordation of such Security or a caution, caveat, security notice or other appropriate instrument at all offices where necessary or of material advantage to the protection or perfection thereof; and to cooperate with the Lender and Lender's Counsel in renewing or refiling any registration, filing or recordation required hereby from time to time in order to preserve, protect and maintain the priority of such Liens.

4.6 Permitted Liens and Permitted Indebtedness

None of the facts that:

- (a) any Credit Party is permitted to create or suffer to exist any Permitted Lien or Permitted Indebtedness:
- (b) any representation, warranty or covenant contained herein may make an exception for the existence of Permitted Liens or Permitted Indebtedness; or
- (c) the Liens created pursuant to the Credit Documents are stated to be subject to, or are not required to rank in priority to, Permitted Liens,

shall in any manner, nor in any cause or proceeding, directly or indirectly, be taken to constitute a subordination of any Lien created pursuant to the Credit Documents to any Permitted Encumbrance or to any other Lien or other obligation whatsoever, or that the Obligations under the Credit Documents are in any way subordinate or junior in right of payment to any Permitted Indebtedness, it being the intention of the parties that all Liens created pursuant to the Credit Documents shall at all times, to the maximum extent permitted by Applicable Law, rank as first priority Liens in priority to Permitted Liens and all other Liens or other obligations whatsoever and that the Obligations under the Credit Documents will rank in right of payment at all times at least equally with such Permitted Indebtedness.

ARTICLE V CONDITIONS PRECEDENT

5.1 Conditions Precedent to Promissory Note

The parties hereto acknowledge and confirm that all conditions precedent provided for in respect of the Promissory Note were previously satisfied by the Borrower.

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5.2 Conditions Precedent to Closing and Initial Advance

The Lender shall have no obligation to make the initial Advance under the Credit Facility hereunder unless at the time of such Advance all of the following terms and conditions shall have been satisfied (or waived by the Lender), such date being the "Closing Date":

- (a) **Receipt of Documents**: the Lender shall have received, each in full force and effect and in form and substance satisfactory to the Lender, acting reasonably, the following:
 - (i) this Agreement duly executed and delivered by the Borrower and the Guarantors;
 - (ii) each other Credit Document being delivered in connection herewith duly executed and delivered by each Credit Party, as applicable;
 - (iii) a milestone matrix, in the form attached hereto as **Schedule "B"** (the "**Milestone Matrix**");
 - (iv) the 2022 operating statements of the Borrower starting as at July 1, 2022 which are attached hereto as **Schedule** "C" (the "2022 Operating Plan"); and
 - (v) an officer's certificate in the form attached hereto as Schedule "D" (the "Officer's Certificate")
 - (vi) such other documents, certificates, opinions and agreements as are reasonably required to confirm the completion and satisfaction of the foregoing which the Lender may reasonably request.
- (b) **Liens**: all Liens created by the Security shall have been duly perfected and registered against each Credit Party as required by the Lender's Counsel.
- (c) Approvals: The Borrower shall have received, in form and substance satisfactory to the Lender, all consents and approvals necessary to enter into this Agreement and each other applicable Credit Document and to perform its obligations hereunder and thereunder, including without limitation:
 - (i) the approval of the TSX Venture Exchange;
 - (ii) the approval of the majority of its minority shareholders pursuant to National Instrument 61-101 — Protection of Minority Security Holders in Special Transactions ("NI 61-101") at a duly called meeting of shareholders on the basis that the Credit Facility constitutes a "related party transaction" under NI 61-101.
- (d) **No Material Adverse Effect**: since the date of the advance under the Promissory Note, there shall not have occurred any change, development or event relating to any Credit Party which would reasonably be expected to have a Material Adverse Effect.
- (e) **Delivery of Notice**: the Borrower shall have delivered to the Lender a duly completed Drawdown Notice.

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- (f) **Due Diligence**: The Lender shall have completed and be satisfied with the business, legal and environmental due diligence review in respect of the Credit Parties and their respective assets.
- (g) **Fees**: the Borrower shall have paid all fees and expenses then due in respect of this Agreement, or will pay any such concurrently with the initial Advance.

5.3 Conditions Precedent to Subsequent Advances Under the Credit Facility

The obligation of the Lender to make any subsequent Advance under the Credit Facility is subject to the satisfaction of the following conditions precedent:

- (a) **No Default**: no Default or Event of Default has occurred and is continuing on the Drawdown Date, or would result from the making of any such Advance;
- (b) Representations and Warranties: the representations and warranties contained in Article VI and in any other Credit Document shall be, to the extent applicable, true and correct as if made on and as of the Drawdown Date;
- (c) **No Material Adverse Effect**: since the date of the most recent Advance, there shall not have occurred any change, development or event relating to any Credit Party which would reasonably be expected to have a Material Adverse Effect;
- (d) **Delivery of Notice**: the Borrower shall have delivered to the Lender a duly completed Drawdown Notice;
- (e) Officer's Certificate: the Borrower shall have delivered to the Lender a duly completed Officer's Certificate; and
- (f) Other: all other terms and conditions of this Agreement upon which the Borrower may obtain an Advance are fulfilled, including (i) satisfaction (or waiver) of the conditions precedent set out in Section 5.2 and (ii) the aggregate amount of any proposed Advance when added to all other Advances shall not exceed \$3,500,000.

5.4 Waiver

The conditions in this Article V are inserted for the sole benefit of the Lender, and may be waived by the Lender in whole or in part (with or without terms or conditions).

ARTICLE VI REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties

The Borrower represents and warrants to the Lender (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Lender in entering into this Agreement) that:

(a) Corporate Existence: each Credit Party and each of Pathway Wellness Products Corp., 1319923 Canada, 10030712 Manitoba and 1964433 Alberta is duly incorporated, amalgamated or continued, and is duly organized, validly subsisting and in good standing

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under the laws of its jurisdiction or subsistence, as applicable, subsisting and in good standing under the laws of such jurisdiction and is duly qualified to carry on business in such jurisdiction;

- (b) **Power and Capacity**: each Credit Party has full corporate power and capacity to own its property and assets and conduct its business as presently conducted; and in the case of the Borrower, to borrow money and perform its obligations hereunder; and in the case of any Guarantor, to guarantee the Obligations hereunder and under any applicable Credit Document;
- (c) **Authorization**: the execution, delivery and performance by each Credit Party of the Credit Documents to which it is a party have been duly authorized by all necessary corporate or partnership action, as applicable, and are within its power and capacity;
- (d) **Execution and Delivery**: each applicable Credit Document to which a Credit Party is a party has been duly executed and delivered to the Lender;
- (e) **Binding Obligations**: each Credit Document to which a Credit Party is a party is a legal, valid and binding obligation of the Credit Party enforceable against such Credit Party in accordance with its terms, except as such enforceability may be limited by general principles of equity and by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;
- (f) No Legal Bar or Resultant Lien: the execution, delivery and performance by each Credit Party of the Credit Documents to which it is a party will not violate any provision of Applicable Law or its Constating Documents, and will not result in a breach of or constitute a default or require any consent under, or result in the creation of any Lien on the Collateral (other than Permitted Liens) upon, any of its property or assets pursuant to any indenture or other agreement or instrument to which it is a party or by which it or its property may be bound or affected; and the execution, delivery and performance by each Credit Party of the Credit Documents to which it is a party does not require any governmental action, license, consent or approval of or notice to or filing with any Governmental Authority which has not been obtained and do not and will not contravene any provision of Applicable Law or any governmental action applicable to it or any of its assets;
- (g) Default of Other Contracts: except as otherwise previously disclosed, no Credit Party is in material breach or material default of, 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 under any material agreement or instrument by which it or any of its properties, assets or undertakings are bound, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (h) Litigation: except as otherwise previously disclosed to the Lender, there are no material actions, suits or proceedings pending or threatened against any Credit Party at law or in equity by or before any Governmental Authority, domestic or foreign, or before any arbitrator of any kind, and no Credit Party is in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any Governmental Authority, domestic or foreign, or any arbitrator of any kind, except in each case to the extent it would not reasonably be expected to have a Material Adverse Effect;

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- (i) Financial Condition: all financial information submitted to the Lender fairly reflect, as of the dates thereof, the consolidated financial condition of the Borrower and the Guarantors and the results of its operations for the periods covered thereby, have been prepared in accordance with IFRS and, from the date of the latest such financial information submitted to the Lender, there has been no material adverse change in the consolidated financial condition of the Borrower or the Guarantors, or their respective properties, assets, condition or undertaking which has not been disclosed in writing to the Lender;
- (j) Taxes: Other than as disclosed to the Lender in writing, each Credit Party has filed all tax returns which were required to be filed, has paid or made provision for payment (in accordance with IFRS) of all taxes which are due and payable, and has provided adequate reserves (in accordance with IFRS) for the payment of any taxes the payment of which is the subject of a Permitted Contest;
- (k) Insurance: the Borrower and the Guarantors each have in full force and effect such policies of insurance in such amounts issued by insurers of recognized standing insuring its properties and operations, including business interruption insurance and replacement cost insurance, and providing such coverage as would be maintained by a prudent operator engaged in the same or similar business where its properties and operations are located;
- (I) Compliance with Laws: each Credit Party is in material compliance with all Applicable Laws;
- (m) **Environmental Laws**: the Borrower and the Guarantors are each in material compliance with Environmental Law;
- (n) **Projections and Related Information**: subject to the assumptions and qualifications made by the Borrower and provided to the Lender in writing, the projections and other related data provided to the Lender by the Borrower, to the best of the knowledge of the Borrower, fairly and properly reflect the interests and projections of the Borrower therein and thereto as of the date thereof;
- (o) Events of Default: no event or circumstance has occurred which constitutes, or which with the giving of notice, lapse of time or both would constitute, an Event of Default; and
- (p) Disclosure: to the knowledge of the Borrower, there is no fact that the Borrower has not disclosed to the Lender in writing, or of which the Lender is not otherwise aware, that could reasonably be expected to have a Material Adverse Effect.

6.2 Survival of Representations and Warranties

Unless expressly stated to be made as of a specific date, the representations and warranties made in this Agreement shall survive the execution of this Agreement and all other Credit Documents, and shall be deemed to be repeated as of the date of each Advance, subject to modifications made by the Borrower to the Lender in writing and accepted by the Lender, and shall expire and terminate when all Obligations have been indefeasibly repaid and satisfied in full and all Security hereunder has been fully discharged.

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ARTICLE VII COVENANTS

7.1 General Covenants

The Borrower covenants and agrees with the Lender that, so long as any Obligations remain outstanding and unpaid, the Borrower shall, and shall cause each other Credit Party to (as applicable):

- (a) Pay and Perform Obligations: duly and punctually pay all principal, interest, fees and other amounts payable hereunder and under the other Credit Documents on the dates, times and places, and in the manner specified herein or therein, and observe and comply with all other terms and conditions of the Credit Documents;
- (b) <u>Use Proceeds</u>: use the proceeds of the Credit Facility only for the purposes set out in this Agreement;
- (c) Maintain Existence: in respect of itself and, as applicable, in respect of each of Pathway Wellness Products Corp., 1319923 Canada, 10030712 Manitoba and 1964433 Alberta, maintain and preserve its existence and status in each jurisdiction of organization and make all filings and registrations in each other jurisdiction necessary or advisable in connection therewith, except to the extent failure to make such filings would not have a Material Adverse Effect, or where the Borrower was received the prior written consent of the Lender to carry out such action;
- (d) <u>Conduct Business</u>: conduct its business in a proper and efficient manner, and maintain its property and assets in good repair and condition, subject to ordinary wear and tear;
- (e) <u>Comply With Applicable Laws</u>: operate its business in substantial compliance with all Applicable Law (including Environmental Law) which, if not operated in compliance with, would reasonably be expected to have a Material Adverse Effect;
- (f) Pay Taxes: duly file on a timely basis all tax returns required to be filed by it, and duly and punctually pay all taxes levied or assessed against it (except for those taxes which are then the subject of a Permitted Contest), except to the extent failure to do so would not have a Material Adverse Effect;
- (g) Pay Remittances: duly remit as and when due all employee pension contributions and/or other benefits (including workers' compensation premiums, employer health tax premiums, Canada Pension Plan contributions, Employment Insurance Commission premiums), and statutory remittances (including income tax, goods and services tax, or where applicable, provincial sales tax or harmonized sales tax);
- (h) <u>Provide Access</u>: permit any representatives of the Lender to enter upon and inspect its assets, books and records, and discuss with its senior management its business, financial condition and operations, from time to time upon reasonable notice and during normal business hours;
- (i) <u>Maintain Security</u>: ensure that the Security granted to the Lender remains legal, valid, binding and enforceable in accordance with the terms thereof, subject to general principles of equity and laws affecting creditors' rights generally;

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- (j) <u>Security Registrations</u>: co-operate with the Lender so as to permit the Lender to forthwith register, file and record the Security (or notices, financing statements or other registrations, including amending registrations) in all proper offices where such registration, filing or recording may be necessary or of material advantage to perfect or protect the Liens constituted thereby, and ensure that such Security ranks in priority to any other Liens granted by it other than Permitted Liens;
- (k) Maintain Insurance: obtain and maintain insurance on all its property with a financially sound and reputable insurance provider, including all-risk property insurance, comprehensive general liability insurance and business interruption insurance, in amounts and against risks that are determined to be appropriate by the Borrower acting prudently, and furnish to the Lender upon written request satisfactory evidence of such insurance;
- (I) TSX Venture Exchange: maintain good standing on the TSX Venture Exchange;
- (m) Give Notice: promptly give written notice to the Lender of:
 - (i) any Event of Default of which it becomes aware, using reasonable diligence,
 - (ii) any damage to or destruction of any assets which might give rise to a claim for insurance monies in excess of \$100,000,
 - (iii) any proposed change in its name or the location of its chief executive office,
 - (iv) any Environmental Liability which would reasonably be expected to have a Material Adverse Effect.
 - (v) any litigation, arbitration or other proceeding commenced or threatened against or affecting it which would reasonably be expected to have a Material Adverse Effect,
 - (vi) any Lien of which it becomes aware that has been registered, filed or recorded against the interests of any Credit Party in any Collateral which is not a Permitted Lien,
 - (vii) any material deviation, or any expected material deviation, from the Milestone Matrix (as updated in accordance with Section 7.3), the 2022 Operating Plan or the 2023 Operating Plan; and
 - (viii) any other change (financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of any Credit Party that has or would reasonably be expected to have a Material Adverse Effect,

and from time to time provide the Lender with all information requested by the Lender concerning the status of any of the foregoing; and

(n) Provide Other Documents: use reasonable efforts to provide the Lender from time to time with such other documents, security, opinions, consents, acknowledgments and agreements as are requested by the Lender and are necessary to implement this Agreement and the Security.

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7.2 Financial Covenant

The Borrower covenants and agrees with the Lender that it shall observe and maintain its Adjusted EBITDA as set out in the 2022 Operating Plan and the 2023 Operating Plan, as applicable, provided that, in each case, the Borrower shall have the right to revise, amend and update the relevant operating plan quarterly, which such revised or amended operating plan shall be subject to the prior approval of the Lender.

7.3 Reporting Requirements

The Borrower shall cause to be prepared and delivered to the Lender, in form and substance satisfactory to the Lender, the following:

- (a) an updated Milestone Matrix no later than twenty (20) Business Days following the end of each calendar month;
- (b) an updated Officer's Certificate no later than twenty (20) Business Days following the end of each calendar month; and
- (c) a 2023 operating statement to replace the 2022 Operating Plan by no later than November 30, 2022 (the "2023 Operating Plan"), which 2023 Operating Plan shall, once approved in writing by the Lender (acting reasonably), be ratified by the Borrower's Board of Directors by no later than December 15, 2022.

7.4 Negative Covenants

Without the prior written consent of the Lender, not to be unreasonably withheld, the Borrower hereby covenants and agrees that it shall not:

- (a) <u>Incur Debt</u>: create, incur, assume or permit to exist any debt, other than Permitted Indebtedness;
- (b) <u>Financial Assistance</u>: provide financial assistance, Guarantees, investments, additional management remuneration (in excess of salary and bonuses paid to employees in the ordinary course of business), dividends or any other employee loans to any persons including Affiliates except for (i) those in effect on the Closing Date and approved by the Lender, (ii) those provided to Affiliates in respect of acquisitions and projects in the ordinary course of business;
- (c) <u>Negative Pledge</u>: create, incur, permit or suffer to exist any Liens upon or with respect to any Collateral, other than Permitted Liens;
- (d) <u>Use Advances</u>: use the proceeds of any Advance for any purpose other than as expressly contemplated herein;
- (e) <u>Material Changes</u>: liquidate or dissolve; cease to carry on business as now being conducted by it; complete any transaction whereby all or substantially all of its property and assets would become the property of any other person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, or amend in any material respect its Constating Documents;

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- (f) <u>Limit Activities</u>: make any material change in the nature of its business;
- (g) <u>Restrictions on Dispositions</u>: directly or indirectly sell, lease, assign, transfer, convey or otherwise dispose of any of its assets greater than \$150,000 in aggregate in any Fiscal Year unless reinvested within 180 days or disposition;
- (h) <u>Distributions</u>: declare, pay or make any Distributions or payments on subordinated debt when an Event of Default has occurred and is continuing or would reasonably be expected to occur as a result of making such Distribution; and
- (i) <u>Change of Control</u>: permit a change of control or ownership of the Credit Parties, excluding the Borrower.

ARTICLE VIII DEFAULT

8.1 Events of Default

The occurrence of any one or more of the following events, after the expiry of any applicable cure period set out below, shall constitute an "Event of Default" under this Agreement:

- (a) if the Borrower fails to pay any amount of principal or interest when the same becomes due and payable hereunder, whether at maturity or otherwise;
- (b) if the Borrower fails to pay any amount of fees or other Obligations (other than principal and interest) within fifteen (15) Business Days after the Borrower having received notice from the Lender of the amount payable;
- (c) if there is a greater than 10% negative deviation from the quarterly Adjusted EBITDA set forth by the Borrower in the 2022 Operating Plan or the 2023 Operating Plan, as applicable, commencing July 1, 2022;
- (d) if any Credit Party fails to observe or perform any covenant or obligation contained herein or in any other Credit Document in any material respect (not otherwise specifically dealt with in this Section 8.1) and such breach or omission shall continue unremedied for more than fifteen (15) Business Days after the earlier of a Senior Officer of the Borrower first having knowledge of such breach or omission, or the Borrower having received notice from the Lender of such breach or omission;
- (e) if any Credit Party makes any representation or warranty under any of the Credit Documents which is incorrect or incomplete in any material respect when made or deemed to have been made and (i) the incorrect or incomplete representation or warranty is not capable of being remedied by such Credit Party, or (ii) if the matter is capable of being remedied, the same shall continue unremedied for more than fifteen (15) Business Days after the earlier of a Senior Officer of the Borrower first having knowledge of such incorrect or misleading representation or warranty, or the Borrower having received written notice from the Lender of such incorrect or misleading representation or warranty;
- (f) if any event or circumstance (including non-payment) shall occur under any agreement or instrument relating to debt of any Credit Party which would permit a person to declare

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(whether immediately or with lapse of time or both) an amount in excess of \$150,000 to become due prior to the stipulated date for repayment thereof, or maturity (or in the case of debt payable on demand or a Guarantee if demand is made at all), and such circumstance shall continue unremedied for more than fifteen (15) Business Days (provided that such grace period shall cease to apply if a demand has been made and any applicable grace period has expired or if the default is not then subject of a Permitted Contest);

(g) if any Credit Party shall:

- (i) become insolvent, or generally not pay its debts or meet its liabilities as the same become due, or suspend or threaten to suspend the conduct of its business, or admit in writing its inability to pay its debts generally, or declare any general moratorium on payment of its indebtedness or interest thereon, or propose a compromise or arrangement between it and any of its creditors,
- (ii) make an assignment of its property for the general benefit of its creditors, whether or not under the *Bankruptcy and Insolvency Act* (Canada), or make a proposal (or file a notice of its intention to do so), whether or not under such Act,
- (iii) institute any Creditor Proceedings seeking to adjudicate it an insolvent, or seeking compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation,
- (iv) apply for the appointment of, or the taking of possession by, a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property, or
- (v) take any overt action to approve, consent to or authorize any of the actions described in this paragraph (g) or in paragraph (h) below;
- (h) if any petition shall be filed, application be made or other proceeding be instituted by a third party against or in respect of any Credit Party:
 - (i) seeking to adjudicate it an insolvent, or a declaration that an act of bankruptcy has occurred,
 - (ii) seeking a receiving order against it, including under the *Bankruptcy and Insolvency Act* (Canada),
 - (iii) seeking liquidation, dissolution, winding-up, reorganization, administration, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation, or
 - (iv) seeking the entry of an order for relief or the appointment of a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property,

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and such petition, application or proceeding shall continue undismissed, or unstayed and in effect, for a period of twenty (20) Business Days after the institution thereof, provided that if an order, decree or judgment which is not stayed has been granted (whether or not entered or subject to appeal) against such Credit Party thereunder in the interim, such grace period shall cease to apply;

- (i) if any property of any Credit Party having a fair market value in excess of \$150,000 shall be seized (including by way of execution, attachment, garnishment or distraint) or any Lien thereon shall be enforced, or such property shall become subject to any receivership, or any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of \$150,000 shall exist in respect of any Credit Party or such property, or any receiver, sheriff, civil enforcement agent or other person shall become lawfully entitled to seize or distrain upon any such property under the Civil Enforcement Act (Alberta), the Workers' Compensation Act (Alberta), the Personal Property Security Act (Alberta), the Workers' Compensation Act (British Columbia), the Personal Property Security Act (British Columbia) or any other Applicable Law whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, receivership, charging order or equitable execution, or other seizure or right, shall continue in effect and not released or discharged for more than fifteen (15) Business Days;
- (j) if one or more judgments for the payment of money in the aggregate in excess of \$150,000 from time to time, and not substantially covered by insurance, shall become enforceable against any Credit Party and such party shall not have (i) provided for its discharge in accordance with its terms within fifteen (15) Business Days from the date of entry thereof, or (ii) procured a stay of execution thereof within fifteen (15) Business Days from the date of entry thereof and within such period, or such longer period during which execution of such judgment shall have been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal;
- (k) if any Credit Party denies, to any material extent, its obligations under the Credit Documents or claims any of the Credit Documents to be invalid or withdrawn in whole or in part; or any of the Credit Documents or any material provision becomes unlawful or is changed by virtue of legislation or by a court, statutory board or commission;
- (I) if the Security is not enforceable or if any Credit Party shall dispute or deny any liability or obligation under the Security to which it is a party; or
- (m) if a Material Adverse Effect has occurred.

8.2 Acceleration, Demand and Termination of Rights

Upon the occurrence of an Insolvency Default, the Obligations shall become immediately due and payable without the necessity of any demand upon or notice to the Borrower by the Lender. Upon the occurrence and during the continuance of any Event of Default other than an Insolvency Default, the Lender may by written notice to the Borrower declare the Obligations to be immediately due and payable, whereupon they shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.

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8.3 Remedies

Upon the occurrence of an Insolvency Default or the making of a declaration contemplated by Section 8.2, the Security shall become immediately enforceable and the Lender may take such action or proceedings as the Lender in its sole discretion deem expedient to enforce the same (that notice by which such enforcement is commenced or any filing by which such enforcement maybe be commenced on an exparte basis is herein referred to as an "Enforcement Notice"), all without any additional notice, presentment, demand, protest or other formality, all of which are hereby expressly waived by the Borrower.

8.4 Waivers

The Lender may from time to time waive an Event of Default, absolutely or for a limited time and subject to such terms and conditions as the Lender may specify. No such waiver shall be construed to extend to the occurrence of any other Event of Default. Any such waiver may be given prospectively or retrospectively. No failure of the Lender to exercise, or delay by the Lender in exercising, any of its rights or remedies shall be construed as a waiver of any Event of Default.

8.5 Saving

The Lender shall be under no obligation to the Borrower or any other person to realize any collateral or enforce the Security or any part thereof or to allow any of the collateral to be sold, dealt with or otherwise disposed of. The Lender shall not be responsible or liable to the Borrower or any other person for any loss or damage upon the realization or enforcement of, the failure to realize or enforce the collateral or any part thereof or the failure to allow any of the collateral to be sold, dealt with or otherwise disposed of or for any act or omission on their respective parts or on the part of any director, officer, agent, servant or adviser in connection with any of the foregoing, except that the Lender will be responsible or liable for any loss or damage arising from the wilful misconduct or gross negligence of the Lender.

8.6 Perform Obligations

If an Event of Default has occurred and is continuing and if the Borrower has failed to perform any of its covenants or agreements in the Credit Documents, the Lender may, on notice to the Borrower, but shall be under no obligation to perform, any such covenants or agreements in any manner deemed fit by the Lender without thereby waiving any rights to enforce the Credit Documents. The reasonable expenses (including any legal costs on a solicitor and his own client basis) paid by the Lender in respect of the foregoing shall be added to and become part of the Obligations and shall be secured by the Security.

8.7 Third Parties

No person dealing with the Lender shall be concerned to inquire whether the Security has become enforceable, or whether the powers which the Lender is purporting to exercise have been exercisable, or whether any Obligations remain outstanding upon the security thereof, or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or other disposition or any other dealing with the collateral charged by such Security or any part thereof.

8.8 Remedies Cumulative

The rights and remedies of the Lender under the Credit Documents are cumulative and are in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise

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by the Lender of any right or remedy for a default or breach of any term, covenant, condition or agreement herein contained shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Lender may be lawfully entitled for the same default or breach. Any waiver by the Lender of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained, and any indulgence granted by the Lender, shall be deemed not to be a waiver of any subsequent default.

ARTICLE IX MISCELLANEOUS PROVISIONS

9.1 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Agreement fail to provide for any relevant matter, the validity, legality or enforceability of this Agreement shall not hereby be affected.

9.2 Amendment, Supplement or Waiver

No amendment, supplement or waiver of any provision of the Credit Documents, nor any consent to any departure by any Credit Party therefrom, shall in any event be effective unless it is in writing, makes express reference to the provision affected thereby and is signed by the Lender and the Borrower and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No waiver or act or omission of the Lender shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or breach by any Credit Party of any provision of the Credit Documents or the rights resulting therefrom.

9.3 Governing Law; This Agreement to Govern

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. Each party to this Agreement hereby irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of Ontario and all courts competent to hear appeals therefrom.

9.4 Address for Notice

Notice to be given under the Credit Documents shall, except as otherwise specifically provided, be in writing addressed to the party for whom it is intended and, unless the law deems a particular notice to be received earlier, a notice shall not be deemed received until actual receipt by the other party of an original of such notice or an email thereof if sent by email transmission. For the purposes hereof: (i) concurrent notice shall be given for and on behalf of the Credit Parties, to Pathway Health Corp. at 16 Four Seasons Place, Suite 203A, Toronto, Ontario M9B 6E5, Attention: Ken Yoon, Chief Executive Officer, email: ken.yoon@pathwayhealth.ca; and (ii) notice shall be given to the Lender at P.O. Box 8 Caledon East, Caledon, Ontario L7C 3L8; Attention: David Dozzo, Director, email: ddozzo@capforminc.com, or in each case at such other mailing or facsimile address as each party from to time may notify the others as aforesaid.

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9.5 Time of the Essence

Time shall be of the essence in this Agreement.

9.6 Further Assurances

The Borrower shall, at the request of the Lender do all such further acts and execute and deliver all such further documents as may, in the reasonable opinion of the Lender, be necessary or desirable in order to fully perform and carry out the purpose and intent of the Credit Documents.

9.7 Payments on Business Day

Whenever any payment or performance under the Credit Documents would otherwise be due on a day other than a Business Day, such payment shall be made on the next following Business Day.

9.8 Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto concerning the matters addressed in this Agreement, and cancels and supersedes any prior agreements, undertakings, declarations or representations, written or verbal, in respect thereof.

9.9 Assignment

The Lender may assign all or part of this Agreement or its commitment hereunder: (i) at any time to an affiliate of the Lender with notice to but without the consent of the Borrower, (ii) prior to the occurrence and continuance of an Event of Default, to any other person with prior notice to and the consent of the Borrower, and (iii) after the occurrence and continuance of an Event of Default, to any other person without notice to or the consent of the Borrower. The Borrower shall not assign or transfer all or any part of their rights or obligations under this Agreement at any time.

9.10 Conflicting Terms

In the event of any conflict between the terms of this Agreement and the terms of any other Credit Documents (or for any inconsistency between this Agreement and the other Credit Documents), the provisions of this Agreement shall prevail to the extent necessary to remove such conflict (or inconsistency).

9.11 Acknowledgements

The Borrower acknowledges that the Credit Facility and all accounts held by the Borrower with the Lender are for use by the Borrower, and will be used by the Borrower, only for business purposes.

9.12 Amendment and Restatement

Effective as of the Closing Date, the Promissory Note is hereby amended and restated as set forth herein without in any way affecting the rights or obligations of any party which may have accrued pursuant to the provisions of the Promissory Note prior to their amendment hereby, and is, as so amended and restated, hereby ratified and confirmed.

9.13 Continuing Effect

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Each of the Credit Parties acknowledges and agrees that the Existing Security to which each is a party, as applicable, and any other documents entered into in connection therewith, continue in full force and effect and are hereby confirmed and the rights and obligations of all parties thereunder will not be affected or prejudiced in any manner except as specifically provided herein.

9.14 Counterparts and Facsimile

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. For the purposes of this Section, the delivery of a facsimile copy of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement, but the party delivering a facsimile copy shall deliver an original copy of this Agreement as soon as possible after delivering the facsimile copy.

[Signature Pages Follow]

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

РАТНЖАУЫБАЫТЫ CORP.

12 14 2
By: 75885566294548B
Name: Ken Yoon
Title: President and CEO
PATHWAYHEALTH SERVICES CORP.
By: 7588550E 294548B
Name: Ken Yoon
Title: Chief Executive Officer
PATHWAY-HEALTHCARE TECHNOLOGIES CORP
By: Michael Stell
Name: Michael Steele
Title: President and CEO
2563367 ONTARIO LIMITED
By:
Name: Kim Wei
Title: President and Chief Executive Officer
SLAWNER ORIHOLITEE.
By:lwa Balboa
Name: Aura Balboa
Title: President

DocuSign Envelope ID: 8A3EBA40-DB98-4AC7-B29C-B7C5FF0E5BC3

AVONLEA-DREWRY HOLDINGS INC.,

as Lender

Ву:

David Doggo

Name: David Dozzo
Title: Director

SCHEDULE A

FORM OF DRAWDOWN NOTICE

TO:	Avonle	a-Drewry Holdings Inc.	
1.	Health Holding to time	Corp., as borrower (the "Borrower"), the same of the s	ated as of July 29, 2022, made among Pathway ne guarantors party thereto, and Avonlea-Drewry ded, supplemented, restated or replaced from time ed herein but not otherwise defined shall have the n the Credit Agreement.
2.	the fo	Borrower hereby requests a drawdown ollowing in accordance with the Credit ement:	
	(a)	Date:	
	(b)	Amount of Advance:	
	(c)	Aggregate amount of all Advances, including this Advance: Account to be credited or other payment arrangements:	
	(e)	Special Instructions (if any):	
3.	The Bo		dvance only for the purposes set out in the Credi
4.	There	has not occurred any unremedied Defaul	t or Event of Default.
	DATE	O thisday of	•.
		Р	athway Health Corp.

Per:

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SCHEDULE B

MILESTONE MATRIX

Key activity	Update
Closing of the Tilray Brands Inc. broker agreement for supply of Cannabis and Cannabis - Related Products to the various buyers introduced by Avida Global and its affiliates.	Draft brokerage and supply agreement reviewed by all parties. Current agreements are sitting with Tilray legal for a second round of comments.
Purchase order and supply agreement for the supply of Cannabis and Cannabis Related Products to various buyers introduced by Avida Global and its affiliates.	Draft brokerage and supply agreement reviewed by all parties. Current agreements are sitting with Tilray legal for a second round of comments.
Approval from Health Canada for a non- possession sales license (Cannabis license Class – Federal sale for medical purposes without possession).	Received comments from Health Canada with minor questions. The Consultant and Pathway have prepared the various answers. Health Canada is waiting for all security clearances to clear. Kenneth Howling's is outstanding.
Launch of e-commerce platform to sell curated Cannabis products under an approved non-possession sales license.	Continuing to work with our partners (Cropsify and various marketing partners) to develop the site and get it up and running. Cannot go live until sales license has been approved.
Securing additional sources of financing.	None sourced yet.



SCHEDULE C

2022 OPERATING PLAN

(see attached)

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PATHWAY HEALTH CORP.

	Budget Q1 2022	Budget Q2 2022	Budget Q3 2022	Budget Q4 2022	Budget YE2022	Budget Q1 2023
REVENUE						
Revenue - Cannabis	581,797	657,878	853,110	990,816	3,083,601	789,882
Revenue - Product	0	0	0	0	0	0
Revenue - Provincial Billing Fees Revenue - Non-OHIP Income	1,254,005 156,768	1,340,039 174,033	1,082,342 152,475	1,071,760 152,475	4,748,146 635,751	1,074,145 152,975
Revenue - Other	44,734	60,779	57,414	57,414	220,341	45,900
Revenue - Sales	566,850	617,360	708,994	710,106	2,603,310	671,038
Total Revenue	2,604,154	2,850,089	2,854,335	2,982,571	11,291,149	2,733,940
Cost of sales						***
Consultants	989,795	1,049,840	812,450	805,509	3,657,594	806,857 237,880
Cost of goods sold Clinic and medical expenses	192,183 122,049	221,112 167,080	251,311 171,609	251,560 186,111	916,166 646,849	135,753
Total cost of sales	1,304,027	1,438,032	1,235,370	1,243,180	5,220,609	1,180,490
Gross Margin	1,300,127	1,412,057	1,618,965	1,739,391	6,070,540	1,553,450
Selling, general and administrative expenses						
Wages and benefits	1,846,539	1,856,592	1,916,406	1,907,565	7,527,102	2,076,112
Professional and consulting fees	240,938	212,348	160,287	140,287	753,860	100,287
Rent and utilities	189,213 18,256	264,817 65,017	227,025 188,074	227,025 101,693	908,080 37 3, 040	227,619 129,701
Marketing Insurance	71,862	73,662	78,666	78,666	302,856	78,666
Research and development	0	3,000	65,250	68,250	136,500	12,000
Public company costs	172,023	272,522	106,527	111,027	662,099	52,722
Office expenses	211,567	183,543	161,671	153,701	710,482	157,641
Depreciation	237,651	238,435	238,890	238,890	953,866	238,890
Total SG&A	2,988,049	3,169,936	3,142,796	3,027,104	12,327,885	3,073,638
Other expense/(Income)						
Finance expense	98,040	100,158	151,775	207,222	557,195	262,618
Amortization Share-based compensation	65,816 132,136	70,600 95,668	83,006 72,726	83,631 72,726	303,053 373,256	84,256 69,874
Share-based compensation	295,992	266,426	307,507	363,579	1,233,504	416,748
Income/(Loss) before income tax	(1,983,914)	(2,024,305)	(1,831,338)	(1,651,292)	(7,490,849)	(1,936,936)
Non-controlling interest						
CDITO 4	(4 502 407)	(1 645 112)	(4.257.667)	(4 424 540)	(E 676 73E)	/1 251 172\
EBITDA Adjustments for one time costs:	(1,582,407)	(1,615,112)	(1,357,667)	(1,121,549)	(5,676,735)	(1,351,172)
EBITDA Adjustments for one time costs: Share-based compensation	(1,582,407) 132,136	(1,615,112) 95,668	(1,357,667) 72,726	(1,121,549) 72,726	(5,676,735) 373,256	(1,351,172) 69,874
Adjustments for one time costs: Share-based compensation	132,136	95,668	72,726	72,726	373,256	69,874
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA	132,136 (1,450,271)	95,668 (1,519,444)				
Adjustments for one time costs: Share-based compensation	132,136 (1,450,271)	95,668 (1,519,444)	72,726	72,726	373,256	69,874
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA	132,136 (1,450,271) illities and accretio	95,668 (1,519,444) n expense.	72,726 (1,284,941)	72,726 (1,048,823)	373,256	69,874 (1,281,298)
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing factors and the state of the	132,136 (1,450,271) illities and accretio	95,668 (1,519,444) n expense. Budget	72,726 (1,284,941) Budget	72,726 (1,048,823) Budget	373,256	69,874 (1,281,298)
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing factors and the state of the	132,136 (1,450,271) illities and accretio Budget Q1 2022	95,668 (1,519,444) n expense. Budget Q2 2022	72,726 (1,284,941) Budget Q3 2022	72,726 (1,048,823) Budget Q4 2022	373,256	69,874 (1,281,298) Budget Q1 2023
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing factors and the state of the	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799	95,668 (1,519,444) n expense. Budget	72,726 (1,284,941) Budget	72,726 (1,048,823) Budget	373,256	69,874 (1,281,298)
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing fact Balance Sheet Assets Current Cash	132,136 (1,450,271) illities and accretio Budget Q1 2022	95,668 (1,519,444) n expense. Budget Q2 2022	72,726 (1,284,941) Budget Q3 2022 58,802	72,726 (1,048,823) Budget Q4 2022 38,634	373,256	69,874 (1,281,298) Budget Q1 2023
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing factors and the state of the	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452	373,256	69,874 (1,261,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing factors and the state of the	132,136 (1,450,271) illities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing factors and states are selected. Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055	373,256	69,874 (1,261,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and other receivables Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing factors and states are selected. Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets	132,136 (1,450,271) illities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055	373,256	69,874 (1,261,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and other receivables Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and other receivables Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill	132,136 (1,450,271) illities and accretion Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0	373,256	15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0 6,304,196	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745	373,256	69,874 (1,261,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599
Adjustments for one time costs: Share-based compensation ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing face Balance Sheet Assets Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0 6,304,196 9,460,612	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and content of the figure includes interest expense, financing expense, fair value of financing factors and content of the financing factors and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current Accounts payable and accrued liabilities	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0,6,304,196 9,460,612	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902
Adjustments for one time costs: Share-based compensation *ADJUSTED EBITDA *this figure includes interest expense, financing expense, fair value of financing factors and control of the financing factors and other receivables Current Cash Accounts and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0 6,304,196 9,460,612	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 5,037,599 6,449,902
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and content of the figure includes interest expense, financing expense, fair value of financing factors and content of the financing factors and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current Accounts payable and accrued liabilities	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0 6,304,196 9,460,612 2,167,779 0 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420 1,918,751 0 0	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and content of the figure includes interest expense, financing expense, fair value of financing factors and content of the financing factors and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current Accounts payable and accrued liabilities	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0 6,304,196 9,460,612	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902 1,833,907 0 1,833,907
Adjustments for one time costs: Share-based compensation *This figure includes interest expense, financing expense, fair value of financing factors and content of the figure includes interest expense, financing expense, fair value of financing factors and content of the financing factors and other receivables Deferred cost Inventory Prepaids Total current assets Due from related parties Property and equipment Intangible assets Goodwill Investment in related company Total assets Liabilities and Shareholders' deficiency Current Accounts payable and accrued liabilities	132,136 (1,450,271) illities and accretio Budget Q1 2022 1,563,799 1,003,953 0 324,050 264,614 3,156,416 0 4,744,241 922,293 637,662 0 0 6,304,196 9,460,612 2,167,779 0 0	95,668 (1,519,444) n expense. Budget Q2 2022 334,991 1,019,499 0 419,878 84,905 1,859,273 0 4,505,807 851,692 637,662 0 0 5,995,161 7,854,435	72,726 (1,284,941) Budget Q3 2022 58,802 1,004,719 0 421,955 63,679 1,549,154 0 4,276,917 768,686 637,662 0 0 5,683,265 7,232,420 1,918,751 0 0	72,726 (1,048,823) Budget Q4 2022 38,634 1,038,585 0 409,823 51,452 1,538,494 0 4,038,027 685,055 637,662 0 0 5,360,745 6,899,239	373,256	69,874 (1,281,298) Budget Q1 2023 15,739 964,809 0 392,089 39,667 1,412,304 0 3,799,137 600,799 637,662 0 0 5,037,599 6,449,902



Government loan payable Line of credit	70,446 0	73,474 200,000	76,668 1,960,000	80,000 3,500,000		80,000 5,000,000
Elifo of order	4,242,321	4,238,398	5,853,776	7,245,783		8,601,730
Total liabilities	6,410,100	6,635,929	7,772,526	9,017,911		10,435,637
Shareholders' Deficiency	42,644,224	42,644,224	42.644.224	42,644,224		42,644,224
Share capital Warrants	1,866,866	1,866,866	1,866,866	1,866,866		1,866,866
Contributed surplus	(30,012,037)	(29,819,738)	(29,747,012)	(29,674,286)		(29,604,412)
Non-Controlling Interest	48,464	48,464	48,464	48,464		48,464
Deficit	(11,497,006)	(13,521,311)	(15,352,649)	(17,003,941)		(18,940,877)
	3,050,512	1,218,506	(540,106)	(2,118,672)		(3,985,734)
Total llabilities and shareholders' deficiency	9,460,612	7,854,435	7,232,420	6,899,239		6,449,902
				2)		-
Cash Flow						
Net loss	(1,983,914)	(2,024,305)	(1,831,338)	(1,651,292)	(7,490,849)	(1,936,936)
Operating activities						
Items not affecting cash						
Amortization of intangible assets.	65,817	70,601	83,006	83,631	303,055	84,256
Depreciation.	237,651	238,434	238,890	238,890	953,866	238,890
Finance expense.	92,421	95,502	151,775	207,222	546,920	262,618
Share-based compensation.	132,135	95,667	72,726	72,726	373,254	69,874
Changes in non-cash working capital balances	(1,455,889)	(1,524,101)	(1,284,941)	(1,048,823)	(5,313,754)	(1,281,298)
Accounts and other receivables	(79,768)	(6,626)	14,780	(33,866)	(105,481)	73,776
Inventory	15,360	(95,828)	(2,077)	12,132	(70,413)	17,734
Prepaids	(15,035)	179,710	21,226	12,226	198,127	11,785
Accounts payable and accrued liabilities Deferred revenue	363,719 0	227,756 2,000	(478,781) 0	(146,623) 0	(33,928) 2,000	61,779 0
Net cash used in operating activities	(1,171,613)	(1,217,090)	(1,729,793)	(1,204,954)	(5,323,449)	(1,116,224)
Net cash used in operating activities	(1,11,1,013)	(1)211,030)	(2):23):33)	(2)20 1)50 17	(=)===)	0
Financing activities		0	0	0	0	0
Net advances from related parties	0 (148,297)	0 (200,320)	0 (141,678)	(145,095)	(635,390)	(137,730)
Repayment of lease liability Repayment of bridge loan	(140,257)	(200,320)	(141,078)	(143,093)	(055,660)	(137,730)
Repayment of loan payable	(5,956)	(4,021)	0	0	(9,977)	0
Proceeds/repayment from government loan	0	0	0	0	0	0
Proceeds from line of credit	0	200,000	1,760,000	1,540,000	3,500,000	1,500,000
Share issuance	0	0	0	0	0	0
Interest paid	(89,549)	(95,088)	(154,719)	(210,119)	(549,475)	(268,941)
NCI proportionate investment in 10030712 Manitoba Ltd	0	87,710	0	0	87,710	0
Proceeds from senior secured notes, net	0	0	0	0	0	0
Net cash provided by financing activities	(243,802)	(11,719)	1,463,603	1,184,786	2,392,868	1,093,328
Investing activities						
Acquisition of NCC	0	0	0	0	0	0
Technology/E-commerce platform	0	0	0	0	0	0
Purchase of property and equipment	(2,543)	0	(10,000)	0	(12,543)	0
	(2,543)	0	(10,000)	0	(12,543)	0
Increase (decrease) in cash	(1,417,958)	(1,228,808)	(276,190)	(20,168)	(2,943,124)	(22,895)
Cash, beginning of period	2,981,758	1,563,800	334,991	58,802	2,981,758	38,634



PATHWAY HEALTH CORP.	0	0	0		. 0	0.00	٥	0	0		0	0	. 0	0	
	Actual California	Actual Cetical	Actual Marcon	Apr 22	Atturi Way 22	Jim 22	Jul 22	Avg 22	Sep 22	Oct 22	Hoy 22	Dec 22	Jan 23	Fel) 23	
REVENUE Revenue - Cannabis	222,101	211,364	148,332	203,095	195,899	258.884	270,972	284,348	297,790	313,301	328.907	348,608	276.247	263,124	
Revenue - Product	0	0	0	a	0	0	0	0	. 0	0	0	0	0	ō	
Revenue - Provincial Billing Fees Revenue - Non OHIP Income	335,074 38,193	401,856 49,267	517,075 69,308	506,550 47,628	408,450 75,580	424,939 50 825	360,561 50 825	355,938 50 825	365 843 50,825	354,357 50,825	358 798 50,825	358,605 50,825	333,60S 50,07S	50,075	
Revenue - Other	9,909	15,357	19.468	20,343	21,298	19,138	19,138	19,138	19,138	19,138	19,138	19,138	15 300	15.100	
Revenue - Sales Total Revenue	772,106	858,723	973,325	951,368	207,644 908,916	989 805	936 057	942,823	975,455	970,899	1,003,337	1,008,335	896,514	900,718	-
Cost of sales															
Consultants	261 375	318,281	410,139	395,064	341,373	313,403	270,689	267,565	274,196	266,467	269,673	269,359	252,316	262,248	
Cost of goods sold Clinic and medical expenses	58 517	59 231	74,435	62,534	73,436	85,142 57,964	81,778 56,042	83 970 57 162	85,563 58,405	82,380 59,765	86,077 60,111	63,103 66,015	78,832 42,246	79,541	
Total end of sales	351 558	50,753 428,264	524 20S	50,129	473,796	456 509	408,509	408 697	418,164	408,612	416 081	418,487	373 394	385,859	
Gross Margin	420 54B	430,459	449.120	443 641	435,120	533,296	527.548	534.126	557.291	562,287	587,256	589,848	523,120	514,859	
-	110,548	430,433	413,120	442,041	433,110	333,230	521,540	334,220		201,001	10,,111	,	,		
Selling, general and administrative expenses Wages and benefits	599,398	584,826	662,315	627,268	615,402	613,922	638,305	639,204	638,897	637,391	636,133	634,041	684,408	692,285	
Professional and consulting fees	74,129	60,367	106,442	84,070	85,099	43,179	43,429	63,429	53,429	53,429	43,429	43,429	33,429	33,429	
Rent and utilities Marketing	61,587 5,998	61,005 7,419	66,621 4,839	115,746 6,041	78,174 2,517	70,897 56,459	75,675 59,459	75,675 78,262	75,675 50,353	75,675 43,353	75,675 28,820	75,675 29,520	75,873 43,567	75,873 42.567	
Maurance	23,954	23,954	23,954	13,954	23,954	25,754	26 222	26 222	26,222	26 222	25,222	26,222	26,222	26,232	
Research and development Public company costs	0 81.566	0 155.548	(65,091)	0 29.784	133 429	3,000	19,750 38,759	22,750 18 259	22,750 49 509	22,750 43,259	22,750 43,259	22,750 24,509	4,000 13,324	4,000 13,324	
Office expenses	53,763	75,033	81,771	57,972	69,786	55,785	53,036	56,794	\$1,841	52,031	51,835	49,835	55,863	50,369	
Depreciation Total SG&A	78,426 978 821	1 048,965	960,263	1 024,248	1,087,753	1 057,935	1,034,265	1,060,225	1,048,306	1,033,740	1,007,753	985,611	1,016,316	1 017 699	-
IDGI SU&A	9/8 821	1,046,465	900,203	1 024,446	1,007,753	1037,935	1,434,205	1,000,225	1,040,300	1,033,740	1,007,753	585,011	2,010,010	1017033	
Other expense/(Incoms)	32 607	32.069	33,364	33,235	32.219	34.704	44.249	50.848	56.678	62.133	69.308	75,781	81,381	87,540	
Amortization	21,535	21,535	22,746	21,535	21,535	27 530	27,599	27,669	27,738	27,908	27,877	27,946	28,016	28,085	
Share-based compensation	98 709	96 606	100,677	89,308	88 814	25.030 88,304	96,146	24 298 102 815	24.190 108,546	24.218 114,239	121,315	128,025	132,856	138,581	
Income/(Lusa) Before Income fax	(656,582)	(715,313)	(611,820)	(668,913)	(741,447)	(832,543)	(602,861)	(628.914)	(189,551)	(1A5.592)	(543,812)	(523,764)	(624,053)	1641,4211	
)									,		,			
EBITDA Adjustments for one time costs:	(me'ere)	[LEL, 605]	(476,298)	(535,732)	(608,301)	(471,079)	(4S1,38S)	(470,767)	(435,515)	(416,121)	(364,997)	(340,431)	(437,025)	(446,156)	
Share-based compensation	44,567	43,002	44,567	34,538	35,060	26,070	24,298	24,298	24,130	24,298	24,130	24,298	23,459	22,956	
ABJUSTED BIITEA	(479.847)	(538,693)	(431 731)	(501,194)	(573,241)	(445,009)	(427,007)	(446,469)	(411,385)	(391,823)	(340,867)	(316,183)	(413,566)	[423,210]	
*this figure includes interest expense, financing expense, fair value of financing fa				-,											
Salance Sheet															
Anath															
Current	2,584,164	1,541,655	1.563,799	1.333.528	882 363	334.991	88.214	114 363	58 802	12.979	94 093	38,634	91,950	33 208	
Cash Accounts and other receivables	816,570	1,027,000	1,003,953	896,346	795 991	1 019,499	964,139	971 ICB	1,004,719	1,000,026	1,033,437	1,038,585	923 409	927,740	
inventory	342,028	135,935	324,050 264,614	335,321 235,661	344,719	419,878 64,905	403,289 77.829	414,099 30,314	421 955 43 679	406 258 64 601	424 489 58 578	409,823 51,452	388 761 44 377	392 257 45.431	
Prepareds Total current assets	4.005.787	3505,523	3.155,416	2,800,856	2,142,343	1,859,273	1,533,472	1,570,174	1,549,154	1,434,856	1.510.547	L538,494	1,448,897	1,148,148	
Due from related parties	****	293 BO	207.4	121	13	2		15	201			C s	160	74	
Due from related parties Properly and equipment	146.90 4,914,711	4,852,449	4,744,241	4,664,029	4585,417	4,505,807	4,431,177	4,356,547	4,276,917	4,197,287	4,117,657	4,038,027	3,958,397	3,878,767	
Intangible assets Goodwill	966,575 637,662	945,039 637,662	922,293	900,757 637,662	617,662	851,692 637,662	637,662	796 424 637 662	768 686 637 662	740 879 637 662	713 002 637,662	685 055 637 662	657 039 637 662	628 954 637 662	
GOODHII	637,662 6519.094	637,562	537,662 5,304,195	6.203.248	637,662 6102,320	5.995,161	5,492,932	5,790,634	5,683,265	1575.828	5.448.321	5.160.745	5.753.099	5.145.381	
											110000000				_
Total assets	10.524,800	9.940,957	9.450.612		1.219.064	7.854.435	7.426.404	7,310,958	7,212,430	7,000,014	7,078,818	6.195,339	6,701,556	6.544.071	
	10.314.300	3,540,551	9,440,914	9,004,101	1,219.564	7,854,435	7,500,507		1,431,450	2,000,004		0.000,000	0,002,000	10,000,000	_
	10.314.000	2,540,557	9,400,012	9,864,101	1,719.554	7,854,435	7,440,404		7,310,400	2,000,004		0.000,219	N. OLD	ESTERNIA.	
Liabilities and Stareholders' deficiency Current	2														
Liabilities and Shareholders' deficiency	1,890,588	2,028,748	2,167,779	2,389,967	2,302,310	2,397,532	1,838,892	1,896,256	1,918,751	1,916,359	1,929,568	1,772,128	1,724,699	1,733 655	
Liabilities and Stareholders' deficiency Current	2														
Liabilities and Shareholders' deficiency Current Accourts payable and accrued lobilities	1,890,548	2,028,748	2,167,779	2,389,967	2,302,310	2,397,532	1,838,892	1,896,256	1,918,751	1,916,359	1,929,568	1,772,128	1,724,699	1,733 655	
Liabilities and Shareholders' deficiency Current Accourts payable and accrued lobilities	1,890,688 1,890,548 3,773,127	2,028,748 2,028,748 3,724,355	2,167,779 2,167,779 3,673,216	2,389,967 2,389,967 2,389,967 3,521,997	2,302,310 2,302,310 1,574,875	2,397,532 2,397,532 3,472,318 300,000	1,838,892 1,838,892 3,425,459 957,000	1,896,256 1,896,256 3,378,234 1,487,000	1,918,751 1,918,751 3,330,632 1,960,000	1 916,359 1 914,314 3 282,651 2,401,000	1,929,568 1,929,568 3,234,287 2,973,000	1,772,128 1,772,128 3,185,537 3,500,000	1,724,699 1,734,699 3,140,013 4,000,000	1,733,655 1,783,655 3,094,106 4,500,000	
Liabilities and Shareholders' deficiency Current Accounts payobe and account lobilities Kease tability Line of cold Laseiood improvement toon	1,890,588 1,890,588 3,773,127 502,540	2,028,748 2,028,748 3,724,355 500,654	2,167,779 2,167,779 3,673,216	2,389,967 2,389,967 3,521,997 496,554	2,302,310 2,302,310 2,574,875 494,531	2,397,532 2,397,532 3,472,310 300,000 492,613	1,838,892 1,838,892 3,425,459	1,896,256 1,896,256 3,378,234	1,918,751 1,918,751 3,330,632	1,916,359 1,918,319 3,282,651	1,929,568 1,929,568 3,234,287	1,772,128 1,772,128 3,185,537	1,724,699 1,724,699 3,140,013	1,733,655 1,711,655 3,094,106 4,500,000 476,041	
Liabilities and Shareholders' deficiency Current Accourts payable and accrued lobilities	1,890,688 1,890,548 3,773,127	2,028,748 2,028,748 3,724,355	2,167,779 2,167,779 3,673,216	2,389,967 2,389,967 2,389,967 3,521,997	2,302,310 2,302,310 1,574,875	2,397,532 2,397,532 3,472,318 300,000	1,838,892 1,838,892 3,425,459 957,000 490,578	1,896,256 1,896,256 3,378,234 1,487,000 488,532	1,918,751 1,918,751 3,330,632 1,960,000 486,476	1,916,359 1,914,315 3,282,651 2,401,000 484,410	1,929,568 1,439,548 3,234,287 2,973,000 482,333	1,772,128 1,772,128 3,185,537 3,500,000 480 246	1,724,699 1,734,699 3,140,013 4,000,000 478,149	1,733,655 1,783,655 3,094,106 4,500,000	
Liabilities and Shareholders' deficiency Current Accours payable and accrued lubilities Lease tability Lime of credi Leasehold improvement toon Government toon payable	1,890,548 1,990,648 3,773,127 502,640 58,550 4,544,115	2,028,748 2,028,748 3,724,355 500,654 69,444 4,294,453	2,167,779 2,167,779 3,673,216 494,653 70,446 4,342,321	2,389,967 2,189,967 3,521,597 496,554 71,431 4,390,082	2,302,310 2,302,310 1,574,875 494,531 77,462 4,341,976	2,397,532 2,397,532 3,472,310 300,000 492,611 73,474 4,214,398	1,838,892 1,838,97 3,425,459 957,000 490,578 74,535 4,547,571	1,896,256 1896,256 3,378,234 1,487,000 488 532 75 611	1,918,751 1,918,751 3,930,632 1,960,000 486,476 76,668 5,431,775	1,916,359 1,916,315 3,282,651 2,401,000 484,410 77,775 6,345,815	1,929,568 1,492,548 3,234,287 2,973,000 482,333 78,861 5,742,433	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000	1,724,699 1,724,699 3,140,013 4,000,000 478,149 80,000 7,694,162	1,733,655 1,781,655 3,094,106 4,500,000 476,041 80,000 8,150,147	
Liabilities and Shareholders' deficiency Current Accounts payobe and account lobilities Kease tability Line of cold Laseiood improvement toon	1,890,588 1,890,548 3,773,127 502,540 58,350	2,028,748 2,028,748 3,724,355 500,654 69,444	2,167,779 2,167,779 3,673,216 494,553 70,445	2,389,967 2,389,967 3,521,997 496,554 71,431	2,302,310 2,502,510 2,574,875 494,538 72,462	2,397,532 2,397,532 3,472,310 300,000 492,613 73,474	1,838,892 1831,937 3,425,459 957,000 490,578 74,535	1,896,256 1896,256 1896,234 1,487,000 488,532 75,611	1,918,751 1,918,751 3,330,632 1,960,000 486,476 76,668	1,916,359 1,918,346 3,282,651 2,401,000 484,410 77,775	1,929,568 1,925,48 3,234,287 2,973,000 482,333 78,861	1,772,128 1,772,128 3,185,537 3,500,000 480,245 80,000	1,724,699 1,724,699 3,140,013 4,000,000 478,149 80,000	1,733,655 1,731,655 3,094,106 4,500,000 476,041 80,000	
Liabilities and Shareholders' deficiency Current Accourts payobe and account liabilities Seeme tainfly Line of credi Linearchic Improvement loon Government loon judyobe Yotal Riabilities Shareholders' Deficiency	1,890,648 1,990,548 3,773,127 502,640 64,550 4,344,516 6,235,005	2,028,748 2,028,748 3,724,355 500,654 6,444 4,294,453 6,323,201	2,167,779 2,167,779 3,673,216 494,553 70,445 4,342,321 5,410,100	2,389,967 2,381,967 1,521,997 496,554 71,431 4,392,682 6,580,049	2,302,310 2,302,310 2,574,875 24,4538 72,462 4,341,976 6,444,286	2,397,532 2,397,532 3,472,310 300,000 492,413 73,474 4,314,348 6,635,929	1,838,892 1,838,972 3,425,459 957,000 490,578 74,535 4,547,571 6,786,464	1,896,256 1896,256 3,378,234 1,487,000 488,532 75,611 5,428,177 7,325,633	1,918,751 1,918,751 3,330,632 1,960,000 486,476 76,668 5,451,776 2,772,536	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 5,345,835	1,929,568 1,939,548 3,234,287 2,973,000 482,333 78,861 5,742,431	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,383	1,724,699 1,734,699 3,140,013 4,000,000 478,149 80,000 7,694,162 3,422,851	1,733,655 1,711455 3,094,106 4,500,000 476,041 80,000 8,150,147 9,881,800	
Liabilities and Shareholders' deficiency Current Accourse payable and accused lubilities Lease substy Lime of credi Leasehold improvement loon Covernment floor, layotie Total fisibilities Shareholders' Deficiency Shareholders' Deficiency	1,890,648 1,890,648 3,773,127 502,640 648,540	2,028,748 2,028,748 3,724,355 500,654 69,444 4,294,453 6,323,201	2,167,779 2,167,779 3,673,216 454,553 70,446 4,342,321 5,410,100	2,389,967 2,189,967 1,521,597 496,554 71,431 4,392,682 6,580,049	2,302,310 2,302,310 2,574,875 494,531 77,462 4,341,976 6,444,286	2,397,532 2,397,532 2,397,532 3,472,110 100,000 492,611 71,474 4,214,198 6,635,929	1,838,892 13,425,459 957,000 490,578 74,535 4,947,571 6,786,464	1,896,256 1896,256 3,378,234 1,487,000 488,532 75,611 5,428,177 7,325,633	1,918,751 1,918,751 3,330,632 1,960,000 486,476 76,668 5,431,776 2,772,536	1,916,359 1,918,358 3,282,651 2,401,000 484,410 77,775 5,345,815 8,162,134	1,929,568 1,929,568 3,234,287 2,973,000 482,333 78,861 5,742,431 4,941,550	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,381 9,017,951	1,724,699 1,734,699 3,140,013 4,000,000 478,149 80,000 3,634,162 3,422,851	1,733,655 1,711,655 3,094,106 4,500,000 476,041 80,000 8,150,147 9,881,802 42,644,224	
Liabilities and Shareholders' deficiency Current Accourts payobe and account liabilities Seeme tainfly Line of credi Linearchic Improvement loon Government loon judyobe Yotal Riabilities Shareholders' Deficiency	1,890,548 1,890,548 3,773,127 502,540 54,550 4,344,318 6,235,005 42,544,224 1,846,846	2,028,748 2,028,748 3,724,355 500,654 6,444 4,294,453 6,323,201	2,167,779 2,167,779 3,673,216 494,553 70,445 4,342,321 5,410,100	2,389,967 2,189,567 2,581,597 485,54 71,431 4,350,083 6,580,049 42,644,224 1,866,865 (19,968,579)	2,302,310 2,302,310 2,574,875 24,4538 72,462 4,341,976 6,444,286	2,397,532 2,397,532 3,472,310 300,000 492,413 73,474 4,314,346 6,635,929	1,838,892 1,838,972 3,425,459 957,000 490,578 74,535 4,547,571 6,786,464	1,896,256 1896,256 3,378,234 1,487,000 488,532 75,611 5,428,177 7,325,633	1,918,751 1,918,751 3,330,632 1,960,000 486,476 76,668 5,451,776 2,772,536	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 5,345,835	1,929,568 182554 3,234,287 2,973,000 482,333 78,861 5,764,431 4,966,866 1,666,866	1,772,128 1.772,128 3,185,537 3,500,000 480,246 80,000 7,245,381 42,644,224 1,866,865	1,724,699 1,734,699 3,140,013 4,000,03 478,149 80,000 2,694,182 4,22,251 42,644,224 1,856,866	1,733,655 1,711,655 3,094,106 4,500,000 476,041 8,0000 8,150,147 1,866,866 (29,527,871)	
Liabilities and Sitarsholders' deficiency Current Accourse payone and account liabilities Leave tainful Limit of cost Limit of	1,890,548 1,890,548 3,773,127 502,640 68,550 4344,318 6 235,005 42,644,224 1,866,866 (30,099,005) 48,464	2,028,748 2,022,748 3,724,355 500,654 6,944,453 6,323,201 42,644,224 1,866,866 (30,056,603) 48,666	2,167,779 2,167,779 3,673,216 434,553 70,446 4,342,321 5,410,100 42,644,224 1,865,866 (30,012,037) 48,464	2,389,967 2,189,967 2,189,967 1,571,997 495,554 71,431 4,350,062 6,580,049 42,644,224 1,866,865 (29,968,579) 48,464	2,302,310 2,574,875 494,518 77,452 4,341,976 6,444,224 1,965,866 (29,945,868) 49,644,244	2,397,532 2,397,532 2,397,532 1,472,110 100,000 492,611 71,474 4,214,384 6,635,929 42,644,724 1,866,865 (29,819,738) 48,464	1,838,892 1,838,892 3,425,459 957,000 490,578 74,535 4347,571 6,786,464 42,644,224 1,866,866 (29,795,440) 48,664 48,664	1,896,256 1,896,256 3,378,234 1,89,000 488,532 75,611 5,458,177 7,125,633 42,544,224 1,866,866 (29,77,1,143) 48,664	1,918,751 1,918,751 3,330,632 1,960,000 48,476 76,668 5,451,776 2,772,536 42,644,224 1,866,866 (29,747,012) 48,864	1,916,359 1,918,359 3,282,651 2,401,000 484,410 77,775 5,267,315 41,621,54 42,644,224 1,866,846 (29,772,714) 48,644	1,929,568 1,925,568 3,234,287 2,973,000 482,333 78,861 5,722,441 4,866,866 (2,988,564) 48,464	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,345,333 42,644,224 1,866,866 (26,674,286) 48,644	1,724,699 1,734,699 3,140,013 4,000,000 478,149 80,000 7,494,182 4,22,851 42,644,224 1,866,866 (29,650,927) 48,644	1,733,655 1,711455 3,094,106 4,500,000 8,150,147 9,881,803 42,644,224 1,866,865 (29,527,874) 48,464	
Liabilities and Shareholders' deficiency Current Accourse payable and accused lubilities Lease substy Lime of credi Leasehold improvement loon Coverment foon jayable Total fishilities Shareholders' Deficiency Share capital Warrants Contributed surplus	1,890,648 1,890,648 3,773,127 502,640 58,550 4344,318 6,235,005 42,644,224 1,846,866 (30,099,605) 48,464 (40,170,074)	2,028,748 2,024,748 3,724,355 100,654 69,444 4,294,451 6,323,201 42,644,224 1,866,866 (30,056,603) 48,664 (10,885,186)	2,167,779 2,167,779 3,673,216 456,553 70,445 4,242,231 5,410,100 42,644,224 1,866,866 (30,012,037) 48,664 (11,497,006)	2,389,967 2,181,567 1,521,597 496,554 71,431 4,150,062 6,580,049 42,644,224 1,866,865 (19,966,579) 48,464 (12,166,921)	2,302,310 2,302,310 1,574,375 44,511 77,462 4,411,978 6,444,224 1,865,865 (29,845,808) 49,644 (12,908,368)	2,397,532 2,397,532 2,397,532 3,72,130 100,000 492,611 71,474 4,314,384 6,635,929 42,644,224 1,865,665 (29,919,738) 48,664 (13,521,311)	1,838,892 1,831,972 3,425,459 957,000 490,578 74,535 4,347,571 6,786,464 42,644,224 1,866,866 (29,795,440) 48,664 (14,124,174)	1,896,256 1,896,256 3,378,234 1,487,000 488,532 75,611 5,428,177 7,125,631 42,644,224 1,866,865 (29,771,142) 48,644 (14,753,087)	1,918,751 1,918,751 1,960,000 485,476 76,668 1,431,778 1,772,576 42,644,224 1,866,866 (29,747,012) 48,644 (15,352,649)	1,916,359 1,918,359 3,282,651 2,401,000 488,41,000 77,775 5,267,315 4,162,154 42,644,224 1,866,846 (29,722,714) 48,646 (15,918,340)	1,929,568 1,925,568 3,234,287 2,973,000 482,333 78,861 1,744,441 4,866,866 (29,586,844) 4,666,866 (29,588,844) 4,666,866 (29,588,844) 4,666,866 (29,588,844) 4,666,866 (29,588,844)	1,772,128 1,772,128 3,185,537 3,500,206 80,000 2,345,381 9,012,581 42,644,224 1,856,866 (29,574,286) 48,644 (17,003,941)	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 478,149 80,000 7,644,182 4,222,851 42,644,224 1,866,866 (29,559,827) 48,644 (17,629,992)	1,733,655 1,711,655 3,094,106 4,500,000 476,041 8,0000 8,150,147 9,841,802 42,644,274 1,866,866 (29,527,871) 48,464 (18,271,414)	
Liabilities and Shareholders' deficiency Current Accours payable and account lubilities Lease sability Limit of credi Leasehold represented tools Covernment loss payable Total fisbilities Shareholders' Deficiency Shareholders' Deficiency Warrants Controlling Interest Defici	1,890,548 1,890,548 3,773,127 502,540 54,550 4,144,318 6,235,005 42,644,224 1,866,886 (30,099,665) 45,644 (10,170,074) 4,264,875	2,028,748 2,028,748 3,724,355 100,654 69,444 4,294,453 6,323,201 42,644,224 1,966,866 (30,056,603) 48,664 (10,885,186)	2,167,779 2,167,779 3,673,216 494,553 70,446 4,343,216 4,186,360 4,186,360 1,186,361 1,186,361 1,186,361	2,389,967 2,188,967 2,188,967 48,554 71,431 4,390,082 6,580,049 42,644,224 1,866,865 (29,968,579) 48,464 (12,166,921) 2,824,054	2,302,310 2,302,310 2,574,875 41,41,976 4,441,976 42,644,224 1,866,866 (29,845,600) 48,664 (12,900,368) 1,855,178	2,397,532 2,191312 1,472,119 100,000 492,411 71,414 42,141,946,665 (29,819,738) 42,644,224 1,666,665 (29,819,738) 48,64 (13,521,311) 1,218,556	1,838,892 1,838,892 3,425,459 957,000 490,578 74,455 3447,571 6,786,460 42,644,224 1,866,866 (29,795,440) 48,664 (14,124,174) 6119,463	1,896,256 1,896,256 3,378,234 1,47,000 486,532 75,611 5,43,177 7,325,631 42,644,224 1,866,466 (29,771,142) 48,644 (14,753,087) 35,325	1,918,751 1,918,751 1,918,751 1,908,006 1,908,000 1,908,	1,916,359 1,918,359 2,401,000 484,410 77,775 2,453,154 41,626,345 42,644,224 1,866,346 (15,938,340) 11,181,500	1,929,568 1839,568 3,234,287 2,973,000 482,333 78,861 5,762,443 42,644,224 1,666,866 (29,598,544) 46,400,152)	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,381 42,644,224 1,866,866 (25,574,286) 48,644 (17,003,941) (2,118,672)	1,724 699 1,724 699 1,724 699 3,140,013 4,000 000 7,804,182 42,644,224 1,866,866 (29,550 827) 48,464 (17,629,992) (7,721,254)	1,733,655 1,711,655 3,094,106 4,500,000 476,041 9,641,002 42,644,224 1,866,866 (29,527,871) 48,464 (18,271,414)	
Liabilities and Sitarsholders' deficiency Current Accourse payone and account liabilities Leave tainful Limit of cost Limit of	1,890,648 1,890,648 3,773,127 502,640 58,550 4344,318 6,235,005 42,644,224 1,846,866 (30,099,605) 48,464 (40,170,074)	2,028,748 2,024,748 3,724,355 100,654 69,444 4,294,451 6,323,201 42,644,224 1,866,866 (30,056,603) 48,664 (10,885,186)	2,167,779 2,167,779 3,673,216 456,553 70,445 4,242,231 5,410,100 42,644,224 1,866,866 (30,012,037) 48,664 (11,497,006)	2,389,967 2,181,567 1,521,597 496,554 71,431 4,150,062 6,580,049 42,644,224 1,866,865 (19,966,579) 48,464 (12,166,921)	2,302,310 2,302,310 1,574,375 44,511 77,462 4,411,978 6,444,224 1,865,865 (29,845,808) 49,644 (12,908,368)	2,397,532 2,397,532 2,397,532 3,72,130 100,000 492,611 71,474 4,314,384 6,635,929 42,644,224 1,865,665 (29,919,738) 48,664 (13,521,311)	1,838,892 1,831,972 3,425,459 957,000 490,578 74,535 4,347,571 6,786,464 42,644,224 1,866,866 (29,795,440) 48,664 (14,124,174)	1,896,256 1,896,256 3,378,234 1,487,000 488,532 75,611 5,428,177 7,125,631 42,644,224 1,866,865 (29,771,142) 48,644 (14,753,087)	1,918,751 1,918,751 1,960,000 485,476 76,668 1,431,778 1,772,576 42,644,224 1,866,866 (29,747,012) 48,644 (15,352,649)	1,916,359 1,918,359 3,282,651 2,401,000 488,41,000 77,775 5,267,315 4,162,154 42,644,224 1,866,846 (29,722,714) 48,646 (15,918,340)	1,929,568 1,925,568 3,234,287 2,973,000 482,333 78,861 1,724,441 4,866,866 (29,586,844) 4,666,866 (29,588,844) 4,666,866 (29,588,844) 4,666,866 (29,588,844) 4,666,866 (29,588,844)	1,772,128 1,772,128 3,185,537 3,500,206 80,000 2,345,381 9,012,581 42,644,224 1,856,866 (29,574,286) 48,644 (17,003,941)	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 478,149 80,000 7,644,182 4,222,851 42,644,224 1,866,866 (29,559,827) 48,644 (17,629,992)	1,733,655 1,711,655 3,094,106 4,500,000 476,041 8,0000 8,150,147 9,841,802 42,644,274 1,866,866 (29,527,871) 48,464 (18,271,414)	
Liabilities and Shareholders' deficiency Current Accours payable and account lubilities Lease sability Limit of credi Leasehold represented tools Covernment loss payable Total fisbilities Shareholders' Deficiency Shareholders' Deficiency Warrants Controlling Interest Defici	1,890,548 1,890,548 3,773,127 502,540 54,550 4,144,318 6,235,005 42,644,224 1,866,886 (30,099,665) 45,644 (10,170,074) 4,264,875	2,028,748 2,028,748 3,724,355 100,654 69,444 4,294,453 6,323,201 42,644,224 1,966,866 (30,056,603) 48,664 (10,885,186)	2,167,779 2,167,779 3,673,216 494,553 70,446 4,343,216 4,186,360 4,186,360 1,186,361 1,186,361 1,186,361	2,389,967 2,188,967 2,188,967 48,554 71,431 4,390,082 6,580,049 42,644,224 1,866,865 (29,968,579) 48,464 (12,166,921) 2,824,054	2,302,310 2,302,310 2,574,875 41,41,976 4,441,976 42,644,224 1,866,866 (29,845,600) 48,664 (12,900,368) 1,855,178	2,397,532 2,191312 1,472,119 100,000 492,411 71,414 42,141,946,665 (29,819,738) 42,644,224 1,666,665 (29,819,738) 48,64 (13,521,311) 1,218,556	1,838,892 1,838,892 3,425,459 957,000 490,578 74,455 3447,571 6,786,460 42,644,224 1,866,866 (29,795,440) 48,664 (14,124,174) 6119,463	1,896,256 1,896,256 3,378,234 1,47,000 486,532 75,611 5,43,177 7,325,631 42,644,224 1,866,466 (29,771,142) 48,644 (14,753,087) 35,325	1,918,751 1,918,751 1,918,751 1,908,006 1,908,000 1,908,	1,916,359 1,918,359 2,401,000 484,410 77,775 2,45,215 41,62,264 42,644,224 1,866,866 (29,722,724) 48,464 (415,938,340)	1,929,568 1839,568 3,234,287 2,973,000 482,333 78,861 5,762,443 42,644,224 1,666,866 (29,598,544) 46,400,152)	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,381 42,644,224 1,866,866 (25,574,286) 48,644 (17,003,941) (2,118,672)	1,724 699 1,724 699 1,724 699 3,140,013 4,000 000 7,804,182 42,644,224 1,866,866 (29,550 827) 48,464 (17,629,992) (7,721,254)	1,733,655 1,711,655 3,094,106 4,500,000 476,041 9,641,002 42,644,224 1,866,866 (29,527,871) 48,464 (18,271,414)	
Liabilities and Shareholders' deficiency Current Accourts payable and account labilities Lease lability Limit of credit Leaseholders' before Covernment loss payable Trisial flabilities Shareholders' Deficiency Share capital Warrants Contributed surplus Non-Countring Interest Defict Total Illabilities and shareholders' deficiency Cash Flow	1,990,588 1,990,548 3,773,127 1,601,860 64,530 4,544,518 6,235,005 42,644,224 1,966,860 1,000,960 1,000,960 1	2,028,748 2,024,748 3,724,355 100,654 6,924,44 4,294,451 42,644,224 1,366,866 (30,056,603) 48,664 (10,885,186) 1,617,755	2,167,779 2,167,779 3,673,216 484,553 70,446 4,343,321 5,410,100 42,644,224 1,866,866 (30,012,037) 48,64 (31,487,006) 1,016,312	2,389,967 2,389,967 2,389,967 1,571,997 495,54 71,431 4,290,032 6,580,049 42,644,224 1,866,865 (12,366,921) 2,874,054 9,004,101	2,302,310 2,522,310 2,524,375 44,531 77,452 4,241,976 6,444,224 1,866,566 (29,845,508) 48,644 (12,908,368) 1,865,178 8,246,474	2,397,532 2,397,532 2,397,532 4,772,310 100,000 497,611 7,3,474 4,718,198 6,635,929 42,644,224 1,866,666 (29,819,738) 42,644 (13,521,311) 1,218,556 7,354,435	1,838,892 1,838,892 3,425,459 957,000 490,578 74,535 4347,573 6,786,464 42,644,224 1,866,564 42,424,724 43,644 44,124,724 48,464 44,124,724 48,464	1,896,256 1,896,256 1,896,256 3,378,234 1,487,000 488,532 75,611 7,125,631 42,644,224 1,866,666 (29,771,142) 48,646 (14,753,087) 75,125	1,918,751 2,918,751 3,330,632 1,960,000 486,476 76,663 \$481,778 7,772,576 42,644,224 1,866,846 (29,747,012) 48,464 (15,352,649) (546,100) 2,333,450	1,916,359 1,916,359 2,926,513 2,926,513 2,401,000 484,410 77,775 5,245,335 8,162,194 42,644,224 1,866,846 (29,722,714) 48,646 (15,938,340) 11,111,500 7,000,664	1,929,568 1 \$22,568 3,224,275 2,973,000 482,333 78,861 5,788,431 42,544,224 1,866,866 (29,598,544) 44,644,224 1,866,866 (15,480,152) (1111112)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,246,381 9,017,911 42,644,224 1,866,866 48,464 (1,7013,941) (2,114,672)	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 4/80,140 80,000 7,848,182 8,422,851 42,644,224 1,866,856 (29,550,827) 48,464 (17,529,992) (7,771,285) 4,301,555	1,733,655 1,781655 3,094,106 4,500,000 476,041 80,000 8110,147 9,881,802 42,644,224 1,866,861 48,464 (38,271,414) 1,1317,7311	
Liabilities and Shareholders' deficiency Current Accours payable and account lubilities Lease sability Limit of credi Leaseholders' before Covernment loss payable Total fisbilities Shareholders' Deficiency Shareholders' Deficiency Warrants Contributed curplus Non-Countring Interest Defici Total liabilities and shareholders' deficiency Cesh Flow Not Loss	1,890,548 1,890,548 3,773,127 502,540 54,550 4,144,318 6,235,005 42,644,224 1,866,886 (30,099,665) 45,644 (10,170,074) 4,264,875	2,028,748 2,024,748 3,724,355 100,654 6,924,44 4,294,451 42,644,224 1,366,866 (30,056,603) 48,664 (10,885,186) 1,617,755	2,167,779 2,167,779 3,673,216 494,553 70,446 4,343,216 4,186,360 4,186,360 1,186,361 1,186,361 1,186,361	2,389,967 2,188,967 2,188,967 48,554 71,431 4,390,082 6,580,049 42,644,224 1,866,865 (29,968,579) 48,464 (12,166,921) 2,824,054	2,302,310 2,302,310 2,574,875 41,41,976 4,441,976 42,644,224 1,866,866 (29,845,600) 48,664 (12,900,368) 1,855,178	2,397,532 2,191312 1,472,119 100,000 492,411 71,414 42,141,946,665 (29,819,738) 42,644,224 1,666,665 (29,819,738) 48,64 (13,521,311) 1,218,556	1,838,892 1,838,892 3,425,459 957,000 490,578 74,455 3447,571 6,786,460 42,644,224 1,866,866 (29,795,440) 48,664 (14,124,174) 6119,463	1,896,256 1,896,256 3,378,234 1,47,000 486,532 75,611 5,43,177 7,325,631 42,644,224 1,866,466 (29,771,142) 48,644 (14,753,087) 35,325	1,918,751 1,918,751 1,918,751 1,908,006 1,908,000 1,908,	1,916,359 1,918,359 2,401,000 484,410 77,775 2,45,215 41,62,264 42,644,224 1,866,866 (29,722,724) 48,464 (415,938,340)	1,929,568 1839,568 3,234,287 2,973,000 482,333 78,861 5,762,443 42,644,224 1,666,866 (29,598,544) 46,400,152)	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,381 42,644,224 1,866,866 (25,574,286) 48,644 (17,003,941) (2,118,672)	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 4/80,140 80,000 7,848,182 8,422,851 42,644,224 1,866,856 (29,550,827) 48,464 (17,529,992) (7,771,285) 4,301,555	1,733,655 1,711,655 3,094,106 4,500,000 476,041 9,641,002 42,644,224 1,866,866 (29,527,871) 48,464 (18,271,414)	
Liabilities and Shareholders' deficiency Current Accours payable and account lubilities Lease sability Limit of credi Leaseholders' before Covernment loss payable Treas fisibilities Shareholders' Deficiency Shareholders' Deficiency Shareholders' Deficiency Shareholders' Deficiency Total liabilities and shareholders' deficiency Cresh Flow Not Loss Operating activities	1,990,588 1,990,548 3,773,127 1,601,860 64,530 4,544,518 6,235,005 42,644,224 1,966,860 1,000,960 1,000,960 1	2,028,748 2,024,748 3,724,355 100,654 6,924,44 4,294,451 42,644,224 1,366,866 (30,056,603) 48,664 (10,885,186) 1,617,755	2,167,779 2,167,779 3,673,216 484,553 70,446 4,343,321 5,410,100 42,644,224 1,866,866 (30,012,037) 48,64 (31,487,006) 1,016,312	2,389,967 2,389,967 2,389,967 1,571,997 495,54 71,431 4,290,032 6,580,049 42,644,224 1,866,865 (12,366,921) 2,874,054 9,004,101	2,302,310 2,522,310 2,524,375 44,531 77,452 4,241,976 6,444,224 1,866,566 (29,845,508) 48,644 (12,908,368) 1,865,178 8,246,474	2,397,532 2,397,532 2,397,532 4,772,310 100,000 497,611 7,3,474 4,718,198 6,635,929 42,644,224 1,866,666 (29,819,738) 42,644 (13,521,311) 1,218,556 7,354,435	1,838,892 1,838,892 3,425,459 957,000 490,578 74,535 4347,573 6,786,464 42,644,224 1,866,564 42,424,724 43,644 44,124,724 48,464 44,124,724 48,464	1,896,256 1,896,256 1,896,256 3,378,234 1,487,000 488,532 75,611 7,125,631 42,644,224 1,866,666 (29,771,142) 48,646 (14,753,087) 75,125	1,918,751 2,918,751 3,330,632 1,960,000 496,476 76,663 5,851,779 7,772,576 42,644,224 1,866,846 (29,747,012) 48,464 (15,352,649) (5-64,100) 2,333,450	1,916,359 1,916,359 2,926,513 2,926,513 2,401,000 484,410 77,775 5,245,335 8,162,194 42,644,224 1,866,846 (29,722,714) 48,646 (15,938,340) 11,111,500 7,000,664	1,929,568 1 \$22,568 3,224,275 2,973,000 482,333 78,861 5,788,431 42,544,224 1,866,866 (29,598,544) 44,644,224 1,866,866 (15,480,152) (1111112)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,246,381 9,017,911 42,644,224 1,866,866 48,464 (1,7013,941) (2,114,672)	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 4/80,140 80,000 7,848,182 8,422,851 42,644,224 1,866,856 (29,550,827) 48,464 (17,529,992) (7,771,285) 4,301,555	1,733,655 1,781655 3,094,106 4,500,000 476,041 80,000 8110,147 9,881,802 42,644,224 1,866,861 48,464 (38,271,414) 1,1317,7311	
Liabilities and Sitareholders' deficiency Current Accourse payone and account labilities Liabel (Sitareholders') Lime of Gred 1 Liabelloties (Liabelloties) Total fisbilities Baseholders' Deficiency Share confol Warmits Confolded surplus Non Confoling Interest Defici Total liabilities and sharsholders' deficiency Cash Flow Net loss Operating activities Items not affecting cash	1,990,548 1,990,548 1,990,548 3,773,127 552,849 545,500 4,344,318 6,3500 42,544,224 1,966,866 (30,099,665) (10,170,074) 4,284,873 18,554,888	2,028,748 2,021,748 3,724,355 40,654 65,444 4,294,453 6,323,201 42,644,224 1,866,866 (30,056,603) 48,664 (10,885,186) 1617,755	2,167,779 2,167,779 3,673,216 498,553 70,446 4,242,121 5,410,100 42,544,224 1,186,563 (30,012,037) 48,464 (11,497,006) 9,646,612	2,389,967 2,181,967 2,181,967 495,554 73,431 4,190,082 6,580,049 42,644,224 1,866,865 (29,968,79) 48,464 (12,166,921) 2,424,054 7,649,915)	2,302,310 2,502,310 2,574,875 454,818 72,462 4,141,976 6,444,186 42,644,224 1,966,866 (29,945,809) 48,464 (12,908,368) 1,865,316 1,865,316 1,865,4	2,397,532 2,397,532 2,397,532 3,297,2110 3,200,000 492,641 72,474 4,234,348 6,635,929 42,644,324 1,964,63 (13,521,311) 1,214,508 (13,521,311) 1,214,508 (612,943)	1,838,892 1,813,997 3,415,659 3,7000 490,578 490,578 491,535 4,941,531 4,2644,224 1,866,866 (29,795,440) 48,441 414,124,174 613,840 7,425,406	1,896,256 1,876,256 1,876,256 1,487,000 487,000 487,000 487,000 487,000 487,000 487,000 487,000 48,644 (14,753,087) 75,125 7,100,058	1,918,751 1,918,751 1,918,751 3,330,632 1,980,000 486,476 476,663 5,481,779 2,772,536 42,644,224 4,864 48,644 (15,352,649) (599,561)	1,916,359 3,262,651 2,401,000 484,410 77,775 6,245,335 416,646 42,644,224 1,866,846 (29,72,714) 48,646 (15,938,340) 11,101,500 7,000,664	1,929,568 3,234,787 2,973,000 440,233 470,333 470,843 8,941,656,966 (29,598,594) 48,664 (16,480,152) (1111,122) 2,073,844	1,777,128 1,777,128 2,185,597 3,500,000 480,246 80,000 2,245,781 9,017,782 42,644,224 1,865,866 (29,574,286) 48,644 (17,003,941) (2,118,672) 4,355,255	1,724,699 1,724,699 1,724,699 1,724,699 1,700,000 1,701,100 1,701,	1,733,655 1,711,655 3,094,106 4,500,000 476,041 8,0000 8,150,147 9,881,802 42,644,224 1,866,982,1873,1892 48,464 (18,271,414) 1,137,7111 8,544,071	
Liabilities and Sitareholders' deficiency Current Accourse payable and account labilities Leane tability Lime of credit Leane-tability Lime of credit impresented box Coverement Stops payable Total flabilities and payable Total flabilities and sharsholders' deficiency Cash Flow Net loss Operating activities Itame not affacting cash Amortation of inlangible assets Depreciation	1,990,548 1,990,548 1,990,548 3,773,127 552,884 5520 4,354,318 6,3500 4,264,224 1,966,866 (10,170,074) 4,384,875 18,524,888	2,028,748 2,021,748 3,724,355 50,654 65,444 4,294,453 6,323,201 42,644,224 1,866,866 (10,085,186) 1,817,755 2,940,966 (715,112)	2,167,779 2,162,779 3,673,216 48,635 70,446 4,943,321 5,410,100 42,644,224 1,866,866 (30,012,037) 48,646 (11,497,006) 1,016,312 (611,820)	2,389,967 2,389,967 2,389,967 2,389,967 48,568 48,568 48,568 (29,968,579) 48,664 (12,366,921) 2,424,054 (669,915) (669,915)	2,302,310 2,302,310 3,574,878 454,878 72,462 4,241,978 6,444,264 1,966,566 (29,945,549) 48,64 (12,908,168) 1,865,878	2,397,532 2,397,532 3,472,110 100,000 492,411 72,441 4715,198 6,635,92 42,644,224 4,264,424 42,644,244 42,644,244 42,644,	1,838,892 1,835,497 3,425,459 3,670,000 490,578 490,578 474,535 4341,571 4,866,864 128,764,401 48,644 144,124,174 48,864 (6672,863) (6672,863)	1,896,256 1,876,256 1,876,256 1,487,000 48,750 48,750 48,750 48,661 48,664 48,6646 (14,753,087) 75,125 75,000,058	1,918,751 1,918,751 3,330,632 1,980,000 486,476 476,663 5,481,779 2,772,643,224 41,866,846 (19,747,012) 48,644 (15,352,649) (599,561) (599,561)	1,916,359 3,982,651 2,401,000 484,410 77,775 6245,335 416,646 426,44,224 1,866,846 (129,722,714) 48,646 (15,938,340) 11,101,500 7,000,654	1,929,568 3,224,287 2,973,000 402,333 478,861 6,788,433 8,981,600 (25,68,584) 48,664 (16,480,152) (541,812) 2,77,277 75,553	1,772,128 2,185,537 3,500,000 480,246 80,000 2,45,781 9,017,781 42,644,224 4,865,866 (29,574,286) 48,644 (17,003,941) (2,134,725) (523,788)	1,724,699 1,774,699 1,774,699 3,140,013 4,000,000 478,149 80,000 2,698,162 42,644,224 1,866,866 (29,550,927) 48,464 (17,529,992) (7,771,285) (626,052)	1,733,655 1,711655 3,004,106 47,641 60,000 8110,147 9,841,802 42,644,224 1,866,866 (29,57,871) 48,464 (18,271,414) (13,177,731 6,544,071	
Liabilities and Sitarsholders' deficiency Current Accourse payone and account liabilities Leane tainful Line of coel Lassedoid improvement look Government look payone Tetal liabilities Share apidal Warmits Contributed surplus Non-Controlled surplus	1,890,548 1,990,648 2,773,127 562,540 553,500 4,344,118 1,966,866 (30,095,665) 4,264,224 1,966,866 (30,070,070) 1,965,867 1,965,868 (30,070,074) 1,965,868 (30,070,074) 1,965,868 (30,070,074) 1,965,868 (30,070,074) 1,965,962 1,	2,028,748 2,024,748 3,724,355 50,644 4,294,631 6,323,201 1,866,866 (10,085,186) 1,867,866 (10,085,186) 1,867,967 1,9	2,167,779 2,167,779 3,673,216 48,653 70,446 4,242,371 5,410,100 48,664 (30,012,037) 48,664 (11,67),006) 1,006,512 (611,820)	2.389,967 2.189,967 485,597 71,431 4.590,002 42,644,224 4.590,003 4.464 4.50,002 4.644,224 4.664,003 4.664	2,302,310 2,302,	2,397,532 3,472,318 300,000 490,481 73,474 4,384,386 6,635,929 4,186,666 (29,919,738) 44,644,224 1,866,666 (29,919,738) 44,644,24 1,218,568 (612,943) (612,943) 27,530 79,630 34,704	1,838,892 1,838,892 3,425,459 393,7000 490,578 74,535 4,545,571 6,726,464 1,866,866 (29,795,460) 41,124,174] 811,386 (602,863) 7,425,404 (602,863) 27,599 78,630 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240 44,240	1,896,256 1,896,256 1,876,258 1,487,000 488,532 75,511 5,478,177 7,125,037 7,125,037 1,866,466 (29,771,143) 48,664 (44,753,087) 7,150,095 (628,914)	1,918,751 1,918,751 3,330,632 1,960,000 486,476 76,663 3,631,775 7,772,576 42,644,224 1,866,846 (29,747,012) 44,644,244 (15,352,649) (599,561) 27,212,426	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 5,273,312 41,656,346 (29,72,724) 48,643 (15,330,340) 13,101,505 7,000,654	1,929,568 3,234,287 2,973,000 402,293 78,861 5,744,434 42,644,224 42,644,224 1,866,866 (15,480,152) 2,078,849 (541,812) 2,078,848 (541,812) 2,787,77 78,530 42,244 (541,812)	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 7,245,311 42,644,224 1,866,866 (20,574,286) 48,464 (1,701,341) (2,114,672) (5,23,788) 27,345 31,540 35,788	1,724,699 3,140,013 4,000,000 478,149 80,000 7,698,182 8,422,851 1,866,886 (29,550,927) 48,464 (17,529,992) (7,721,255) (636,052)	1,733,655 1,711455 3 094,106 4 500,000 4 76,041 8 0,000 8 150,147 9 881,000 4 2,644,224 1,866,862 (8 271,414) (641,421) (641,421)	
Liabilities and Shareholders' deficiency Current Accourse payone and account liabilities Lause standing Line of rock Lausehold impropresent loan Operanted toon playelie Total fishilities Baseholders' Deficiency Share capital Warmits Contributed surplus Non-Contributed surplus Non-Contributed surplus Total liabilities and shareholders' deficiency Cash Flow Not loss Operating activities Items not affecting cash Amortization of infangible assets Depreciation Finance acpesses Finance acpesses Finance acpesses	1,990,548 1,990,548 1,990,548 45,520 45,520 43,64,324 1,966,866 (20,096,665 43,644,24 1,966,866 (20,096,665 1,966,866 (20,096,665 1,966,866 (20,096,665 1,966,866 (20,096,665 1,966,866 (20,096,665 1,966,866 (20,096,665 1,966,866 (20,096,665 1,966,866 (20,096,665 1,966,866 (20,096,86	2,028,748 2,022,748 3,724,355 40,654 4,294,451 4,294,451 4,294,451 4,294,244 1,395,866 (30,056,603) 48,664 (10,885,186) 1617,755 4,940,966 (715,112)	2,167,779 2,162,779 3,673,216 486,553 70,446 4,243,331 5,410,100 42,644,224 1,866,866 (30,012,037) 48,644 (31,497,006) 1,016,512 (611,820) 22,746 79,412 25,933 44,567	2,389,567 2,189,57 74,431 4,150,000	2,302,310 1574,875 1574,875 177,462 4344,578 6444,586 4364,4778 6444,678 4364,4778 6444,647 1665,666 4644 (12,903,360) 1655,379 1741,447)	2,397,512 A477,110 100,000 99,941 74,474 4,216,316 6,655,529 42,544,234 41,565,665 (512,943) 12,145,56 (512,943) 7,650 7,6	1,838,892 1,831,492 3,415,459 3,415,459 3,415,459 74,535 490,578 74,535 490,578 6,726,461 42,644,724 1,866,866 (23,756,460) 414,124,1741 611,340 7,476,461 (607,863) 27,599 76,610 44,246	1,896,256 1,876,256 1,876,256 1,487,000 41,487,000 41,487,000 41,487,000 42,541,77 7,315,631 42,541,74 42,64,74 48,64 (14,753,087) 75,125 (618,914) 77,669 78,830 50,045	1,918,751 1,918,751 3,330,632 1,960,000 456,476 76,668 3,772,536 42,644,244 48,668 (15,352,649) (599,561) 2,772,576 (599,561)	1,916,359 3,282,651 2,401,000 484,410 77,775 5,245,335 41,621,544 42,644,224 (15,938,340) (13,315,500) 7,000,554	1,929,568 3,234,287 2,973,000 402,333 78,861 5,762,441 4,966,866 (29,598,544) 4,1,666,866 (15,480,152) (541,812) 2,77,877 79,553 41,102	1,772,128 1,772,128 2,185,537 3,500,000 480,246 80,000 7,245,331 9,017,931 42,644,224 1,856,865 (25,674,286) 48,464 (17,003,941) (2,118,672) (5,23,788)	1,724,699 1,724,699 1,724,699 1,724,699 1,700,000 1,700,	1,733,655 3,004,305 4,500,000 6,000	
Liabilities and Shareholders' deficiency Current Accourse payone and account labilities Large sacility Limit of roll Large sacility Large sacilit	1,990,548 1,990,548 1,990,548 1,990,548 455,500 4344,318 1,996,866 (30,996,665 4344,64 (10,170,074) 4,281,875 1,954,840 2,1535 3,0447 4,557 (40,1507) (40,1507)	2,028,748 2,022,748 3,724,355 45,444 4,294,431 6,323,201 42,644,244 1,966,866 (30,056,603) 48,664 (10,885,186) 1617,755 79,913 35,541 43,002 (535,220)	2,167,779 2,162,779 3,673,216 486,553 70,446 4,241,331 5,410,100 42,644,224 4,866,866 (30,012,037) 48,644 (31,497,006) 1,016,312 (611,820) 22,746 79,412 25,933 44,567 (439,162)	2,389,567 2,189,57 74,431 4,150,000 42,644,224 42,644,224 43,600	2,302,310 2,302,310 15,74,875 72,462 43,44,776 43,64,64 43,64,64 44,64 (12,903,34) 1805,876 (124,447) 21,515 73,382 23,540 (124,447)	2,397,512 2,397,512 3,477,110 100,00	1,838,892 1,818,492 3,415,459 3,415,459 30,000 400,578 74,535 42,644,224 1,866,866 (23,755,440) 41,124,1741 613,860 (607,863) 27,599 79,610 44,246 (427,087)	1,896,256 1,876,256 1,876,256 1,487,000 4,487,000 4,1497,000 4,755,611 4,254,217 7,325,631 42,544,24 48,64 48,64 (14,753,087) 75,125 (618,914) 77,669 78,830 50,848 24,248 24,649 (446,469)	1,918,751 2,918,751 2,918,751 2,918,751 2,900,000 485,476 476,653 3,231,776 2,772,536 42,644,244 48,644 (15,352,649) (599,561) 2,772,56 (599,561) 2,772,56 (599,561) 2,772,78 2,812,78	1,916,359 3,282,651 2,401,000 484,410 77,775 62,473,315 81,62,154 42,644,224 42,644,224 48,646 (15,938,340) (13,115,500) 7,000,654 (585,642) 2,2,648 7,9,500 42,111 2,4,748 (19,125,115,115,115,115,115,115,115,115,115	1,929,568 3,234,287 2,973,000 402,333 78,861 578,443 42,644,224 1,866,866 (29,508,544) 41,666,866 (15,480,152) (541,812) 2,78,37 79,650 64,062 (41,812) (541,812) (541,812) (541,812)	1,772,128 1,772,128 2,185,537 3,500,000 480,246 80,000 245,731 9,017,731 42,644,224 1,865,866 (20,574,286) 48,644 (17,003,941) (2,114,572) (523,788) 27,345 37,530 37,531 34,335 37,533	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 478,149 8,000 7,648,162 42,644,224 1,866,866 (29,550,827) 48,464 (17,629,992) (7,721,555) (626,052) 21,215 29,530 81,181 21,433 (413,566)	1,733,655 1,711,	
Liabilities and Sitarsholders' deficiency Current Accourse payone and account liabilities Leane tainfly Line of cord. Lassedoid improvement look Government look payotie Total fishilities Share apids Warmits Contributed surplus None Costrolling Interest Defici Total fishilities and shareholders' deficiency Cash Flow Net loss Operating activities Itams not affacting cash Amortization of infamplie assets Depociation Finance agreeme Share-based compensation Changes in non-cash working capital balances Apoptors and other representation	1,890,588 1,990,648 1,990,648 1,973,127 1,922,849 1,966,866 1,966,	2,028,748 2,028,748 3,724,355 3,024,355 50,644 4,254,324 1,964,866 (30,056,603) 48,644 (10,685,186) 1,612,755 4,944,324 1,642,766 (715,112) 21,535 7,9,131 35,541 43,002 (535,220) (535,220) (535,220)	2,167,779 2167,779 2167,779 3673,216 4263,370 486,536 4262,121 48,646 (30,012,037) 48,646 (11,697,006) 1096,513 (611,820) 22,746 79,412 25,933 44,567 (439,162) 23,048	2,189,567 2,189,567 71,431 4,150,082	2,302,310 2,302,310 2,302,310 2,302,310 24,533 27,642,24 4,441,378 6,444,286 4,444,386 4,644,286 (741,447) 21,535 73,382 21,535	2,397,532 2,397,532 3,000,000 3,000,000 3,000,000 42,544,224 1,186,686 44,64 1,186,686 44,64 1,186,686 44,64 1,186,686 44,64 1,186,686 44,64 1,186,686 44,64 1,186,686 44,64 1,186,686 44,64 1,186,686 44,64 1,186,686 1	1,838,892 1,831,492 3,415,459 3,415,459 3,415,459 74,535 490,578 74,535 490,578 6,726,461 42,644,724 1,866,866 (23,756,460) 414,124,1741 611,340 7,476,461 (607,863) 27,599 76,610 44,246	1,896,256 1,876,256 3,378,234 1,487,000 488,532 7,5611 5,478,177 7,125,531 42,544,224 1,866,866 (29,771,143) 48,644 1,4755,087) 73,125 2,160,956 (6,38,914) 27,669 78,136 50,848 24,738 (445,649) (6,969)	1,918,751 1,918,751 3,330,632 1,960,000 456,476 76,668 3,772,536 42,644,244 48,668 (15,352,649) (599,561) 2,772,576 (599,561)	1,916,359 3,282,651 2,401,000 484,410 77,775 5,245,335 41,621,544 42,644,224 (15,938,340) (13,315,500) 7,000,554	1,929,568 3,234,287 2,973,000 402,333 78,861 5,762,441 4,966,866 (29,598,544) 4,1,666,866 (15,480,152) (541,812) 2,77,877 79,553 41,102	1,772,128 1,772,128 2,185,537 3,500,000 480,246 80,000 7,245,331 9,017,931 42,644,224 1,856,865 (25,674,286) 48,464 (17,003,941) (2,118,672) (5,23,788)	1,724,699 1,724,699 1,724,699 1,724,699 1,700,000 1,700,	1,733,655 3,004,305 4,500,000 6,000	
Liabilities and Sitarsholders' deficiency Current Accourse payone and account liabilities Leane saintly Line of coed Linearing and proposed liabilities Share applies Share applies Share applies Warmits Contributed surplus Non-Countributed surpl	1,890,548 1,990,648 1,990,648 1,973,127 1,522,540 1,545,	2,028,748 2,028,748 3,724,355 50,644 4,294,631 6,323,201 1,866,866 (10,885,186) 1,812,735 1,812,735 7,913 35,541 43,002 (535,206) (535,206) (715,112)	2,167,779 2167,779 2167,779 3 673,216 48 633 70,446 4 242,171 6,410,100 48,646 (30,012,037) 48,646 (11,620) 22,746 79,412 25,933 44,567 (439,162) (439,162) 23,046 11,885 (65,063)	2,189,527 2,189,527 73,531 4,150,032 4,150,042 1,166,465 4,164,425 1,166,465 4,164,425 1,166,465	2,302,310 2,302,310 44,4531 72,442 41,41,378 6444,286 (244,247 1,666,686 444 1,666,686 1,	2,397,512 2,397,512 1,000,00 1	1,838,892 1,838,892 3,425,459 3,425,459 3,425,459 40,575 6,726,461 42,644,224 1,866,866 (23,795,440) 41,124,174) 811336 (6072,863) 27,599 78,630 44,249 24,208 (427,087) 55,580 16,589 7,075	1,896,256 1,896,256 1,876,258 1,470,000 488,532 75,511 5,478,177 7,125,037 42,544,224 1,866,866 (29,771,143) 48,644 48,644 1,4753,087) 75,325 2,160,958 (628,914) 27,569 78,330 78,350 78	1,918,751 3,330,632 1,900,000 486,476 76,663 3,833,775 2,772,576 42,644,224 1,866,846 (29,747,012) 48(15,352,648) (15,35	1,916,359 1,916,359 2,401,000 484,410 77,775 5,247,312 41,656,346 (129,72,724) 48,640 (15,033),340 (15,13	1,929,568 3,234,287 2,973,000 402,293 78,861 6,744,414 42,644,224 1,866,866 (15,480,152) 2,072,364 (541,812) 27,277 79,550 41,130 (340,877 (33,411) (12,231) 7,7075	1,772,128 1,772,128 1,172,128 3,185,537 3,500,000 480,246 80,000 2,245,331 42,644,224 1,866,866 (25,74,286) 48,644 (17,003,943) (2,118,72) 4,254,238 (5,23,788) 27,345 13,450 15,781 24,238 (5,148) 14,666 7,075	1,724,699 3,140,013 4,000,000 478,149 80,000 7,6-94,129 42,644,224 1,866,866 (29,550,927) 48,664 (17,629,992) (27,721,564) (636,052) 28,216 29,500 11,217 21,2453 (413,567) (413,567) 21,216 21	1,731,655 1,074,106 1,074,106 1,076 1,074,106 1,076 1,	
Liabilities and Shareholders' deficiency Current Accours payone and account labilities Liabilities of check Liabilities Liabi	1,990,548 1,990,548 1,990,548 1,990,548 552,90 4,545,118 6,250,644,224 1,966,866 (30,099,665) 4,444 (10,170,074) 6,286,297 1,954,298 1,9	2,028,748 2,021,748 3,724,355 3,024,431 6,323,201 42,644,224 1,966,866 (30,056,603) 48,664 (10,885,186) 1617,755 79,913 35,541 43,003 (535,240) (6,034	2,167,779 2,162,779 3,673,216 486,535 70,446 4,244,2371 5,410,100 48,646 (30,012,037) 48,646 (31,1497,006) 1,016,312 (611,820) 22,746 79,412 25,933 44,567 (439,162) 20,048 11,885 (51,693) 139,031	2,389,567 2,189,517 71,631 4,562,807 4,642,204 4,564,204	2,302,310 1,578,310 1,578,310 1,578,310 1,578,310 1,578,310 1,578,310 1,578,420 1,578,420 1,578,310 1,578,310 1,578,310 1,578,510	2,397,512 3,477,310 1,00,000 1,00	1,838,892 1,818,492 3,415,459 3,415,459 490,578 490,578 490,578 42,644,224 1,866,866 (22,75,40) 414,124,174 613,400 7,425,406 (602,863) 27,599 78,610 44,249 24,298 (427,087) 55,860 7,075 (558,863) 7,075	1,896,256 1,876,256 1,876,256 1,487,000 1,487,000 1,487,000 1,487,000 1,487,000 1,561 1,487,000 1,561 1,487,000 1,561 1,487,000 1,00	1,918,751 2,918,751 2,918,751 2,918,751 2,950,000 485,476 476,653 3,251,776 2,772,536 42,644,264 42,644,264 48,646 (15,352,649) (599,561) 2,772,536 (599,561) 2,772,536 (413,355) (413,355	1,916,359 3,982,651 2,401,000 484,410 77,775 5,243,315 41,624,422 42,642,424 48,464 (15,538,340) (13,101,500) 7,500,654 (585,692) 27,800 42,111 24,248 (15,938,340) (13,111,500) (13,111	1,929,568 3,234,287 2,973,000 340,233 478,961 472,644,224 1,866,866 (29,508,544) 4,866,866 (15,480,152) (541,812) 277,877 78,530 41,130 (340,857) (33,411) (18,231) 7,775 13,209	1,772,128 1,772,128 2,185,537 3,500,000 480,246 80,000 245,781 9517,781 42,644,224 1,865,866 (20,674,286) 48,644 (17,003,941) (513,788) 27,345 (523,788) 27,345 (523,788) 27,345 (523,788)	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 478,149 8,000,000 7,648,162 42,644,224 1,866,866 (29,55,827) 48,422,861 (17,029,992) (7,721,555) (626,052) 21,215 29,530 81,181 21,433 (413,566)	1,733,655 1,711,	
Liabilities and Shareholders' deficiency Current Accours payole and account labilities Learned stories Learned stories Learned stories Learned stories Learned stories Covernment bits payole Total liabilities Shareholders' Deficiency Chane capital Warrans Marrans Marrans Marrans Total liabilities and shareholders' deficiency Cash Flow Not tosa Operating activities Items not affecting cash Amontalis of intarquise basets Depreciation Finance augence. Share-based compensation Changes in non-cash working capital balances Accourse and Other researchers Linearies Linea	1,890,588 1,990,648 1,990,648 1,973,127 1,927,849 1,956,866 1,30,999,665 1,966,866 1,30,999,665 1,966,866 1,30,999,665 1,966,866 1,967,967 1,966,866 1,967,967 1,966,866 1,967,967 1,967,8	2,028,748 2,028,748 3,724,355 3,024,355 6,323,201 42,644,224 1,966,866 (30,056,601) 48,664 42,643,786) 1,617,755 2,1535 79,813 35,541 43,002 (535,220) (160,430) 6,094 12,161 136,059	2,167,779 2,162,779 3,673,216 451,153 7-0,445 4,243,321 6,410,100 42,544,224 1,165,665 1,200,103,07) 4,454,64 (11,497,006) 1,005,117 0,646,513 (611,820) 22,746 79,412 25,933 44,567 (439,162) 23,048 11,885 (63,093) 130,031	2,189,967 2,189527 1,521,997 1,521,9	2,02,310 2,302,310 1,572,875 454,313 454,375 4,241,375 4,241,375 4,241,375 4,241,375 4,241,375 4,241,375 4,241,375 4,241,375 4,241,375 4,241,375 4,241,375 1,262,362,363 1,262,375 1	2,997,512 2,997,512 1,00000 492,811 1,00000 492,811 1,00000 42,811 1,000,600 42,641,244 1,000,600 1,000,60	1,838,892 1,838,892 1,875,893 3,425,459 957,000 490,578 491,573 474,573 474,574 47,644 47,644,224 47,424,77 47,424,77 47,424,77 47,424,77 47,424,77 47,424,77 47,424,77 47,546 (607,863) 27,599 42,298 (427,687) 55,360 15,589 7,075 (53,683)	1,896,256 1,876,256 3,378,234 1,487,000 488,532 75,511 5,458,177 42,544,224 1,866,866 (29,77,1,42) 48,644 1,47,55,087) 73,125 73,125 73,125 73,125 (62,8,914) 27,645 73,125 (62,8,914) 27,645 73,125 (445,645) (445,645) (45,655) (53,914)	1,918,751 1,918,751 3,330,632 1,960,000 48,476 76,663 5,431,775 42,644,224 1,866,866 (29,747,012) 48,646 (15,352,649) (15,352,649) (29,747,012) 48,646 (15,352,649) (29,747,012) 48,641 (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649)	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 4162,254 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 42,644,224 42,644,224 43,646,23,240 43,646 44,646 4	1,929,568 3,234,287 2,973,000 482,333 78,861 47,244 1,866,866 (20,583,544) (541,812) 27,877 78,530 41,331,130 (340,857) (33,411) (12,231) 7,7075 13,209	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,381 42,644,224 4,186,866 (25,74,286) 48,644 (1,703,341) (2,118,472) 4,218,472 4,218,4	1,724,699 1,724,699 1,724,699 1,724,699 4,000,000 478,149 80,000 478,149 80,000 478,149 80,000 1,764,129 48,644 48,644 (17,629,993) 17,791,294 (626,052) 21,215 22,423 (13,565) (11,5176 21,062 27,797 21,062 27,062	1,733,655 1,711,656 1,711,	
Current Accourse payone and account locklines Leane saintly Line of cond. Laseschold improvement look. Government look payone Total fishilities Share apids Warmits Contributed surplus None Costrolling Interest Defect Total fishilities Total fishilities Accounts and shareholders' deficiency Cash Flow Net loss Operating activities Issues and shareholders' deficiency Cash Flow Net Costrolling Interest Change and of intargible assets Depocalision Finance expense. Share-based compensation Changes in non-cash working capital balances Accounts applied and occured issues. Defered revenue Net cash used in operating capital balances Accounts specified and occured issues. Defered revenue Net cash used in operating activities	1,990,548 1,990,548 1,990,548 1,990,548 552,90 4,545,118 6,250,644,224 1,966,866 (30,099,665) 4,444 (10,170,074) 6,286,297 1,954,298 1,9	2,028,748 2,021,748 3,724,355 3,024,431 6,323,201 42,644,224 1,966,866 (30,056,603) 48,664 (10,885,186) 1617,755 79,913 35,541 43,003 (535,240) (6,034	2,167,779 2,162,779 3,673,216 486,535 70,446 4,244,2371 5,410,100 48,646 (30,012,037) 48,646 (31,1497,006) 1,016,312 (611,820) 22,746 79,412 25,933 44,567 (439,162) 20,048 11,885 (51,693) 139,031	2,389,567 2,189,517 71,631 4,562,807 4,642,204 4,564,204	2,302,310 1,578,310 1,578,310 1,578,310 1,578,310 1,578,310 1,578,310 1,578,420 1,578,420 1,578,310 1,578,310 1,578,310 1,578,510	2,397,512 3,477,310 1,00,000 1,00	1,838,892 1,818,492 3,415,459 3,415,459 490,578 490,578 490,578 42,644,224 1,866,866 (22,75,40) 414,124,174 613,400 7,425,406 (602,863) 27,599 78,610 44,249 24,298 (427,087) 55,860 7,075 (558,863) 7,075	1,896,256 1,876,256 1,876,256 1,487,000 1,487,000 1,487,000 1,487,000 1,487,000 1,561 1,487,000 1,561 1,487,000 1,561 1,487,000 1,00	1,918,751 2,918,751 2,918,751 2,918,751 2,950,000 485,476 476,653 3,251,776 2,772,536 42,644,264 42,644,264 48,646 (15,352,649) (599,561) 2,772,536 (599,561) 2,772,536 (413,355) (413,355	1,916,359 3,982,651 2,401,000 484,410 77,775 5,243,315 41,624,422 42,642,424 48,464 (15,538,340) (13,101,500) 7,500,654 (585,692) 27,800 42,111 24,248 (15,938,340) (13,111,500) (13,111	1,929,568 3,234,287 2,973,000 340,233 478,961 472,644,224 1,866,866 (29,508,544) 4,866,866 (15,480,152) (541,812) 277,877 78,530 41,130 (340,857) (33,411) (18,231) 7,775 13,209	1,772,128 2,185,537 3,500,000 480,246 80,000 245,781 42,644,224 1,865,866 (25,74,286) 48,644 (17,003,941) (513,788) 27,345 (523,788) 27,345 (513,788) (5148) (5,148) (1,153) (5,148) (1,153)	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 478,149 80,000 7,694,162 42,644,224 1,866,866 (29,550,927) 48,464 (17,629,992) (7,721,265) 1,216 27,530 (413,566) (413,566) (413,566) (413,566) (413,566)	1,733,655 1,711,	
Current Accours payous and account deficiency Current Accours payous and account depilies Ease sainty Line of road Linearing improvement tran Operanted tour payotic Total fishilities Baseholders' Deficiency Share capital Warmits Contributed surplus Non. Contributed su	1,990,548 1,990,548 1,990,548 4,550 4,550 4,540,548 4,550 4,540,548 4,540 4,54	2,028,748 2,022,748 3,724,355 40,444 4,294,431 6,323,201 42,644,224 1,965,866 (30,056,603) 48,664 (10,885,186) 1617,765 2,940,966 (715,112) 21,535 79,913 35,541 43,002 (536,240) 6,6094 12,161 136,059 0	2,167,779 2,162,779 3,673,216 486,535 70,446 4,243,331 5,410,100 42,644,224 4,866,866 (30,012,037) 48,644 (11,497,006) 1,016,512 (611,820) 22,746 79,412 25,933 44,567 (439,162) 23,048 11,885 (51,993) 13,0031 0	2,389,567 2,189,567 74,431 4,150,000 42,644,224 42,644,224 43,644,224 43,644,224 43,644,224 43,644,224 43,644,224 43,644,224 43,644,224 44,644 46,644,224 46,644,244 46,644 46,644,244 46,644,244 46,644,244 46,644,244 46,644,244 46,6	2,302,310 1574,875 1574,875 177,462 4344,578 6444,578 6444,578 6444,679 1865,586 1865,579 1741,447 174	2,997,512 2,997,512 1,00000 492,711 1,00000 492,711 1,000,600 42,741 1,000,600 42,641,741 1,000,600 1,000,100 1,00	1,838,892 1,838,892 3,425,459 957,000 490,578 491,573 6,786,461 42,644,224 1,866,840 44,124,73 513,956,460 (607,863) 27,599 44,247,937 513,860 (427,687) 55,360 16,589 7,075 (53,683)	1,896,256 1,876,256 3,378,234 1,487,000 488,532 75,511 5,458,177 42,544,224 1,866,866 (29,77,1,42) 48,644 1,47,55,087) 73,125 73,125 73,125 73,125 (62,8,914) 27,645 73,125 (62,8,914) 27,645 73,125 (445,645) (445,645) (45,655) (53,914)	1,918,751 1,918,751 3,330,632 1,960,000 48,476 76,663 5,431,775 42,644,224 1,866,866 (29,747,012) 48,646 (15,352,649) (15,352,649) (29,747,012) 48,646 (15,352,649) (29,747,012) 48,641 (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649)	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 4162,254 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 42,644,224 42,644,224 43,646,23,240 43,646 44,646 4	1,929,568 3,234,287 2,973,000 482,333 78,861 47,244 1,866,866 (20,583,544) (541,812) 27,877 78,530 41,331,130 (340,857) (33,411) (12,231) 7,7075 13,209	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,381 42,644,224 4,186,866 (25,74,286) 48,644 (1,703,341) (2,118,472) 4,218,472 4,218,4	1,724,699 1,724,699 1,724,699 1,724,699 4,000,000 478,149 80,000 478,149 80,000 478,149 80,000 1,764,129 48,644 48,644 (17,629,993) 17,791,294 (626,052) 21,215 22,423 (13,565) (11,5176 21,062 27,797 21,062 27,062	1,733,655 1,711,656 1,711,	
Liabilities and Shareholders' deficiency Current Accours payons and account labilities Laser sacinty Line of rock Lines of rock Lines of rock Lines of rock Total fishilities Baseholders' Deficiency Share capital Warmits Contributed surplus Non. Contributed surplus Non	1,890,588 1,990,648 1,990,648 1,973,127 1,927,849 1,956,866 1,30,999,665 1,966,866 1,30,999,665 1,966,866 1,30,999,665 1,966,866 1,967,967 1,966,866 1,967,967 1,966,866 1,967,967 1,967,8	2,028,748 2,028,748 3,724,355 3,024,355 6,323,201 42,644,224 1,966,866 (30,056,601) 48,664 42,643,786) 1,617,755 2,1535 79,813 35,541 43,002 (535,220) (160,430) 6,094 12,161 136,059	2,167,779 2,162,779 3,673,216 451,153 7-0,445 4,243,321 6,410,100 42,544,224 1,165,665 1,200,103,07) 4,454,64 (11,497,006) 1,005,117 0,646,513 (611,820) 22,746 79,412 25,933 44,567 (439,162) 23,048 11,885 (63,093) 130,031	2,189,967 2,189527 1,521,997 1,521,9	2,02,310 2,302,310 1,572,875 454,313 454,375 4,244,375 4,244,375 4,244,224 47,544,224 47,544,224 47,544,224 47,544,224 47,544,224 47,544,224 47,544,224 47,544,224 47,545,317 1,305,3	2,997,512 2,997,512 1,00000 492,711 1,00000 492,711 1,000,600 42,741 1,000,600 42,641,741 1,000,600 1,000,100 1,00	1,838,892 1,838,892 3,425,459 957,000 490,578 491,573 6,786,461 42,644,224 1,866,840 44,124,73 513,956,460 (607,863) 27,599 44,247,937 513,860 (427,687) 55,360 16,589 7,075 (53,683)	1,896,256 1,876,256 3,378,234 1,487,000 488,532 75,511 5,458,177 42,544,224 1,866,866 (29,77,1,42) 48,644 1,47,55,087) 73,125 73,125 73,125 73,125 (62,8,914) 27,645 73,125 (62,8,914) 27,645 73,125 (445,645) (445,645) (45,655) (53,914)	1,918,751 1,918,751 3,330,632 1,960,000 48,476 76,663 5,431,775 42,644,224 1,866,866 (29,747,012) 48,646 (15,352,649) (15,352,649) (29,747,012) 48,646 (15,352,649) (29,747,012) 48,641 (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649)	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 4162,254 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 41,664,224 42,644,224 42,644,224 43,646,23,240 43,646 44,646 4	1,929,568 3,234,287 2,973,000 482,333 78,861 47,244 1,866,866 (20,583,544) (541,812) 27,877 78,530 41,331,130 (340,857) (33,411) (12,231) 7,7075 13,209	1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,381 42,644,224 4,186,866 (25,74,286) 48,644 (1,703,341) (2,118,472) 4,218,472 4,218,4	1,724,699 1,724,699 1,724,699 1,724,699 4,000,000 478,149 80,000 478,149 80,000 478,149 80,000 1,764,129 48,644 48,644 (17,629,993) 17,791,294 (626,052) 21,215 22,423 (13,565) (11,5176 21,062 27,797 21,062 27,062	1,733,655 1,711,656 1,711,	
Liabilities and Sitarsholders' deficiency Current Accourse payone and account locities Leane tainful Line of coel Lines of coel Lines of coel Share applies Share applie Share applie Share applie Warmits Contributed surplus Non. Contributed surpl	1,890,548 1,990,648 1,990,648 1,973,127 1,502,540 1,545,500 43,644,224 1,966,866 (30,095,665) 44,444 (10,170,074) 18,524,888 (655,982) 18,524,888 (655,982) 18,524,888 (10,170,074) 18,524,888 (10,170,074) 18,524,888 (10,170,074) 18,527 (10,100,074) 18,527 (10,100,074) 18,529 (10,11,868,629 (10,11,868,629 (10,11,868,639) (10,11,868,639) (10,11,868,639)	2,028,748 3,724,355 3,724,355 50,644 4,294,631 1,866,866 (30,056,603) 48,664 (10,885,186) 1,812,735 2,931 3,541 43,002 (53,202) (53,203) (11,12)	2,167,779 2167,779 2167,779 3 673,216 48 633 70,446 4 242,131 5,410,100 41,866,866 (30,012,037) 48,663 (30,012,037) 48,663 (11,870,006) 1306,512 (611,820) 22,746 79,412 25,593 44,567 (439,162) (439,162) (63,033) 130,031 0 (118,893)	2,389,567 2,389,567 73,431 4,590,369 74,431 4,590,369 42,544,274 42,644,274 43,644,274 44,644	2,302,310 2,302,310 444,531 77,442 4,441,378 6,444,386 4,441,378 4,644,386 4,644,386 1,654,642,244 1,654,642 1,654,6	2,397,532 2,397,532 3,000,000 3,000,000 4,254,324 1,186,865 4,464 1,186,865 4,464 1,186,865 4,464 1,186,865 4,464 1,186,865 1,	1,838,892 1,838,892 3,425,459 3,425,459 490,578 74,535 4,347,571 6,726,460 42,644,224 1,866,866 (23,795,440) 48,464 (14,124,174) 48,474 (602,863) 27,599 79,610 44,249 44,249 44,249 55,360 16,569 7,075 (558,639) 7,075 (558,639)	1,896,256 1,876,256 3,378,234 1,487,000 488,532 7,5511 5,428,177 7,125,531 42,544,224 1,865,666 (29,771,143) 43,644 (44,753,087) 73,125 7,100,956 (628,914) 27,669 (638,914) 27,669 (638,914) 27,669 (638,914)	1,918,751 1,918,751 3,330,632 1,960,000 486,476 76,663 5,831,775 42,644,224 1,866,846 (29,747,012) 48,646 (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649) (15,352,649)	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 5,275,315 41,622,544 42,644,224 42,644,224 43,666,466 (15,533,340) 11,315,320 7,300,654 (5,535,662) 27,320 4,693 15,697 (1,975) (2,992) (2,992) (2,992) (3,993)	1,929,568 1,929,568 3,234,287 2,973,000 402,233 78,861 6,784,434 4,564,224 1,666,866 (29,598,364) 4,564,224 1,666,866 (15,400,152) 2,698,364) 4,184,184 (541,812) 27,277 79,530 34,130 (340,877 13,209 13,209 13,209	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,331 42,644,224 1,866,866 (25,774,286) 48,644 (1,700,394) (2,118,672 (2,118,672 (3,13) (5,148) 14,666 7,075 (157,440) (456,580)	1,724,699 3,140,013 4,000,000 478,149 80,000 78,9412 48,644,224 1,866,896 (29,550,927) 48,644 (17,629,992) (27,721,554) (626,052) 28,015 28,0	1,733,655 1,743,655 1,741,655 1,741,655 1,745,745 1,745 1,745,745 1,745	
Liabilities and Shareholders' deficiency Current Accours payons and account labilities Laser sacinty Line of rock Lines of rock Lines of rock Lines of rock Total fishilities Baseholders' Deficiency Share capital Warmits Contributed surplus Non. Contributed surplus Non	1,890,588 1,990,648 1,990,648 1,990,648 1,950,540 1,950,	2,028,748 2,028,748 3,724,355 3,024,355 50,644 4,294,4324 1,966,866 (30,056,603) 41,966,866 (10,085,786) 1,617,795 21,535 79,813 35,41 43,002 (535,202) (160,430) 6,094 12,161 136,059 (311,136)	2,167,779 2167,779 2167,779 3673,216 416.53 70,446 4262,271 6,410,100 41,666,666 (30.012,037) 48,664 (11,697,006) 1976,512 25,933 44,567 (439,162) 22,746 79,412 25,933 44,567 (439,162) 23,048 11,885 (53,693) 130,031 101,1991	2,389,567 2,389,567 73,431 4,59,036 4,59,036 4,59,036 4,59,036 4,64,04 1,566,46 4,64 4,64 4,64 1,566,46	2,302,310 2,302,310 2,302,310 2,302,310 24,453 27,442 4,441,378 4,444,386 4,444,386 (741,447) 21,515 73,932 21,515 73,932 (10,505,100) 100,535 (10,505,100) 100,535 (10,505,100) 100,535 (10,535,100) 100,535 (10,535,100) 100,535	2,397,532 2,397,532 3,000,000 3,000,000 4,254,324 1,186,865 4,464 1,186,865 4,464 1,186,865 4,464 1,186,865 4,464 1,186,865 1,	1,838,892 1,838,892 3,425,459 3,425,459 74,535 4,547,571 6,726,461 42,644,224 1,866,866 (23,795,460 48,464 (44,124,174) \$11,866,866 (23,795,460 48,464 48,464 (44,124,174) \$11,866,866 (47,026,666) (47,027,666) 2,7599 7,9610 44,249 24,298 (47,037) (558,630 1,055,540 1,055	1,896,256 1,896,256 1,896,256 1,897,258 1,897,000 488,512 75,511 5,428,177 7,125,531 48,646 (29,771,143) 48,646 (44,753,087) 78,325 5,087) 78,325 (628,914) 27,669 78,326 (638,914) 27,669 78,326 (638,914) (446,646) (7,075 57,354 (6,966) (1,966) (1,966) (1,978,305) (47,225]	1,918,751 1,918,751 3,330,632 1,960,000 486,476 76,668 3,631,775 2,772,549 42,644,244 (15,352,649) (599,561) 27,718 78,530 78,530 (41,365) (41,365) (41,365) (41,365) (41,365) (41,365) (41,365) (41,365) (41,365)	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 5,247,317 8,162,354 48,464 48,464 48,464 (15,538,340) 15,101,556 7,200,664 (5,538,5692) 27,556 (27,528) 4,569 (39,522) 4,569 (1,595) (2,392,10) (175,348) (47,981)	1,929,568 1,929,568 3,234,287 2,973,000 402,233 78,861 402,933 78,861 42,644,224 1,866,866 (29,598,584) 4,186,696 (15,480,152) 2,078,984 (15,480,152) (541,812) 27,877 78,530 41,130 (340,877 13,209 (112,224) (48,364)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 7,245,731 42,644,224 1,866,866 (25,74,286) 48,644 (1,703,943) (2,114,672) 42,542,286 (1,703,943) (2,114,672) (5,13,68) (5,13,68) (1,14,68) (1	1,724,699 3,140,013 4,000,000 478,149 80,000 7,698,128 1,866,886 (29,550,927) 48,644,224 1,866,886 (17,639,992) 17,721,263 (636,052) 28,015 29,530 (13,556) (13,557) (13,567) (13,567) (11,742) (45,524)	1,731,655 2,094,106 4,500,000 4,500,000 1,101,41 4,640,000 1,101,41 4,846,846 4,846 4,846,846 4,	
Liabilities and Sitareholders' deficiency Current Accours payone and account lubilities Leave tapiny Lime of credit Lime of	1,890,548 1,990,648 1,990,648 1,973,127 1,502,540 1,545,500 43,644,224 1,966,866 (30,095,665) 44,444 (10,170,074) 18,524,888 (655,982) 18,524,888 (655,982) 18,524,888 (10,170,074) 18,524,888 (10,170,074) 18,524,888 (10,170,074) 18,527 (10,100,074) 18,527 (10,100,074) 18,529 (10,11,868,629 (10,11,868,629 (10,11,868,639) (10,11,868,639) (10,11,868,639)	2,028,748 3,724,355 3,724,355 50,644 4,294,631 1,866,866 (30,056,603) 48,664 (10,885,186) 1,812,735 2,931 3,541 43,002 (53,202) (53,203) (11,12)	2,167,779 2167,779 2167,779 3 673,216 48 633 70,446 4 242,131 5,410,100 41,866,866 (30,012,037) 48,663 (30,012,037) 48,663 (11,870,006) 1306,512 (611,820) 22,746 79,412 25,593 44,567 (439,162) (439,162) (63,033) 130,031 0 (118,893)	2,389,567 2,389,567 73,431 4,590,369 74,431 4,590,369 42,544,274 42,644,274 43,644,274 44,644	2,302,310 2,302,310 15,78,875 77,422 4,241,775 6,464,186 4,464 4,175 4,264,724 4,264,724 4,264,724 4,264,724 1,265,319	2,397,512 3,477,310 3,000 452,411 3,00,000 452,411 3,00,000 452,411 3,00,410 452,411 4,141,141 4,141,141 4,141,141 4,141,141	1,838,892 1,818,492 3,415,459 3,415,459 490,578 490,578 490,578 42,644,224 1,866,866 (22,75,40) 48,444 144,124,174 413,869,866 (602,863) 27,599 78,610 44,249 24,298 (427,037) 55,869 7,075 (558,863) 0 1805,3021	1,896,256 1,876,256 1,876,256 1,487,000 1,487,000 1,487,000 1,487,000 1,487,611 1,425,317 1,425,	1,918,751 2,918,751 2,918,751 2,918,751 2,950,000 485,476 47,6638 3,831,776 47,6638 42,644,246 48,646 (15,352,649) (599,561) 27,772,516 27,773,772 28,572 (599,561) 27,773 (599,561) (41,862) (41,862) (47,602)	1,916,359 3,982,651 2,401,000 484,410 77,775 5,243,315 41,624,524 42,644,224 48,646 (15,538,340) (11,101,500) 7,000,654 (585,692) 27,600 42,111 24,248 (15,938,340) (11,101,500) (12,722,744) (13,938,340) (13,101,500) (13,101	1,929,568 3,234,287 2,973,000 37,233 37,861 57,2431 40,66,866 (29,508,544) 41,66,866 (15,400,152) (1511,127) 7,937 7,947 7,947 14,100 (340,877) (33,411) (18,231) 7,075 13,209 0 (172,2246	1,772,128 1,772,128 2,185,537 3,500,000 480,246 80,000 2,245,331 9,017,331 42,644,224 1,865,866 (20,574,286) 48,644 (17,003,941) (2,118,672) (523,788) 27,345 (523,788) 27,345 (51,133) (5,148) 14,666 7,075 (15,744) (15,148)	1,724,699 1,724,699 1,724,699 3,140,013 4,000,000 478,149 80,000 7,694,162 42,644,224 1,866,986 (29,559,92) 48,462,484 (17,629,992) (7,721,285) (626,052) 21,215 29,530 81,181 21,433 (413,546) (413,546) (47,430)	1,733,655 1,711,	
Current Accourts payobe and account deplies Leane tability Line of coed I Leane tabilities Share applies and account deplies Tetal liabilities Share applie Share applie Warmits Contributed surplus Non-Countrille prices Defect Total Ilabilities and shareholders' deficiency Cash Plow Net tota Coperating activities Istem not affecting cash Amortization of Indraginie nasis Cherculation Finance applies Accounts and offer presentation Changes in non-cash working capital balances Accounts symple and account leasures Accounts acquired account leasures Accounts acquired account leasures Accounts acquired account leasures Accounts account acco	1,890,548 1,990,648 1,990,648 1,973,127 1,522,849 1,555,005 1,566,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,00	2,028,748 2,028,748 3,724,355 50,644 4,294,631 1,806,866 (30,056,603) 48,644 4,294,633 48,644 (10,885,186) (715,112) 21,535 79,913 35,541 43,002 (535,203) (548,666 (715,112)	2,167,779 2,167,779 2,167,779 3,673,216 42,62,217 5,410,100 42,644,224 1,866,866 (30,012,037) 48,663 (11,627),006) 1,006,107 (611,820) 22,746 79,412 25,933 44,567 (439,162) (63,033) 13,031 0,01 (11,839) (53,033) 13,031 0,01 (12,839)	2,389,567 3,881,597 73,831 4,590,649 73,831 4,590,649 74,631 4,590,649 74,642,74 74,64	2,302,310 2,302,310 2,302,310 44,4531 77,462 4,441,378 4,441,378 4,441,378 4,441,378 4,441,477 21,515 7,3362 23,946,300 1,575,500 23,946,300 (47,202) (20,15) (40,16) 4,000 (47,202) (20,15)	2,397,512 2,397,512 1,000,000	1,838,892 1,838,892 3,425,459 3,425,459 3,425,459 40,575 4,545,564 42,644,224 1,86,866 (23,795,440) 48,464 (44,124,174) 513,564 (672,863) 27,599 78,610 44,249 44,288 (427,087) 55,360 16,589 7,075 (558,639) (46,852)	1,896,256 1,876,256 1,876,256 1,876,256 1,876,200 488,532 7,5511 5,428,177 7,125,037 42,544,224 1,866,866 (29,771,143) 43,644 44,643,087) 7,125,087) 7,125,087 1,125,087 1	1,918,751 1,918,751 3,330,632 1,900,000 486,476 76,663 1,851,775 2,772,576 42,644,224 1,866,846 (29,747,012) 42,747,012) 42,747,012 42,747,0	1,916,359 1,916,359 2,401,000 484,410 77,775 5,275,312 41,656,456 (29,72,724) 48,6410 (15,333,340) (15,333,340) (15,333,340) (15,333,340) (15,335,642) 27,343 (29,72,724) 48,663 (15,335,642) (15,355,642) (15,3	1,929,568 1,929,568 3,234,287 2,973,000 402,233 78,861 402,933 78,861 42,644,224 1,866,866 (29,598,584) 4,186,696 (15,480,152) 2,078,984 (15,480,152) (541,812) 27,877 78,530 41,130 (340,877 13,209 (112,224) (48,364)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,331 42,644,224 1,866,866 (25,74,286) 48,644 (17,003,941) (2,118,472 1,865,238 (5,12,86) 1,866,266 (25,788) 1,867,238 (5,148) 1,866 7,7075 (157,440) (48,750) (48,750)	1,724,699 3,140,013 4,000,000 478,149 80,000 7,698,128 1,866,886 (29,550,927) 48,644,224 1,866,886 (17,639,992) 17,721,263 (636,052) 28,015 29,530 (13,556) (13,557) (13,567) (13,567) (11,742) (45,524)	1,731,655 2,094,106 4,500,000 4,500,000 1,101,41 4,640,000 1,101,41 4,846,846 4,846 4,846,846 4,	
Liabilities and Shareholders' deficiency Current Accourse payone and account liabilities Leane tainful Line of coed Lines of coed Lines of coed Shareholders' Deficiency Share capital Warmits Contributed surplus Non-Controlled surplus Share-Danied compensation Changes in non-Cable sorting January Surplus January S	1,890,548 1,990,648 1,990,648 1,977,3,127 1,502,640 1,555,092 1,565,892 1,565,992 1,55	2,028,748 2,028,748 3,724,355 50,644 4,294,631 6,323,201 1,866,866 (10,085,186) 1,866,866 (10,085,186) 1,867,186 1,867,186 (10,085,186) (11,112) 21,535 79,913 35,541 43,002 (532,20) (60,944 12,161 136,059 (131,166) (147) (48,849) (1,985)	2,167,779 2,167,779 3,673,216 48,635 70,446 4,242,131 6,410,100 48,646 (30,012,037) 48,646 (11,620) 22,746 79,412 25,933 44,567 (439,162) (611,820) 22,746 (439,162) (611,820)	2,389,567 2,389,567 73,431 4,590,369 74,431 4,590,369 6,580,049 2,644,224 4,664,315 1,666,46 4,64 4,64 1,2,166,521 2,244,059 1,0	2,302,310 2,302,310 15,78,875 77,422 4,241,775 6,464,886 4,464 4,175 4,264,724 4,264,724 4,264,724 4,264,724 1,265,875 73,382 2,99,00 1,005,875 1,005	2,397,512 2,397,512 1,000,000	1,838,892 1,838,892 3,425,459 3,425,459 74,535 4,547,571 6,726,461 42,644,224 1,866,866 (23,795,460 48,464 (44,124,174) \$11,866,866 (23,795,460 48,464 48,464 (44,124,174) \$11,866,866 (47,026,666) (47,027,666) 2,7599 7,9610 44,249 24,298 (47,037) (558,630 1,055,540 1,055	1,896,256 1,896,256 1,896,256 1,897,258 1,897,000 488,512 75,511 5,428,177 7,125,531 48,646 (29,771,143) 48,646 (44,753,087) 78,325 5,087) 78,325 (628,914) 27,669 78,326 (638,914) 27,669 78,326 (638,914) (446,646) (7,075 57,354 (6,966) (1,966) (1,966) (1,978,305) (47,225]	1,918,751 1,918,751 3,330,632 1,960,000 486,476 76,668 3,631,775 2,772,549 42,644,244 (15,352,649) (599,561) 27,718 78,530 78,530 (41,365) (41,365) (41,365) (41,365) (41,365) (41,365) (41,365) (41,365) (41,365)	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 5,247,317 8,162,354 48,464 48,464 48,464 (15,538,340) 15,101,556 7,200,664 (5,538,5692) 27,556 (27,528) 4,569 (39,522) 4,569 (1,595) (2,392,10) (175,348) (47,981)	1,929,568 1,929,568 3,234,287 2,973,000 482,233 78,861 6,784,434 42,644,224 1,666,666 (15,460,152) 2,698,564) 41,666,666 (15,460,152) 2,698,564) (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (17,2246 (16,564) (17,2246 (16,564)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 7,245,731 42,644,224 1,866,866 (25,74,286) 48,644 (1,703,943) (2,114,672) 42,542,286 (1,703,943) (2,114,672) (5,13,68) (5,13,68) (1,14,68) (1	1,724,699 3,140,013 4,000,000 478,149 80,000 78,9412 42,644,224 1,866,896 (29,550,927) 48,664 (17,629,992) (27,721,564) (616,052) 21,215 21,21	1,733,655 1,074,106 1,074,106 1,000 1,101,146 1,000 1,101,146 1,000 1,101,146 1,000 1,101,146 1,000 1,	
Current Accours payous and account deficiency Current Accours payous and account depicies Lines of cold Lines of c	1,990,548 1,990,548 1,990,548 1,990,548 1,950,240 1,950,866 1,950,966 1,950,	2,028,748 2,022,748 3,724,355 45,444 4,294,431 6,323,201 42,644,24 1,966,866 (30,056,603) 48,664 (10,885,186) 1617,755 2,913 35,541 43,002 (535,240) (6,094 12,161 138,059 0 (111,136) (12,161 138,059 0 (111,161 138,059 0 (1	2,167,779 2,162,779 3,673,216 484,533 70,446 4,244,2331 5,410,100 1,866,866 (30,012,037) 48,664 (31,487,006) 1,016,312 (611,820) 22,746 79,412 25,933 44,567 (439,162) 20,048 11,885 (51,933) 11,995 (11,833) (12,995) (29,992)	2,389,567 3,881,597 73,831 4,590,649 73,831 4,590,649 74,631 4,590,649 74,642,74 74,64	2,302,310 2,302,310 2,302,310 44,4531 77,462 41,477 42,644,286 444 (21,903,16) 1,805,160 (21,44,47) 21,515 72,382 (21,44,47) 21,515 72,382 (21,515 (23,968,360) (37,560) (41,202) (41,202) (20,15)	2,397,512 2,397,512 1,000,000	1,838,892 1,818,492 3,415,459 3,415,459 40,579 40,535 441,531 42,644,224 1,86,586 (29,795,440) 48,464 (44,124,174) 613,863 (602,863) 27,599 79,500 44,464 (45,246) (457,687) 55,869 16,569 7,075 (558,639) 0 1805,502]	1,896,256 1,876,256 1,876,256 1,487,000 1,487,	1,918,751 1,918,751 3,330,632 1,900,000 486,476 76,663 1,851,775 2,772,576 42,644,224 1,866,846 (29,747,012) 42,747,012) 42,747,012 42,747,0	1,916,359 1,916,359 2,401,000 484,410 77,775 5,275,312 41,656,456 (29,72,724) 48,6410 (15,333,340) (15,333,340) (15,333,340) (15,333,340) (15,335,642) 27,343 (29,72,724) 48,663 (15,335,642) (15,355,642) (15,3	1,929,568 1,929,568 3,234,287 2,973,000 482,233 78,861 6,784,434 42,644,224 1,666,666 (15,460,152) 2,698,564) 41,666,666 (15,460,152) 2,698,564) (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (17,2246 (16,564) (17,2246 (16,564)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,331 42,644,224 1,866,866 (25,74,286) 48,644 (17,003,941) (2,118,472 1,865,238 (5,12,86) 1,866,266 (25,788) 1,867,238 (5,148) 1,866 7,7075 (157,440) (48,750) (48,750)	1,724,699 3,140,013 4,000,000 478,149 80,000 78,9412 42,644,224 1,866,896 (29,550,927) 48,664 (17,629,992) (27,721,564) (616,052) 21,215 21,21	1,733,655 1,074,106 1,074,106 1,000 1,101,146 1,000 1,101,146 1,000 1,101,146 1,000 1,101,146 1,000 1,	
Liabilities and Shareholders' deficiency Current Accourse payone and account liabilities Leane tainful Line of coed Lines of coed Lines of coed Shareholders' Deficiency Share capital Warmits Contributed surplus Non-Controlled surplus Share-Danied compensation Changes in non-Cable sorting January Surplus January S	1,890,548 1,990,648 1,990,648 1,973,127 1,522,849 1,555,005 1,566,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,666,866 1,0099,665 1,00	2,028,748 2,028,748 3,724,355 50,644 4,254,531 6,323,201 1,866,866 (30,056,603) 48,664 (10,085,186) 1,862,766 (10,085,186) 1,862,766 (10,085,186) (715,112) 21,535 79,813 35,541 43,002 (535,204) (536,204) (1,160,430) (6,094 12,161 136,059 0 (1)13,166 (1,47) (48,849) (1,985) (29,508)	2,167,779 2,167,779 2,167,779 3,673,216 48,635 70,446 4,262,231 5,410,100 48,636 (30,012,037) 48,636 (30,012,037) 48,636 (30,012,037) 48,646 48,646 48,646 (43,012,037) 6,446,613 (611,820) 22,746 79,412 25,933 44,567 (439,162) (63,033) (13,931) (13,931) (13,933) (29,992) (12,818) 33,859	2,389,567 3,881,597 73,831 4,590,649 73,831 4,590,649 74,631 4,590,649 74,642,74 74,64	2,302,310 2,302,310 2,302,310 44,4531 77,462 41,477 42,644,286 444 (21,903,16) 1,805,160 (21,44,47) 21,515 72,382 (21,44,47) 21,515 72,382 (21,515 (23,968,360) (37,560) (41,202) (41,202) (20,15)	2,397,512 2,397,512 1,000,000	1,838,892 1,838,892 3,425,459 3,425,459 74,535 4,547,571 6,726,461 42,644,224 1,86,866 (23,795,440) 48,464 (44,124,174) 513,360 27,599 76,610 44,249 24,208 (47,087) (558,639) 7,075 (558,639) 7,075 (558,639) (45,224) 55,900 75,7000 (45,224)	1,896,256 1,876,256 1,876,256 1,876,256 1,876,200 488,532 7,5511 5,428,177 7,125,037 42,544,224 1,866,866 (29,771,143) 43,644 44,643,087) 7,125,087) 7,125,087 1,125,087 1	1,918,751 1,918,751 3,330,632 1,900,000 486,476 76,663 1,851,775 2,772,576 42,644,224 1,866,846 (29,747,012) 42,747,012) 42,747,012 42,747,0	1,916,359 1,916,359 2,401,000 484,410 77,775 5,275,312 41,656,456 (29,72,724) 48,6410 (15,333,340) (15,333,340) (15,333,340) (15,333,340) (15,335,642) 27,343 (29,72,724) 48,663 (15,335,642) (15,355,642) (15,3	1,929,568 1,929,568 3,234,287 2,973,000 482,233 78,861 6,784,434 42,644,224 1,666,666 (15,460,152) 2,698,564) 41,666,666 (15,460,152) 2,698,564) (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (17,2246 (16,564) (17,2246 (16,564)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,331 42,644,224 1,866,866 (25,74,286) 48,644 (17,003,941) (2,118,472 1,865,238 (5,12,86) 1,866,266 (25,788) 1,867,238 (5,148) 1,866 7,7075 (157,440) (48,750) (48,750)	1,724,699 3,140,013 4,000,000 478,149 80,000 78,9412 42,644,224 1,866,896 (29,550,927) 48,644 (17,629,992) (27,721,554) (616,052) 21,215 21,215 21,215 21,215 21,215 21,215 (413,567) (41	1,733,655 1,074,106 1,074,106 1,000 1,101,146 1,000 1,101,146 1,000 1,101,146 1,000 1,101,146 1,000 1,	
Liabilities and Sitarsholders' deficiency Current Accourse payone and account labilities Leane tainful Line of coed Lines of coed Sitarsholders' Deficiency Share capital Warmits Contributed surplus Non-Countrille prices Deficiency Share capital Warmits Contributed surplus Non-Countrille prices Defici Defici Total Ilabilities and sharsholders' deficiency Cash Plow Net tota Operating activities Istem not affecting cash Amortization of Indrariptie nasels Depreciation Finance agence Share-based compensation Changes in non-cash working capital balances Accounts and other presentation Changes in non-cash working capital balances Accounts symple and occured learners Linestopy Prepaids Accounts symple and occured learners Investory Prepaids Accounts symple and occured learners Recipient of these payoners Re	1,890,548 1,990,648 1,990,648 1,990,648 1,966,866 1,966,	2,028,748 2,028,748 3,724,355 3,024,355 50,444 4,254,513 6,323,201 1,866,866 (30,056,603) 48,664 (10,885,186) 1,812,735 2,913 35,541 43,002 (535,204) (535,204) (1,12) (1,136,604 (1,136,6094 (1,12) (1,136,6094 (1,1	2,167,779 2,167,779 2,167,779 3,673,216 48,635 70,446 4,262,231 5,410,100 48,636 (30,012,037) 48,636 (30,012,037) 48,636 (30,012,037) 48,646 48,646 48,646 (11,820) 22,746 79,412 25,933 44,567 (439,162) (63,033) 43,031 0 (118,83) (53,033) 0 (118,83) (29,992) (12,818) 33,859	2,189,567 2,189,567 73,431 4,150,030 73,431 4,150,030 6,550,049 2,644,224 1,666,865 4,464 4,156,6325 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4	2,302,310 2,302,310 2,302,310 44,4538 77,462 4,441,378 4,441,378 4,441,378 4,441,378 1,452,44,224 1,444,366 1,444,47) 21,515 7,3382 2,399,00 35,060 (375,560) (31,398) (31,556) (31,398) (31,556) (42,202) (47,202) (47,202) (47,202) (47,702	2,397,512 2,397,512 1,000,000	1,838,892 1,838,892 3,425,459 3,425,459 74,535 4,547,571 6,726,464 42,644,224 1,866,866 (22,795,464) 44,124,174) 813,304 (6572,863) 27,599 7,9,103 42,298 (427,075 (558,339) (45,524) 75,7000 (45,524) 5,000 -	1,896,256 1,896,256 1,896,256 1,876,256	1,918,751 1,918,751 3,330,632 1,900,000 486,476 76,663 1,851,775 2,772,576 (15,352,648) (15,3	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 5,243,134 48,4410 48,442,44 1,856,846 (29,72,724) 48,646 (15,300,340) (15,300,	1,929,568 1,929,568 3,234,287 2,973,000 482,233 78,861 6,784,434 42,644,224 42,644,224 42,648,268 (15,480,152) 2,598,584) 44,544,224 (15,480,152) 2,598,584) 44,244 (15,480,152) (14,1812) 27,277 78,530 42,284 (14,281) (27,277 78,530 42,284 (14,281) (27,277 78,530 42,284 (28,281) (33,411) (33,411) (33,411) (32,231) 7,707 13,209 0 (172,274) (46,364)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,331 42,644,224 1,866,866 (25,74,286) 48,644 (17,003,943) (2,118,472) 43,543,238 (5,148) 14,666 7,075 15,741 24,238 (48,750) (48,750) 127,000 (76,728)	1,724,699 3,140,013 4,000,000 478,149 80,000 76,941,941 80,000 76,941,941 1,866,866 (29,550,927) 48,464 (17,527,992) (27,712,564 (616,052) 28,218 21,218 21,453 (413,567) 21,218 21,453 (413,567)	1,731,655 2,094,106 4,500,000 4,500,000 1,101,41 1,846,966 (1,827),414 (1,827)	
Current Accours payous and account deficiency Current Accours payous and account depicies Lines of cold Lines of c	1,890,548 1,990,648 1,990,648 1,973,127 1,525,500 1,546,546 1,566,566 1,000,9665 1,666,566 1,000,9665 1,666,566 1,000,9665 1,666,566 1,666,666 1,666,666 1,666,666 1,666,666	2,028,748 2,028,748 3,724,355 50,644 4,254,531 6,323,201 1,866,866 (30,056,603) 48,664 (10,085,186) 1,862,766 (10,085,186) 1,862,766 (10,085,186) (715,112) 21,535 79,813 35,541 43,002 (535,204) (536,204) (1,160,430) (6,094 12,161 136,059 0 (1)13,166 (1,47) (48,849) (1,985) (29,508)	2,167,779 2,167,779 2,167,779 3,673,216 48,635 70,446 4,262,231 5,410,100 48,636 (30,012,037) 48,636 (30,012,037) 48,636 (30,012,037) 48,646 48,646 48,646 (43,012,037) 6,446,613 (611,820) 22,746 79,412 25,933 44,567 (439,162) (63,033) (13,931) (13,931) (13,933) (29,992) (12,818) 33,859	2,389,567 3,881,597 73,831 4,590,649 73,831 4,590,649 74,631 4,590,649 74,642,74 74,64	2,302,310 2,302,310 2,302,310 44,4531 77,462 41,477 42,644,286 444 (21,903,16) 1,805,160 (21,44,47) 21,515 72,382 (21,44,47) 21,515 72,382 (21,515 (23,968,360) (37,560) (41,202) (41,202) (20,15)	2,397,512 2,397,512 1,000,000	1,838,892 1,838,892 3,425,459 3,425,459 74,535 4,547,571 6,726,461 42,644,224 1,86,866 (23,795,440) 48,464 (44,124,174) 513,360 27,599 76,610 44,249 24,208 (47,087) (558,639) 7,075 (558,639) 7,075 (558,639) (45,224) 55,900 75,7000 (45,224)	1,896,256 1,896,256 1,896,256 1,876,256 1,876,256 1,876,200 488,532 7,5511 5,428,177 7,125,037 7,125,037 1,125,087) 1,125,087 1,12	1,918,751 1,918,751 3,330,632 1,900,000 486,476 76,663 1,851,775 2,772,576 42,644,224 1,866,846 (29,747,012) 42,747,012) 42,747,012 42,747,0	1,916,359 1,916,359 2,401,000 484,410 77,775 5,275,312 41,656,456 (29,72,724) 48,6410 (15,333,340) (15,333,340) (15,333,340) (15,333,340) (15,335,642) 27,343 (29,72,724) 48,663 (15,335,642) (15,355,642) (15,3	1,929,568 1,929,568 3,234,287 2,973,000 482,233 78,861 6,784,434 42,644,224 1,666,666 (15,460,152) 2,698,564) 41,666,666 (15,460,152) 2,698,564) (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (15,41,100 (17,2246 (16,564) (17,2246 (16,564)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,331 42,644,224 1,866,866 (25,74,286) 48,644 (17,003,941) (2,118,472 1,865,238 (5,12,86) 1,866,266 (25,788) 1,867,238 (5,148) 1,866 7,7075 (157,440) (48,750) (48,750)	1,724,699 3,140,013 4,000,000 478,149 80,000 78,9412 42,644,224 1,866,896 (29,550,927) 48,644 (17,629,992) (27,721,554) (616,052) 21,215 21,215 21,215 21,215 21,215 21,215 (413,567) (41	1,733,655 1,074,106 1,074,106 1,000 1,101,146 1,000 1,101,146 1,000 1,101,146 1,000 1,101,146 1,000 1,	
Liabilities and Sitarsholders' deficiency Current Accourse payone and account labilities Lame tainful Line of coed Lines of coed Sitarsholders' Deficiency Share capital Warmits Contributed surplus Non-Countrille prices Deficiency Share capital Warmits Contributed surplus Non-Countrille prices Deficiency Chair Plow Total Ilabilities and sharsholders' deficiency Cash Plow Net tosa Operating activities Issues and activities Issues and activities Issues and activities Issues and activities Lines non-cash working capital balances Accounts payolie and account issues Linescopy Prepaids Accounts payolie and account issues Deficiency Defend revenue Net cash used in operating activities Issues and account issues Linescopy Real administration from training parties Real administration provided Real payment of issues issuely Real paym	1,890,548 1,990,648 1,990,648 1,990,648 1,966,866 1,966,	2,028,748 2,028,748 3,724,355 3,024,355 50,444 4,254,513 6,323,201 1,866,866 (30,056,603) 48,664 (10,885,186) 1,812,735 2,913 35,541 43,002 (535,204) (535,204) (1,12) (1,136,604 (1,2),61 (1,136,6094 (1,2),61 (1,136,6094 (1,13	2,167,779 2,167,779 2,167,779 3,673,216 48,635 70,446 4,262,231 5,410,100 48,636 (30,012,037) 48,636 (30,012,037) 48,636 (30,012,037) 48,646 48,646 48,646 (11,820) 22,746 79,412 25,933 44,567 (439,162) (63,033) 43,031 0 (118,83) (53,033) 0 (118,83) (29,992) (12,818) 33,859	2,189,567 2,189,567 73,431 4,150,030 73,431 4,150,030 6,550,049 2,644,224 1,666,865 4,464 4,156,6325 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4,156,635 4,156 4	2,302,310 2,302,310 2,302,310 44,4538 77,462 4,441,378 4,441,378 4,441,378 4,441,378 1,452,44,224 1,444,366 1,444,47) 21,515 7,3382 2,399,00 35,060 (375,560) (31,398) (31,556) (31,398) (31,556) (42,202) (47,202) (47,202) (47,202) (47,702	2,397,512 2,397,512 1,000,000	1,838,892 1,838,892 3,425,459 3,425,459 74,535 4,547,571 6,726,464 42,644,224 1,866,866 (22,795,464) 44,124,174) 813,304 (6572,863) 27,599 7,9,103 42,298 (427,075 (558,339) (45,524) 75,7000 (45,524) 5,000 -	1,896,256 1,896,256 1,896,256 1,876,256	1,918,751 1,918,751 3,330,632 1,900,000 486,476 76,663 1,851,775 2,772,576 (15,352,648) (15,3	1,916,359 1,916,359 3,282,651 2,401,000 484,410 77,775 5,243,134 48,4410 48,442,44 1,856,846 (29,72,724) 48,646 (15,300,340) (15,300,	1,929,568 1,929,568 3,234,287 2,973,000 482,233 78,861 6,784,434 42,644,224 42,644,224 42,648,268 (15,480,152) 2,598,584) 44,544,224 (15,480,152) 2,598,584) 44,244 (15,480,152) (14,1812) 27,277 78,530 42,284 (14,281) (27,277 78,530 42,284 (14,281) (27,277 78,530 42,284 (28,281) (33,411) (33,411) (33,411) (32,231) 7,707 13,209 0 (172,274) (46,364)	1,772,128 1,772,128 1,772,128 3,185,537 3,500,000 480,246 80,000 2,245,331 42,644,224 1,866,866 (25,74,286) 48,644 (17,003,943) (2,118,472) 43,543,238 (5,148) 14,666 7,075 15,741 24,238 (48,750) (48,750) 127,000 (76,728)	1,724,699 3,140,013 4,000,000 478,149 80,000 76,941,941 80,000 76,941,941 1,866,866 (29,550,927) 48,464 (17,527,992) (27,712,564 (616,052) 28,218 21,218 21,453 (413,567) 21,218 21,453 (413,567)	1,731,655 2,094,106 4,500,000 4,500,000 1,101,41 1,846,966 (1,827),414 (1,827)	



		7000	E11.33	M + 33	100.33	May 22	200 27	Jul 22	Nog 22	5ep 22	Oct 22	Hav 22	Dec 22	Jan 23	Feb 21	Ny 2
Day in inventory	150	Jan 22	Feb.22	Marr 22	ASUZZ	May 22	2120 22	241.22	H09 21	949 27		I butter	and and a	Call Lat		
Prepaids											53.570	(5 (0)	58,528	51,452	44.377	45.483
Opening Balance Amotization		238,279 (30,469)	207,810 (30,469)	185,522 (30,469)	156,313 (30,469)	(30,469)	(30,469)	84,905 (7,075)	77,829 (7,075)	70,754 (7,075)	63,679 (7,075)	65 603 (7,075)	(7,075)	(7,075)	(7,075)	(7,075 1,260
Addition Ending	-	207,810	185 522	156 313	125,843	55,174	20,000 84,505	77,829	70,754	63,679	45,603	58 528	51,452	44,177	45,483	19,647
Accounts payable and accrued liabilities		886,452	1 127,378	1,014 180	1,064 322	1.182,872	1,490,990	378.746 173.746	L011,620	1,008,403	974,484	948,594	922,128	33H 22 824,899	F+5 73	MH 2
Expenses The paid out in shares (contingent) Avg employee liabilities (est.) Accrued interest on LOC Additional accrual - provincial bilkings AP		30,000 450,000	450,000	900 000	900,000	900,000	900,000 2,625	850 000 15 146	850,000 34,637	850,000 60 349	850,000 91,875	850 000 130 974	850,000 0	900,000	900,000	925,000
Ending	-	1,355,457	1,577,378	1,914 180	1,964,322	2,013,972	2,402.615	1.838.892	1,8%,254	1,918,751	1,916,355	1 929 568	1,772,128	1,724,699	1,733,655	1,833,40
, Sohanpal lean			20 000			(5,000)	(5,000)									
nevert (9-		30,000	(5 083)	(5,000)	(\$2.33)	(2.003) (3.33)									
Sovernment Loan Opening		67,574	68 549	69,443	70,446	71,430	72,462	73,474	24,535	75,611	76 668 1,107	77,775 1,087	78 861 1,139	300.000 80,000	\$0,000	80.00
ayout	-	976	894	1,003	984	1,031	1,012	1,061	1,076	1,056		78.861	80 000	80.000	60.000	80,00
nding		58,549	59,413	70,445	71,430	72,452	73.434	74,535	75.611	76.668	22,225	78.861	80 000	80,000		
ease liability Opening		Ján 22	3,712,154	3,663,460	3,614,378	3,564,905	3,518 791	3,472,310	Aug 22 8.425,459	3,378,234	3,330 632	3,282,651	3,234,287	3,185,537	\$140,013	3,054,10
dd interest uro lease			29 586	29,198	28 806	28,412	28 044	27,673	27,300	26,923	26 544	25,161	25,775	25,590	25,220	24 64
uro lease payments ess payments ading	-	3,712,154	3,663,460	(78.280) 3,614.378	3,564,905	3,518,791	3 472,310	3,425,459	3 378 234	3.330,632	3,282,651	3,234,287	3,185,537	3,140,013	3,094,106	3,047,80
alance per consol																
/innipeg + Selkirk - Lezse eg Bal		504,615	502,640	500 654 4 499	498,659 4,499	496 654 4 499	494,638 4,499	492,613 4,499	490,578 4,499	488 532 4.499	486 476 4 499	484,410	482,333 4,499	480,246 4,499	478,149	476,04 4,49
ayment mncipal		4,499 1,975 2,523	4,499 1,985 2,513	4 499 1 995 2 503	4,499 2,005 2,493	4 499 2 015 2 483	2,025 2,473	2,035 2,463	2,046 2,453	2 056 2 443	2 066 2 432	2 077	2.087	2,097	2,108 2,001	2.11 2.38
lerest dring Bal		502,640	500,654	498 659	496,654	494 638	492,613	490,578	488,532	486 476	484,410	462 333	480,246	478 149	476,041	473,92
					2011455			1000245	100	PDF-GRAN	12.000	(I) HE SA	The same	3ie(23)	Fe022	War
ventory - Product sening Balance		Jan 22	Feb 22	Wat 22	Apr 22	May 22	Jun 22	Jul 22	Airy 22	Sep 22	0:122	Hev 22	Dec 22	Jan 23	140.13	W.M
chases entary COGS					0	0	0	0		0	ă			0	0	- 5
ding balance		٥		Š				<u>.</u>		-		-				
ed sixet additions. Its sound machine for NMI		Jan 22	F4622	Na: 72	Apr 22	Мэт 22	Jun 22	Jul 22	Aug 22	Sep 22	0ef 22	Nov.22	D+c22	39(23)	Fe0 23	Mari
Arm Machine lew Fluroscopy suffic at silver uddruons fronnew Selkink path cunic																
pain clinics in BC, Alt a vestment in technology		9,192	9,292	9,292	9,292	9,292	9,292	9 292	9 292	9 292	9.292	9.292	9,292	2,500	2,500	2 50
nic Set up IRP							20	1520020								
wner location expansion	=	9,292	9.292	9,197	9,292	9,292	5.252	14,292	5,000 14,292	9.397	9,292	9,292	9,792	2,500	2,500	2.50
nstruction Cost																
epreciation - Construction Cost ew Fluroscopy machine	-	(1.550)	(950)	(950)	(950)	(150)	(950)	(950)	(1,500	(950) (1.652)	(950) (3.550)	(950) (1.650)	(950)	(1,650)	(950) (1,650)	13,65
William Control	-	(2,600)	(7,600)	(2,600)	(2,600)	(2 600)	(2,600)	(2,600)	(2,630)	(2,600)	(2,600)	(2.600)	(2,600)	(3,620)	(2,400)	(2,58
renal Development (mt)				٥	30,000	60,000	85,000	110.000	114,000	118,000	122,000	126,000	130,000	114,000	114,000	142,00
commerce platform			1	10,000	30,000 60,000	25,000 85,000	25,000 110,000	114,000	118 000	4,000 122,000	126.000	130,000	114 000	138.000	142,000	146.00
echnology y spark (APP) = Beg		0.1%	45,875	4175	50,875	51,175	55,875	56,375	50,875	53,375	65,875	64,325	30.87S	73,375	75,875	79,37
y spark (APP) -Spand y spark (backend) - Spand	WEST !	2,500	1,500	2,500	2,500	2:500	2,500	1,500	2,500	2,500	2,500	3,500	7,500	2,500	3,500	2,50
spark (APP) End nortization - technology	-	45,975 (1,274)	(1,344)	10,425 (1,413)	(1,483)	(1,552)	\$8,375 (1,632)	(1,691)	(1,7(0)	85,875 (1,830)	(1,899)	(1,969)	(2,038)	(2,108)	(2,127)	(2,24
cumulated amortization Spark - ending balance	10 <u>-</u>	(2,475) 43,196	(3,823) 44.552	(5,236) 45 639	(6,719) 46 656	(8.271) 47 504	(9,892)	(11,583) ***292	(13,344) 50.031	(15,174) 50.201	(17,073) S1 302	(19 042) 51 833	(21,080)	(23,188)	(25,365) 53,010	53.20
inRr -Beg		87.917	87,917	E7,952	87,917	N7,517	87,917	87,917	87,917	87,917	87,917	87.917	87,917	#7,917	27,917	87,9
nnika - Spand nnik = End		87,917	87,917	87,917	87,917	E7,917	87,917	87,917	87,917 (7,447)	87,517	87,917 (2,442)	87,917	87,517	#7,917 (2,442)	87,517 (2,442)	17,31 (2,4
norbization - technology cumulated amorbization nnRx - ending balance	:-	87,917	87.917	(2,442) (2,442) 85.475	(2,442) (4,884) 83,012	(2,442) (7,325) 80,590	(2,442) (8,768) 78,148	(2,442) (12,211) 25,706	(14,653) 73,364	(17,095) 70,822	(14.537) 68.380	(21,979) 65,916	(24,421) 63,495	(26.861) 61,053	(29,30G) 58,611	D1,74 56.11
entracker - Beg entracker - Spend		10,000	30,000 e	10,000	(0.000	10,000	10,000	10,000	10,000	10,000	10 000	10,000	10 000	10,000	10,000	10,0
ntracter - Spend ntracter - End ortration - technology		10.000	30,000	10.000	10.000	10 000	10.000	10,000	10,000	10,000	19,000 (278)	10,000 (278)	(278)	10,000	10,000	10,0
cumulated amortisation stracker - ending balance		10.000	10.000	(278) 9.722	(556)	9.167	(1,111)	(1,389) E(6)1	(1,667)	(1.944) 0.055	(2,222) 7,778	(2,500) 7,500	7,222	5544	(3,333)	(3,6
dtracker - Beg		21,000	31,000	21,000	21,000	21.000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,0
dtracker - Spend dtracker - End		21 000	21 000	21 000	71.000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000 (583)	21,000	21.0
ortization - technology comulated amortization			20.000	25.000	21.000	(583) (583)	(1,167)	(1,750) 19,250	(583) (2,333) 18 567	(2,917) 18 083	(3.500) -17.500	(A.083) 15.917	(4 667)	(5.250)	(5,833)	(6,4
dtracker - ending balance	(),=	21,000	21,000	21.000					77,000	27,000	27,000	27,000	27,000	27,000	27,000	27,0
tracker - Beg tracker - Spend		27,000	27,000	27,000	27,000	27,000	27 000	27,000		90.77	1000		27,000	27,000	27,000	37,0
otracker - End norrization - technology	9.7	27,000	27,000	27,000	27,000 (750)	(750)	1750	(750) (3,000)	(750) (3.750)	27,000 (750) (4 500)	(750) (5.250)	(750) (6,000)	(6,750)	(750) (7,500)	(750) (8,250)	(75 (1,00
comulated amoruzation atracker - ending balance	0	27,000	27,000	27,000	29,250 29,250	(1.500) 25.500	(2,250)	24.000	21.250	22,500	11,750	21 000	30.250	19 500	18.750	18.00
tal spend Technology - my Spark tal monthly Amorilization - Technology	1	9,292 (1,274)	9,292 (1,344)	9,292 (4,133)	9,292 (4,953)	9,292 (5,605)	9,292 (5,675)	9,757 (5,744)	9,292 (5,814)	9,292 (5,883)	9,292 (5,953)	8,252 (6,022)	9,292 (6,091)	2,500 (6,161)	2,500 (6,230)	2,50 (6,30 226,79
otal Technology BV bal, before Almort.		191,792	194,292	196,792	199,292	201,792	204,292	206,792	209,292	211,792	214,292	216,792	219,292	221,792	224,292	226,79

Depreciation - Tech to be depriover 3 years *my Spark to be released Dec 2021



	Loan Principal			Interest	12%		PIK	2%		Annual fee	1%		Total fees
Date	Opening	Draw	Ending	Opening	Addition	Ending	Opening	Addition	Ending	Opening	Addition	Ending	
1-Jun-22		100,000	100,000	500	17			-					1.10
30-Jun-22	100,000	100,000	200,000	- 1	953	953	-	159	159				1,112
31-Jul-22	200,000	757,000	957,000	953	2,038	2,992	159	340	499				2,377
31-Aug-22	957,000	530,000	1,487,000	2,992	9,754	12,745	499	1,626	2,124				11,579
30-Sep-22	1,487,000	473,000	1,960,000	12,745	14,666	27,412	2,124	2,444	4,569				17/111
31-Oct-22	1,960,000	441,000	2,401,000	27,412	19,976	47,388	4,569	3,329	7,898				23 705
30-Nov-22	2,401,000	572,000	2,973,000	47,388	23,681	71,069	7,898	3,947	11,845				1 425
31-Dec-22	2,973,000	527,000	3,500,000	71,069	30,300	101,369	11,845	5,050	16,895		35,000		70,050
31-Jan-23	3,500,000	500,000	4,000,000	101,369	35,671	137,040	16,895	5,945	22,840				40,616
28-Feb-23	4,000,000	500,000	4,500,000	137,040	36,822	173,862	22,840	6,137	28,977				42.555
31-Mar-23	4,500,000	500,000	5,000,000	173,862	45,863	219,725	28,977	7,644	36,621				3507
30-Apr-23	5,000,000		5,000,000	219,725	49,315	269,040	36,621	8,219	44,840				57,534
31-May-23	5,000,000		5,000,000	269,040	50,959	319,999	44,840	8,493	53,333				59.452
30-Jun-23	5,000,000		5,000,000	319,999	49,315	369,314	53,333	8,219	61,552				57(534
31-Jul-23	5,000,000		5,000,000	369,314	50,959	420,273	61,552	8,493	70,045				\$9,452
31-Aug-23	5,000,000		5,000,000	420,273	50,959	471,232	70,045	8,493	78,539				50,452
30-Sep-23	5,000,000		5,000,000	471,232	49,315	520,547	78,539	8,219	86,758				57,554
31-Oct-23	5,000,000		5,000,000	520,547	50,959	571,506	86,758	8,493	95,251				53,492
30-Nov-23	5,000,000		5,000,000	571,506	49,315	620,821	95,251	8,219	103,470				\$70,004
31-Dec-23	5,000,000		5,000,000	620,821	50,959	671,780	103,470	В,493	111,963				50,450
31-Jan-24	5,000,000		5,000,000	671,780	50,959	722,739	111,963	8,493	120,456				59,43⊉
29-Feb-24	5,000,000		5,000,000	722,739	47,671	770,410	120,456	7,945	128,402				\$5,61.0
31-Mar-24	5,000,000		5,000,000	770,410	50,959	821,369	128,402	B,493	136,895				59,4.2
30-Apr-24	5,000,000		5,000,000	821,369	49,315	870,684	136,895	8,219	145,114				\$2,584
31-May-24	5,000,000		5,000,000	870,684	50,959	921,643	145,114	6,493	153,607		50,000		109,452
													*OMT



	Forecast	Forecast	Forecast	Forecast	Forecast	2022 Forecast	Forecast	Forecast	Forecast.	Forecast	Firecust	Forecast	forestell.	ENCOUNT.	Fectorial
	iun 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Det 2022	tan 2023	Feb 2023	Mar 2023
Available Facility					3,500,000.00	3,300,000.00	2,546,000.00	2,015,000.00	1,541,000 00	1,098,000.00	521,000.00	0.00			
Commitment Fee Loan Draw						(100,000.00) (100,000.00)	(754,000.00)	(531,000.00)	(474,000.00)	(443,000.00)	(577,000.00)	(521,000,00)	(500,000.00)	(500,000.00)	(500,000.0
Total Loan Draws Cumulative Loan Owing						(200,000.00) (200,000.00)	(754,000.00) (954,000.00)	(531,000.00) (1,485,000.00)	(474,000.00) (1,959,000.00)	(443,000.00) (2,402,000.00)	(577,000.00) (2,979,000.00)	(521,000.00) (3,500,000.00)	(500,000.00) (4,000,000.00)	(500,000.00) (4,500,000.00)	
Assuming draws are made at the begin	nning of the month														
iase Lending Rate IK Accruel umuai Work Fee						13% 2% 1%	11% 2% 1N	13% 2% 1%	11% 2% 1%	13% 2% 1%	13% 2% 1%	2% 2% 1%	234 236 136	13% 2% 1%	13% 2% 1%
Armual Interest Rate Worthly Interest Rate						15% 1,31%	16% 1,31%	16% 1.31%	16% 131%	16%	16% 1.31%	16% 1.31%	16% 1.31%	16% 1,31%	16%
6510 - Legal Fees 8286 - Interest Expense (Credit Facility)					2,625,00	12,521,25	19,490 63	25,711.88	31,526.25	39,099.38	45,937.50	52,500.00	59,062 SO	65,625

PKJ

			2022 - Q1	2022 - Q1	2022 - Q1	2022 - 02	2022 - Q2	2022 - Q2	2022 - Q3	2022 - 03	2022 - 03	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - Q1
			Forecast	Forecast	Forecast	Foresast	Forecast	2022 Forecast	Forecast	Forecast	Ferecast	Forecast	Forecast	forecast	Firecast	toward	toman
European Revenues			Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023
	Kilograms shipped								50	50	50	250	250	310	500	500	500
4040	4040 - European Cannabls Revenue	0,00	0,00	0.00	0.00	0.00	0.00	0.00	0 00	0 00	0.00	0.00	0.00	0.00	0.00	0,00	0.00
	Tatal Revenue		0.00	0.00	0 00	0 00	0.00	0.00	0.00	0.00	0,00	0 00	0.00	0 00	0.00	0.00	0.00
5060	5060 - COGS - European Cannabls Revenue									0.00	0.00	0.00	0.00	0 00	0,00	0.00	0.00
	Total Cost of Sales		0.00	0.00	0 00	0 00	0,00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00	0.00
	Gross Margin		0.00	0,00	0 00	0.00	0,00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00
6510	6510 - Legal Fees		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0,00	0.00
	Total SG&A		0 00	0,00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00
	EBITDA		0.00	0,00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Other Expense	;	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0 00	0.00	0.00	0.00	D.00
	That other Experies	,												_			_

PKI

Part											tradestrep	1002077427		accentrate	THE SECTION STATES	The state of the s	****	1011 01
Part				2022 - Q1	2022 - Q1	2022 - Q1	2022 - 02	2022 - 02	2021 - Q2	2022 - Q3	2022 - Q3	2022 - Q3	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - Q1
Mary				1 T	150.0	3		S		WANTER	Parameter 1	The same of	Construct	Secretary	FARACAST	Description	Fineset:	Second
Transference 1,000	hared Services										Aug 2022					Jan 2023	Feb 2023	Mar 2023
Transference 1,000 3,000																		2 404 40
Column C	4390	4390 - Revenue - Management Fees	Sur National	3,000.00	3,000 00	3,000.00	3,000.00											3,000 00
Column C		Total Revenue		3,000.00	3,000 00	3,000.00	3,000.00	3,000 00	3,000 00	3,000 00	3,000 00	3,000.00	3,000.00	3,000 00	3,000.00	3,000 00	3,000 00	3,000.00
Color Colo																		18,000.00
Column C	6130	6130 - Website Design								-,								1,300.00
1.00 1.00																		150,00
Control Cont														1,250.00	2,250.00	2,250.00	1,250.00	2,250.00
1,711.00 1,711.00	6205	6205 - Rent																4,684,75
Color Colo																		1,575 00
Section Column	6220	6220 - Telephone & Internet		1,575.00	1,575.00								-					
Section Company Comp												5,476 88						5,586.42 33,405.00
Second Color																		50,227.78
Section 1,000 1,																	76,924.99	76,924,99
Second Color															44 10			9,054,86
Column						3,214.31	2,434 95											3,671.79
March Marc	6360		1.95%	3,242 10	3,242.10	3,242 10	3,242 10				3,176.29	3,176.29	1,176.29					3,239 81
Column C	6375			7,085.32	7,085.32	7,085.32					19,17234	19,172,55	30,122 M		THE REAL PROPERTY.			8,856,65
699 693 - Portus 690 690 - Portus 690 690 690 690 690 690 690 690 690 690	6380	6380 - Payroll Expenses		800.00														800,00
Bigs Bigs Color	6386	6386 - Severance																0.00
Control Cont																		23,458.96
## 1410 - Postuga & Construct ## 141	6399	6399 - Options Expense		40,994.48	39,775,31	40,994.48	31,081.09	31,487.48	26,070.09	24,297.96	24,297.96	24 130.19						
## Complete Expenses	6405	6405 - Office Expenses																1,000.00 200.00
## 4700 - September Expenses 6,000.00 6,	6410	6410 - Postage & Courier																225.00
### 4415 - Due 3 Feet ### 5415 - Feet ### 5415 - Due 3 Feet ### 5																		6,000,00
## 450 Miles Service Admin 700.00 7				6,000.00	6,000.00	6,000.00			6,000.00	6,000.00	6,900.00	6,000.00	6,000.00	6,000.00	6,000.00	0,000.00	6,000,00	0,000,00
6455 - Total Admin									700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700,00
8-95 GPS - Chord Expenses					100100													10,603.33
Solid Soli				10,605.23	8,003 33	10,603.32				11,025 54	3,033 33	22,000-00	10,000 00	-,			,	
\$510 6510 - Legal Fees \$5,000.00 \$5,000.00 \$5,000.00 \$5,000.00 \$1,	6505	6505 - Accounting Fees		16.666.67	16,666.67	16,666.67	16,666.67	16,656.67	16,666 67	16,666.67	16,665.67							16,666.67
605 6205 - Early Fees & Interest				5,000.00	5,000.00	5,000.00	5,000.00									13,000.00	13,000,00	11,000.00
6805 6805 - Bank Fees & Inferest 1,500.00 1,	6515	6515 - Consultants - Other				16,467,00	25.667.00	25,667.00	10,000 00	10,000.00	10,000.00	10,000 00	10,000.00	10,000 00	10,000.00		ALC: UNKNOWN	-
6605 6605 - Insurance - General Liability 15.00% 3,120.00	6705	6705 - Technology Expense																
6515 - finurance - General Liability 15,09% 3,122,000 3,122,000 3,122,000 3,120,000 3,	6805	6805 - Bank Fees & Interest		1,500.00	1,500 00	1,416.67	1,410.57	1,416.67	Ditter	1,500.00	1,500.00	1,500,00	1,500 00	1,500.00	1,500.00	1,500,00	1,500.00	1,500.00
6513 6513 - Inturance - General Libritivy 248.12 24																		16,242.44 3,588.00
690 5805 - Peter Release Costs 1,091.96			15.00%															248.12
900 Sept. Frees Series Caris 1,056.57 1,056.57 1,666.57 1	6620	6620 - Insurance - Cyber Llability		248.12	248.12	248,12	248.12	248,12	248.12	248,12	248.12	240 12	240 12	240,42	240,22	A-MAIL EA		
6910 6910-TST Filling Fees 1,666.67 1,6	6905	5905 - Press Release Costs		1,091.96	1,091.96													1,113.60
6325 6870 - ASM Control of Decision Feets 6326 - ASM Control of Decision Feets 6327 - ASM Control of Decision Feets 6328 - ASM Control of Decision Feets 6329 -				1,656.67	1,566.67	1,666.67	1,666.67	32,066.67	16,466.67									1,700.00
927 - Barried of Observator Fees 923- Barried Ob	6915	6915 - Transfer Agent Fees		500.00	500.00	500,00	500.00	500,00			500.00	500,00	500.00	500.00	500.00			510,00
6935 6935 - Instruct Reports (Lease) 72,879.09 53,500.00 25,500.00 25,500.00 25,500.00 15,000.00 15,000.00 15,000.00 40,000.00 40,000.00 40,000.00 15,000.00 10,000.00										10,000.00					C 250 00			0.00 12.750.00
6935 6935 - Other Consulting fees Folial SGBA 396,288.71 372,690.45 370,018.22 369,015.45 430,756.73 425,666.37 363,811.81 341,010.56 374,207.69 367,109.64 362,870.67 343,977.82 326,714.15 324,981.04 341 EBITDA (393,288.71) (366,690.45) (367,018.22) (366,013.45) (427,756.73) (422,666.37) (360,811.81) (338,010.56) (371,207.69) (364,109.64) (359,870.67) (340,977.82) (323,714.16) (321,981.04) (339,870.67) (340,977.82														40.000.00				10,000.00
EBITDA (393,288.71) (369,690.45) (367,018.22) (366,015.45) (427,756.73) (422,666.37) (360,811.81) (338,010.56) (371,207.69) (364,109.64) (359,870.67) (340,977.62) (323,714.16) (321,981.04) (328,811.81) (328,010.56) (371,207.69) (364,109.64) (359,870.67) (340,977.62) (323,714.16) (321,981.04) (328,811.81) (328,811.81) (328,010.56) (321,811.81) (328,010.56				72,879.09	53,500.00	25,500,00	25,500.00	35,000.00	85,000.00	15,000.00	15,000.00	40,000,00	40,000.00	40,000,00	13,000.00	20,000,00	10,000.00	10,000.00
EBITDA (333,288.71) (369,690.45) (367,018.22) (366,015.45) (427,756.73) (422,666.37) (360,811.81) (338,010.56) (371,207.69) (364,109.64) (359,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (323,714.16) (321,981.04) (339,870.67) (340,977.62) (340,970.67) (340,977.62				396,288.71	372,690 45	370,018 22	369,015.45	430,756.73	425,666 37	363,811 81	341,010 56	374,207.69	367,109 64	362,870 67	343,977.82	326,714 15	324,981 04	341,234.36
8215 - Interest Expense (Lease) 117.42 B8 41 59 18 29.71 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0							(366 015 AE)	(417 756 73)	(477 666 37)	(360 811 81)	(338 010 56)	(371.707.69)	(364.109.64)	(359.870.67)	(340,977 82)	(323,714 16)	(321,981 04)	(338,234.36)
8215 8115 Interest Expenses (Lesse) 117.42 But 41 591 B 22.71 22.71 22.77 17,772.77 17		EBITDA		(333,200 71)	(205,030,45)	(307,010.22)	(200,020,007)	(427,130 73)	(422,000 37)	(500,011,01)	(300)010 00)	(01-)	(== -,===,	(444)	,,			
8405 8405 - Depreciation 1,897.18 1,897.18 1,897.18 1,375.59 11,37	8215	8215 - Interest Expense (Lease)		117,42	B8 41	59 18	29.71	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0 00	0.00	Nation.	.0.00
8410 8450 Depreciation (Lesse) 3,061.63 3,061.63 3,061.63 3,061.63 4,500.00																		1,897.18 11,375.59
Total Other Expenses 16,451.82 16,422.81 16,393.58 16,364.11 17,772.77 17,77																		4,500.00
lotal utner capenies 10,731.62 20,742.63 20,74	6450	8450 - Depreciation (Lease)			3,061 63													
Metincome (409,740.54) (386,113.26) (383,411.80) (382,279.56) (445,523.50) (440,439.14) (378,584.58) (355,783.33) (388,380.46) (381,882.41) (377,643.44) (358,750.59) (341,486.93) (339,753.81) (356,763.91)		Total Other Expenses		16,451.82	16,422 81	16,393.58	16,364 11	17,772 77	17,772.77	17,772.77								17,772.77
		Netincome		(409,740.54)	(386,113 26)	(383,411.80)	(382,379.56)	(445,529 50)	(440,439.14)	(378,584 58)	(355,783 33)	(388,980.46)	(381,882.41)	(377,643 44)	(358,750 59)	(341,486 93)	(339,753 81)	(356,007 13)



VLOOKUP - Data Forecast Check ->	4	\$ 6	22	(0)	9	10	11	12	13	14	15	16	17	18
CHEEK->														

Check->		F	2022 - Q1	2022 - Q1	2022 - Q1	2022 - Q2	2032 - Q2	2022 - 02	2022 - Q3	2022-03	2022-03	2022 - Q4	2022 - Q4	2022 - G4	2023 - Q1	2023 - Q1	2023 - Q1
Virtual		1	Forecast Jan 2022	Feb 2022	Forecast Mar 2022	Apr 2022	May 2022	Forecast June 2022	Forecast July 2022	Forecast Aug 2022	Sep 2022	Oct 2032	Forecast Nov 2022	Forecast Dec 2022	Jan 2023	Feb 2023	Mar 2023
etal/march (ma	LP Revenue - Growth LP Revenue Less Manitoba portion Loss of revenue to products	12.50% 0.00%	203,558 77 (25 444 85)	2% 207,629.94 (25.953.74)	2% 211,782,54 (26,472,83)	2% 216,018 19 (27,602 27)	2% 220,338 55 (27,542.33)	2% 224,745 33 (28.053 17)	2% 229,240 23 (28,655 03) 0 00	2% 233,825 04 (29,228 13) 0 00	2% 238,501 54 (29,812 69) 0 00	2% 243,271 57 (30,408 95) 0 00	2% 248,137,00 (31,017,12) 0.00	2% 253,099,74 (31,637,47) 0.00	-9% 230,320 76 (28,790 10) 0 00	230,320,76 (28,790 10) 0 00	230,320.76 (28,790.10) 0.00
	"LP Revenue (previous business)		178,113 92	181,676 20	185,309 72	189,015 92	192,796 24	196,652 16	200,585 20	204,596.91	208,688 85	212,862 62	217,119.87	221,462 27	201,530 67	201,530 67	201,530 67
	OCC Patients OCC Patient Loss %		326 0	326 0	326 0	326 0	326	326 0	926 0 140	326 0 160	326 0 180	326 0 200	326 0 220	326 0 240	326 0 260	326 0 280	326 0 300
	Pathway-Provost Pathway-Provost Patient Loss %	-30 00%	(6)	(12)	60 (18)	80 (24)	(30)	(36)	(42)	(48)	(54)	(60)	(66)	(72)	(78)	(84)	(90)
	Patients		340	354	368	382	396	410	424	438	452 25,291 23	466 25,291 23	480 25,291 23	494 25,291 23	508 25,291 23	522 25,291 23	536 25,291,23
e Diligence wi /year/patient.g	OCC Patients Pathway-Provost	77.64 41.67	25,291,23 583,33	25,291 23 1,166 67	25,291 23 1,750 00	25,291 23 2,333 33	25,291,23 2,916,67	25,291 23 3,500 00	25,291 23 4,083 33	25,291 23 4,666 67	5,250 00	5,833 33	6,416 67	7,000 00	7,583 33	8,166 67	8,750 00
Recent Shift Shift :	"LP Revenue (acquisitions/collaborat	ions)	25,874,56	26,457,90	27,041.23	27,624 56	28,207,90	28,791 23	29,374.56	29,957,90	30,541 23	31,124 56	31,707 90	32,291 23	32,874 56	33,457.90	34,041 23
	Active Pharmacies Sobeys							147 290	60	34 63		17 143		98 229		69 88	
	PC Metro Other (Save-On Foods, PharmaSave, etc)								75								
	Onboarded and Active Pharmacies Cumulative Pharmacies		0	0	0	0	0	437	135 572	97 669	0 669	160 829	B29	327 1,156	0	157 157	157
	Pharmacy Loss (%) Pharmacy Loss (#)		-30%	-30% 0	-30% a	-30%	-30%	(131)	-30% (172)	-30% (201)	-30% (201)	(249)	(249)	-30% (347)	-30%	(47)	(47)
	Pharmacies Referring Monthly		0	٥	0	0	0	306	400	468	468	580	580	809		110	110
	New patients directed to TCNC/month/pha Monthly Patient Referrals	imacy	9 0	0	0 0	0 0	0 0	1 306 306	1 400 706	468 1,175	468 1,643	580 2,223	580 2,804	809 3,613	0	0	
	Comulative Patients Pytient Loss (%) Patient Loss (#)		-10% 0	-30%	-30%	-30%	-30%	+30% (92)	-30% (212)	-30% (352)	-30% (493)	-30% (667)	(841)	-30% (1,084)	-30%	-30%	-30%
	Total Ordering Patients		0	b	0	0	0	214	494	623	1,150	1,556	1,963	2,529			
	Total \$ spent per new patients/month Monthly LP Revenue (company portion)	100 25%	0	0	0	0	0	21,390 5,348	49,430 12,358	82,260 20,565	114,990 28,748	155,620 38,905	196,250 49,063	252,870 63,218	155,620 38,905	155,620 38,905	155,62 38,90
	Total LP Revenue		203,988 48	208,134 10	212,350 95	216,640 48	221,004 13	230,790 89	242,317 27	255,119 80	267,977 58	282,892,19	297,890 27	316,971.00	273,310 23	273,893 56	274,476 9
	Phaemacy Fees	25	0.00	0.00	0 00	0 00	0.00	7,647,50	10,010 00	11,707 50	11,707.50	14,507.S0	14,507.50	20,230 00	0 00	0.00	0.0
Novel III, allered to make the service of the servi	Dr. Lasner - Patient Appointments Average Billing/Appointment Provincial Billing		1,400 21,00 29,400 00	1,400 21 00 29,400 00	1,400 21,00 29,400 00	1,400 21 00 29,400 00	1,400 21,00 29,400 00	1,400 21.00 29,400.00	0.00	0 00	9.00	0.00	0.00	0.00	0.00	0.00	0.0
	Dr. Wysocki - Patient Appointments Average Billing/Appointment Provincial Billing		785 33,00 25,905 00	785 33.00 25,905.00	785 33.00 25,905.00	785 33.00 25,905.00	785 33,00 25,905 00	785 33,00 25,905.00	785 33.00 25,905.00	785 33.00 25,905 00	785 33.00 25,905.00	785 33,00 25,905 00	785 33,00 25,905 00	753 33.00 25,905 00	785 13.00 25,905.00	785 33,00 25,905 00	78 33.0 25,905 0
	Dr. Wong - Patient Appointments Average Billing/Appointment Provincial Billing		630 37,00 23,310 00	630 37,00 23,310 00	630 37.00 23,310.00	630 37,00 23,310,00	630 37,00 23,310 00	630 37,00 23,310 00	630 87,00 23,310 00	630 37.00 23,310 DO	630 37,00 23,310 00	630 37.00 23,310.00	37.00 23,310.00	97.00 23,310 00	630 37,00 23,310 00	630 37,00 23,310 00	23,310 0
	Dr., Mahabir - Patient Appointments Average Billing/Appointment Provincial Billing		120 32,50 3,900 00	120 32 50 3,900 00	32.50 3,900 00	120 32,50 3,900 00	120 32-50 3,900 00	120 32.50 3,900.00	120 32,50 3,900 00	120 32.50 3,900 00	120 32,50 3,900.00	120 32 50 3,900 00	120 32 50 3,900 00	120 17.50 3,900 00	120 32,50 3,900 00	120 32,50 3,900,00	32.5 3,900 0
	Dr. Lewis - Patient Appointments Average Billing/Appointment Provincial Billing		0.00	0.00	0 00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Ave mo. Bill \$	Or. Bekasiak - Patient Appointments Average Billing/Appointment Provincial Billing		9.00	0.00	0.00	0 00	0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
	Dr. Saraf - Patient Appointments Average Billing/Appointment		1,220,														
	Provincial Billing		0.00	0.00	0.00	0 00	0.00	0.00	0.00	0 00 54 752 50	54.752.50	54,752 50	54,752,50	0 00 54,752 S0	0 00 54,752 S0	54,752.50	54,752 5
	Revenue - Fronnotal B-ling Group Dr. Lasner	75%	82,515 00 22.050 00	85,573,50 22,050.00	22,050 00	22,050 00	85,573 SO 22,050 OO	22,050 00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	òi
	Dr. Wysocki Dr. Wong	70% 70%	18,133 50 16,317 00	18,133 50 16,317 00	18,133 50 16,317,00	18,133,50 16,317,00	18,133 50 16,317 00	18,133 50 16,317 00 2,730 00	18,133.50 16,317.00 2,730.00	18,133 50 16,317 00 2,730 00	18,133 50 16,317 00 2,730.00	18,133 50 16,317 00 2,730 00	18,133 50 16,317 00 2,730 00	18,133 : 16,317 (2,730 (
	Dr. Mahabir Dr. Lewis Dr. Bekasiak	70% 75% 77%	2,730.00 0.00 0.00	2,730 00 0 00 0 00	2,730 00 0 00 0 00	2,730,00 0.00 0.00	2,730.00 0.00 0.00	0 00	0.00	0 00	0.00	0.00	0 00	0 00	0.00	0.00	01
	Dr. Saraf	70%	0.00	0.00	0 00	0,00	59,230 50	59,230 50		37,180 50	0.00	37,180.50	37,180 50	37,180 50		37,180 50	37,180
	Consultants - MOs REVENUE		59,230 50	59,230,50	59,230 50	59,230,50							297,890 27	316,971.00		232,809 53	
4005 4015	4005 - Revenue - LP 4015 - Revenue - General (Other) 4105 - Provincial Billing - Group		203,988 48 82,515 00	208,134.10 85,573.50	212,350 95 85,573 50	216,640 4B 85,573 50		230,790 89 85,573 SO		255,119 80 54,752 50	267,977,58 54,752 50		54,752 50	54,752 50	54,752 50	54,752.50	54,752
4105 4210 4230 4035 5	4210 - Non-Provinical Billing 4230 - Photocopying Files		225 D0 400 D0	225,00 400,00	225 00 400 00	225,00 400,00	225 00 400 00	225 00 400 00	225,00 400,00	225.00 400.00 0.00	225 00 400 00 0 00	225,00 400,00 0,00	225.00 400.00 0.00	225.90 400.00 0.00	400,00	400.00 0.00	400 (
	4035 - Revenue - LP Marketing		287,128 48	294,332.60	298,549.45	302,838 98	307,202 63	316,989 39						372,348 50		288,187 03	274,959
	AND STATE OF THE S		59,230 50	59,230 50	59,230 50	59,230 50	59,230 50	59,230 50	37,180 50	37,180 50	37,180 50	37,180 50	37,180.50	37,180 50	37,180 50	37,180 50	37,180
\$005 \$045 \$050 \$805	5005 - Consultants - MDs 5045 - Consultants - Nurses 5050 - Consultants - NP 5805 - Pharmacy Fees		0.00	0,00	0.00	0.00	0,00	7,647,50		11,707.50	11,707-50		14,507,50	20,230 00	0.00	0.00	0.
5855	5855 - Training Material/Forms Total COS		59,230 50	59,230 50	59,230.50	59,230 50	59,230 50	66,878 00	47,190 50	48,8A8 00	48,88A DO	51,688 00	51,688 00	57,410 50	37,180 50	37,180 50	37,180
	GROSS MARGIN		227,897 98	235,102 10	239,318 95	243,608.48	247,972 13	250,111 39	250,504 27	261,609 30	274,467 08	286,581 69	301,579 77	314,938 00	264,176 21	251,006 53	237,778
	SGRA																
6010 6105	6010 - Wages - Bus Develop - Consulatant 6105 - Advertising		5,000 00	S,000.00	5,000.00	5,000 00	5,000-00	5,000.00	5,000,00	5,000-00	5,000.00	5,000 00	5,000.00	5,000 00	5,000.00	5,000,00	5,000 (
6135 6135	6130 - Printed Matenals 6315 - Website		5,000.00														
		Autologia	2	1	- 3	3											

RKS

620S 621S	6205 - Rent (\$/month/dinic) 6215 - Utilities	2,500 6 58%	6,200 00 408 05	8,700 00 572.59	8,700.00 572.59	6,116 67 402 57 7,075.00	6,116,67 402.57 7,075.00	6,116 67 402.57 7,075 00	6,116 67 402.57 7,075.00	6,116 67 402.57 7,075 00	6,116 67 402.57 7,075 00	6,116 67 402.57 7,075.00	6,116.67 402.57 7,075.00	6,116 67 402.57 7,075,00	6,116 67 402.57 7,075.00	6,116 67 402 57 7,075.00	6,116 67 402 57 7,075 00
6305 6310 6315 6320 6325 6330 6350 6355 6360 6375 6395	6202 - Telephone & Internet 6305 - Wages - Sales 6310 - Wages - Educators 6315 - Wages - Nursing 6320 - Wages - Nursing 6320 - Wages - Admin 6330 - Wages - Admin 6330 - CPP 6355 - El 6350 - CPT 6375 - Benefits 6330 - Severance	1.95%	7,075.00 0.00 14,523,4 4,201.31 45,173.21 10,166.67 7,631.51 3,073.17 2,268.49 11,987.78 0.00	45,173 21 10,166 67 7,858.44 3,165.60 2,268 49 11,987 78 0 00	7,075.00 0.00 1,533 5 1,201 31 45,173 21 10,166 67 7,858 44 3,165 60 2,268 49 11,987.78 0.00	45,173 21 10,165 67 7,858.44 3,165.60 2,268 49 11,987.78 0 00	0 00 25,207,00 42,002 23 10,166 67 49,937.75 0 00 6,947.28 2,817.72 2,483.71 9,863.93 0.00	0.00 25,207.00 42,002.23 10,166.67 49,204.39 0.00 6,225.66 2,623.28 2,468.32 9,863.93 0.00	0.00 25,207.00 42,002.23 10,166.67 48,415.03 0.00 5,687.45 2,308.69 2,452.92	0.00 25,207.00 42,002.23 10,166.67 48,415.03 0.00 5,687.45 2,308.69 2,451.33 10,127.54 0.00	0 00 25,207.00 42,002 23 10,166 57 48,415 03 0.00 5,687 45 2,308 69 2,452 92 10,12724 0.00	0 00 25,207.00 42,002.23 10,166 67 48,415.03 0 00 5,674.70 2,308 69 2,452.31 10,127.04 0 00	0.00 25,207.00 42,002 23 10,166 67 48,415 03 0.00 5,369 53 2,223.20 2,452.92 9,803.96 0.00	0,00 25,207.00 42,002.23 10,166.67 48,415.03 0.00 5,369.53 2,179.65 2,452.92 9,803.96 0.00	0 00 25,711.14 42,842.28 10,370 00 49,383 33 0.00 6,992.72 2,835 58 2,501.98 14,984.73 0 00	0 00 25,711,14 42,842,28 10,370,00 49,383,33 0.00 6,992,72 2,835,58 2,501,98 14,984,73 0.00	0 00 25,711.14 42,842.28 10,370.00 49,383.33 0 00 6,992.72 2,835.58 2,501.98 14,984.73 0 00
6405	6405 - Office Expenses		175.00	175.00 175.00	175.00 175.00	175 00 175 00	175.00 175.00	175.00 175.00	175.00 175.00	175.00 175.00	175,00 175,00	175.00 175.00	175.00 175.00	175.00 175.00	175 00 175 00	175.00 175.00	175.00 175.00
6410 6415 6420 6435	6410 - Postage & Courier 6415 - Computer Expenses 6420 - Software Expense 6435 - Dues & Fees		7,250.00	7,250.00	7,250.00	7,250.00	7,250,00	7,250.00	7,250.00	7,250.00	7,250,00	7,250,00	7,250.00	7,250.00	7,250.00	7,250.00	7,250.00
6450 6455	6450 - Meals & Entertainment - Admin 6455 - Travel - Admin		3,532 88	3.532.88	3,532,88	3,532 8 8	1,540 00	1,540 00	1,540 00	1,540.00	1,540 OD	1,540 00	1,540.00	1,540 00	2,166 67	2,166.67	2,166 67
6480 6495	6480 - Bad Debt Expense 6495 - Other Expenses		125.00	125.00	125.00	125.00	125.00	125.00	125,00	125.00	125,00	125.00	125.00	125.00	125 00	125.00	125.00
6620	6620 - Insurance - Cyber Liability		124.06	124.06	124,06	124,06	124,06	17A,06	124.06	124.06	124.06	124.06	124.05	124,06	124.06	124,06	124.06
6805	6505 - Blank Fees & Interest		30.00	30.00	30.00	30,00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30 00	30.00
	Total SGRA		186,555,40	184,539 30	184,539 30	181,785 95	177,495.59	175,774 78	180,650 30	180,590,33	180,590.33	180,577 58	173,653 84	173,610.30	184,261 72	184,261 72	184,261 72
	EBITOA		41,342.58	50,562.79	54,779.65	61,822.53	70,476.54	74,336 61	69,853 97	81,018.97	93,876 74	106,004 10	127,925 93	141,327.70	79,914 49	65,744 81	53,516 80
	Total Other Expenses Net Income		0.00 41,342.58	0.00 50,562.79	0 00 54,779 65	61,822.53	70,476.54	0 00 74,336 61	0.00 69,853.97	81,018.97	93,876 74	106,004.10	0 00 127,925 93	141,327,70	79,914 49	65,744 81	53,516.80
	Net Income NP Model		41,342.58	50,562.79	54,779 65	61,822.53	70,476.54	74,336 61	69,853.97	81,018,97	93,876 74	106,004.10					
	Net Income NP Model hours/month		41,342 58	50,562,79	54,779 65	61,822.53	70,476.54	74,336 61	69,853.97	81,018 97	93,876 74	106,004 10	127,925 93	141,327.70	79,914 49 150	66,744 81	53,516.80
	Net Income NP Model hous/month Active Patlents New Patlent		41,342.58	50,562.79	54,779 65	61,822.53 150 1250 0	70,476.54 150 1250 0	74,336 61 150 1250 306	69,853.97 159 1250 400	81,018.97 150 1250 468	93,876 74 159 1259 468	106,004.10 150 1250 580	127,925 93 150 1250 580	141,327.70 150 1250 809	79,914 49 150 1250	65,744 81 150 1250	53,516.80 150 1250 0
	Net Income NP Model hours fronth Active Patlents		41,342 58 150 1750	50,562.79 150 1250 0	150 1250 0	150 1250 0	70,476.54 150 1250 0	74,336 61 150 1250 306 0	159 1250 400 0	150 1250 468 0	93,876 74 150 1250 468 305	150 150 1250 580 400	127,925 93 150 1250 580 468	141,327.70 150 1250 809 468	79,914 49 150 1250 0 580	150 1250 8 580	\$3,516.80 150 1250 0 809
	Net Income NP Model hous/month Active Patlents New Patlent		41,342,58 150	50,562.79 150 1750	54,779 65 150 1250	61,822.53 150 1250 0	70,476.54 150 1250 0	74,336 61 150 1250 306	69,853.97 159 1250 400	81,018.97 150 1250 468	93,876 74 159 1259 468	106,004.10 150 1250 580	127,925 93 150 1250 580	141,327.70 150 1250 809	79,914 49 150 1250	65,744 81 150 1250	53,516.80 150 1250 0
	Net Income NP Model hours/month Active Patients New Patient Renewal Nurse Practitioner		41,342 58 150 1750	50,562.79 150 1250 0	150 1250 0	150 1250 0	70,476.54 150 1250 0	74,336 61 150 1250 306 0	159 1250 400 0	150 1250 468 0 1718	93,876 74 159 1259 468 300 2024	150 150 1250 580 400 2231	127,925 93 150 1250 580 468 2299	141,327,70 150 1250 809 468 2528	79,914 49 150 1250 0 580 1830	150 1250 0 1830	150 1250 0 809 2059
	Net Income Net Model hour, fronth Active Patients New Patients Renewal Nurse Practitioner N of patients/hour N of patients/month		41,342.58 1150 1250 0 1250	150 1250 0 1250	150 1250 0 1250	150 1250 0 0 1250	70,476.54 150 1250 0 0 1250	74,336 61 150 1250 306 0 1556	150 1250 400 0 1650	150 1250 468 0 1718	93,876.74 150 1250 468 106 2024	105,004.10 150 1250 580 400 2231	127,925 93 150 1250 580 468 2299	141,327,70 150 1250 809 466 2528	79,914 49 150 1250 0 580 1830	150 1250 0 580 1830	150 1250 0 809 2059
	Net Income NP Model hous, fronth Active Patients New Patient Renewal Nurse Practitioner H of patients/hour H of patients/month H of FIET required		41,342.58 1150 1250 0 1250 3 4550 3	150 1250 6 1250 3 450 3	150 1250 0 1250 3 450 3	150 1250 0 0 1250 3 450 3	70,476.54 150 1250 0 0 1250 3 450 3	74,336 61 150 1250 306 0	69,853.97 150 1250 400 0	150 1250 468 0 1718	93,876 74 159 1259 468 300 2024	150 150 1250 580 400 2231	127,925 93 150 1250 580 468 2299	141,327,70 150 1250 809 468 2528	79,914 49 150 1250 0 580 1830 450 5 5 5	150 1250 0 580 1830 3 450 5 5	150 1250 0 809 2059
	Net Income Net Model hour, fronth Active Patients New Patients Renewal Nurse Practitioner N of patients/hour N of patients/month		41,342.58 1150 1250 0 1250 3 450 3 5 0	150 1250 0 1250 3 450 3 5	150 1250 0 1250 3 450 3 5	150 1250 0 0 1250 3 4500 3 3 5	70,476.54 15p 1250 0 0 1250 3 4550 3 5 0	74,336 61 150 1250 306 0 1556	150 1250 400 0 1650 3 450 4 5	150 1250 468 0 1718 3 450 4 4 5 0	93,876.74 150 1250 468 306 2024 450 5 5 5	150 150 1250 580 400 2231 3 450 5 5	127,925 93 150 1250 580 468 2299 3 450 6 5 5 (1)	141,327.70 150 1250 809 468 2528 3 450 6 5 (1)	79,914 49 150 1250 0 580 1830 450 5 5 0	150 1250 0 1830 1830 5 5 5 5 0	150 1250 0 889 2059
	Net Income NP Model hour,/month Active Pallents New Pallent Renewal Nurse Practitioner ## of patients/hour ## of patients/month ## of FEE required Current FTES	65.00	41,342 58 1150 1250 1250 3 450 3 5	1159 1250 0 1250 3 450 3 5	150 1250 6 1250 3 4500 3 3 5 0 0.00	150 1250 0 0 1250 1250 3 450 3 3 5 0 0	70,476.54 150 1250 0 0 1250 3 450 3 5 0 0.00	74,336 61 150 1250 306 0 1556 1 450 4 4 3 0 0.00	150 1250 400 0 1650 3 450 4 5 0 0 0.00	150 1250 468 0 1718 3 450 4 4 5 0 0.00	93,876.74 150 1250 468 100 2024 3 450 5 5 5 0 0.00	150 150 1250 2231 3 450 5 5 5 6 0 0.00	127,925 93 150 1250 580 460 2299 450 6 5 5 1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,	141,327,70 150 1250 809 466 2528 3 450 6 5 5 1,750,00	79,914 49 150 1250 0 580 1830 5 5 5 5 0 0.00	150 1250 0: 1830 1830 550 0 0.00	150 1250 0 809 2059 3 4500 5 5 5 0 0,000
	Net Income NP Model hour,/month Active Patients New Patient Renewal Nurse Practitioner Nof patients/hour Nof patients/hour Nof patients/month Nof FEs required Current FES Required FTES Nurse/Edurators (per 1 NP)	65.00	41,342.58 1150 1250 0 1250 3 450 3 5 0 0.000	1159 1250 6 1250 3 450 3 5 0 0.000	150 1250 0 1250 3 450 3 5 0 0.00	150 1250 0 0 1250 3 450 3 5 0 0	70,476.54 150 1250 0 0 1250 3 450 3 5 0 0.00	74,336 61 150 1250 306 0 1556 450 4 0 0.000 0.75	159 1250 400 0 1650 450 4 4 5 0 0.00	150 1250 468 0 1718 3 450 4 4 5 0.000	93,876 74 150 1250 468 106 2024 450 5 0 0.00	105,004.10 150 1250 580 400 2231 3 450 5 0 0.00	127,925 93 150 1250 1250 580 468 2299 450 6 6 5 (1) (9,750 (0)) 0.75	141,327.70 150 1250 809 468 2528 3 450 6 5 (1)	79,914 49 150 1250 0 580 1830 450 5 5 0	150 1250 0 1830 1830 5 5 5 5 0	150 1250 0 889 2059
	Net Income NP Model hous/month Active Patients New Patient Renewal Nurse Practitioner N of patients/hour N of patients/month N of FIET required Current FTES Required FTES	65 DO	41,342 58 1150 1250 0 1250 3 450 3 5 0 0 0.00	150 1250 0 1250 3 450 3 5 0 0.00	150 1250 6 1250 3 4500 3 3 5 0 0.00	150 1250 0 0 1250 1250 3 450 3 3 5 0 0	70,476.54 150 1250 0 0 1250 3 450 3 5 0 0.000 0.75 2	74,336 61 150 1250 306 0 1356 450 4,4 3,0 0,000 0,75 1,1 19	150 1250 400 0 1650 3 450 4 4 5 0 0.00 0	31,018.97 1250 1250 468 0 1718 450 4 4 5 0 0.00 0.00 0.75 3 19	93,876 74 159 1250 468 106 2024 450 5 0 0.00 0.75 4	105,004.10 150 1250 580 400 2231 3 450 5 5 0 0.00 0.75 4 19	127,925 93 1250 1250 580 468 2299 450 6 6 5 (1) (9,750 00) 0.75 5	141,327,70 150 1250 809 466 2528 450 6 5 (1) [9,750 00] 0.75 5	79,914.49 150 1250 0 580 1830 450 0 0.000 0.75 4	150 1250 0 2580 1830 3 450 5 5 0 0 0.00 0.75 4 19	150 1250 0 809 2059 3 450 5 5 D D 0.00 0.75 4 19
	Net Income NP Model hour, fromth Active Patients New Patient Renewal Nurse Practitioner N of patients/hour N of patients/hour N of patients/hour N of Fits required Current FTEs Required FTEs Nurse/Edurators (per 1 NP) N of Fits required	65.00	41,342.58 1150 1250 0 1250 3 450 450 0 0 0 0 0	150 1250 0 1250 3 450 3 5 0 0 0.00	150 1250 0 1250 3 450 0 0.00	150 1250 0 0 1250 3 3 450 0 0 0 0 0 7 7 7	70,476.54 150 1250 0 0 1250 3 450 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	74,336 61 150 1250 306 0 1556 3 4 450 4 3 0 0.00	150 1250 400 0 1650 450 450 0,00	31,018.97 150 1250 468 0 1718 3 450 4 5 0 0.00	93,876 74 150 150 150 2024 4850 5 5 0 0.00 0.75	150 150 1250 580 400 2231 3 450 5 5 0 0.00	127,925 93 150 1250 580 469 2299 3 450 6 5 (1) (9,750 00)	141,327,70 150 1250 1250 468 2528 3 450 6 5 (1) [9,750 00] 0.75 5	79,914.49 150 1250 0 0 1830 1830 450 5 5 0 0.00 0.75 4	150 1250 1830 1830 580 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	150 1250 0 809 2059 3 450 5 5 0 0.00
	Net Income NP Model hours/month Active Patients New Patient Renewal Nurse Practitioner N of patients/month N of Fits required Current FTES Required FTES Nurse/Educators (per 1 NP) N of FTEs required Current FTE Required FTES		41,342.58 1250 1250 3 450 3 5 0 0.00 0.75 2 19 0	150 1250 6 1250 3 450 3 5 0 0 0.00	150 1250 0 1250 3 450 3 5 0 0 0.00	150 1250 0 0 1250 3 450 3 5 0 0 0.00	70,476.54 150 1250 0 0 1250 3 450 0 0.00 0.75 2 19 0 0.00	74,336.61 150 1250 306 0 1556 3 450 4 3 0 0.00 0.75 19 0.00	150 1250 400 0 1650 3 450 4 5 0 0 0.00	150 1250 468 0 1718 3 450 4 5 0 0.00 0.00	93,876.74 159 1250 468 306 2024 450 0.00 0.75 4 19 0.000	150 1250 580 400 2231 3 450 5 5 0 0.00	127,925 93 150 1250 580 450 6 5 5 (9,750.00) 0.75 5 19	141,327,70 150 1250 809 468 2528 3 450 6 5 1,750 00 0.75 5	79,914.49 150 1250 0 580 1830 3 450 0 0.00 0.75 4 19 0	150 1250 8 1830 1830 1830 0 0.00 0.75 4 19	150 1250 0 809 2059 3 450 5 5 0 0.00
	Net Income NP Model hous/month Active Patlents New Patlent Renewal Nurse Practitioner H of patlents/hour H of patlents/month H of FIEs required Current FTE Required FTEs Nurse/Educators (per 1 NP) H of FTEs required Current FTE Required FTEs Nurse/Educators (per 1 NP) H of FTEs required Current FTE Required FTEs Nurse/Educators (per 1 NP) H of FTEs required Current FTE Required FTEs MOA (per 1 NP)		41,342.58 1150 1250 0 1250 3 450 3 5 0 0.00 0.75 2 19 0	150 1250 6 1250 3 450 3 5 0 0 0.00	3 450 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	150 1250 0 0 1250 3 450 3 5 0 0 0.00	70,476.54 150 1250 0 0 1250 3 450 0 0 0 0 0 0 75 2 19 0	74,336.61 150 1250 306 0 1356 3 4 3 0 0.00	159 1250 400 0 1659 3 450 4 5 0 0 0.00 0 7 3 19 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	31,018,97 1250 468 0 1718 3 450 4 5 0 0.00 0.00 0.00	93,876.74 159 1750 468 306 2024 450 5 0 0.00 -75 4 19 0 0.00 0.50 3 3	150 150 1250 580 400 2231 3 450 5 5 0 0.00 0.75 4 19 0 0.00	127,925 93 150 1250 580 468 2299 9 450 6 5 19 0 0.00	141,327,70 150 1250 809 468 2528 3 450 5 5 19 0 0 0 0 5 3	79,914.49 150 1250 0 580 1830 3 450 0 0.00 0.75 4 19 0 0.00 0.50	150 1250-8 8 580 1830 1830 1830 1830 1830 1830 1830 18	150 1250 0 809 2059 3 450 5 5 0 0.00 0.75 4 19 0 0.00
	Net Income NP Model hours/month Active Patients New Patient Renewal Nurse Practitioner N of patients/month N of Fits required Current FTES Required FTES Nurse/Educators (per 1 NP) N of FTEs required Current FTE Required FTES		41,342.58 150 1250 1250 3 450 0 0.00 0.75 2 19 0 0.00 0.00	150 1250 0 1250 1250 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	150 1250 0 1250 3 3 5 0 0.00 0.75 2 19 0 0.00	1250 1250 0 0 1250 3 3 450 0 0.00 0.75 2 2 0 0.00	70,476.54 150 1250 0 0 1250 3 450 0 0.00 0.75 2 19 0 0.00 0.50	74,336.61 150 1250 306 0 1556 3 450 0 0.000 0.75 1 19 0 0.000 0.50	150 1250 400 0 1650 3 450 450 0 0.00 0.00	31,018,97 1250 1250 468 0 1718 3 450 4 5 0 0,00 0.00 0.75 3 19 0 0,00	93,876.74 150 1250 468 306 2024 3 450 0.000 0.75 4 19 0.000 0.500	105,004.10 1250 1250 580 400 2231 3 450 5 5 0 0.00 0.75 4 19 0 0.00 0.50	127,925 93 150 1250 580 458 2199 450 6 5 5 (13) (9,750 00) 0.75 5 0 0 00	141,327,70 150 1250 809 468 2528 3 450 6 5 (1) (3,750 001) 0.75 5 19 0 0.00 0.50	79,914.49 150 1250 0 580 1830 450 0 0.00 0.75 4 19 0 0.00 0.50	150 1250 1250 1830 1830 3 450 5 5 5 0 0.00 0.75 4 19 0 0.00	33,516.60 150 1250 0 809 2059 3 450 0 0.00 0.75 4 19 0 0.00 0.50



4 4 6 7 8 9 10 11 12 13 14 15 16 17 1

									2022 - Q3	1011 01	2002 02	2022 04	2022 - 04	1012 - 04	2023 - 01	2023 - OI	2023 - 01
		T.	2022 - Q1	2022 - 121	2022 - Q1	2012 - Q2	1011 - Q1	2022	2022 - CJ3	2022-125	anaa - ces	2002 - 144	1022 - 64	1042	-	-	
		- 1	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast:	format	Foretast
Nature Medic		1 64	Jan 2022	Feb 2022	Mar 2022		May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023
				0.6	0.6	0.6	0.6	0.6	0.6	0,6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
	# FTE Doctors Patients/Hour		0.6	U,6 2	2	2	2	2	2	2	2	2	2	2	2	2	2
Applied at 1 m	Hours/Month (7.5 hts/day # 5 drys/wt # 4 wts/w)		150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
	Pain Patient #s - initial/treatments with doctor		180	180	180	180	180	180	180	180	180	180	180	180	180	180 27,000.00	27,000 00
	Pain Patient - Revenue	150	27,000 00	27,000.00	27,000 00	27,000.00	27,000.00	27,000.00	27,000 00	27,000 00	27,000 00	27,000.00	27,000.00	27,000 00	27,000.00	27,000 00	27,000 00
E-7/9/0	- U-22/2/7002		1	1	- 1	1	1	1	1	1	1	1	1	1	1	1	1
as minute in	# FTE Nurses Patients/Hour		ă.	4	4	4	4	4	4	4	4	4	4	4	4	4	4
	Hours/Month (7.5 hrs/day + 5 days/wh + 4 whs/vt)		150	150	150	150	150	150	150	150	150	150	150	150	150	150	150 600
	Pain Patient #s - followups		600	600	600	600	600	6,000,00	6,000.00	6,000 00	6,000.00	6,000.00	600.00	6 000 00	6 000 00	6,000.00	6,000.00
	Pain Patient - Revenue	10	6,000,00	6,000,00	6,000 00	6,000 00	6,000,00	6,000 00	6,000 00	6,000,00	6 000 00	5,000,00	8,000,00	0,000,00	0.000 00	0,000,00	
	Total Private Pay		33,000,00	33,000 00	33,000 00	33,000 00	33,000.00	33,000 00	33,000.00	33,000 00	33,000 00	33,000,00	33,000.00	33,000 00	33,000 00	33,000 00	33,000.00
			0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0,6	0.6	0.6
	Consultants - MDs - FTE Cost - Consultants - MD (per hour)	150	13,500 00	13,500,00	13,500.00	13,500 00	13,500.00	13,500.00		13,500.00	13,500.00	13,500.00	13,500 00	13,500.00	13,500 00	13,500 00	13,500 00
	Cost - Consultants - Mo (per mour)	130	13,300 00	13,500,00	15,500.00		,										
				Name and Address of the	-				_	_	- 000		_	100 V	-	-	
4210	4210 - Revenue - Private Pay	1	33,000.00	13,000.00	10,000.00	15,000.00	50,000.00	COLUMN TWO					_				
	Total Revenue		33,000.00	33,000 00	10,000.00	15,000 00	20,000 00	20,000 00	20,000.00	20,000.00	20,000 00	20,000 00	20,000 00	20,000 00	20,000 00	20,000 00	20,000 00
	That Revenue		33,	,								-					
5005	5005 - Consultants - MDs		13,500 00	13,500.00	13,500.00	13,500.00	14,750.00	14,750 00	14,750 00	14,750.00	14,750.00	14,750,00	14,750.00	14,750.00	14,750 00 250.00	14,750 00 250 00	14,750 00 250.00
5305	S30S - Medical Supplies		250,00	250 00	250.00	250 00	250 00	250 00	250,00	250.00	250 00	250,00	250.00	250.00	250,00		230.00
	Total Cost of Sales		13,750 00	13,750.00	13.750.00	13,750.00	15,000 00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000 00
	John Cost of Sales	5	13,750 00	20,750,00				_			_	_		_	_		
	Gross Margin		19,250 00	19,250 00	(3,750 00)	1,250.00	5,000.00	5,000 00	5,000 00	5,000 00	5,000.00	5,000.00	5,000 00	5,000 00	5,000 00	5,000.00	5,000 00
						4 504 47	4.681.17	4,681 17	4,681.17	4.681.17	4,681.17	4,681.17	4,681.17	4.681.17	4,681.17	4,681,17	4,681.17
6205	6205 - Rent		4,681 17	4,681 17 (4,385 07)	4,681.17 (4,385.07)	4,681.17	(4.385.07)	(4.385.07)	(4.385.07)	(4,385.07)	(4.385.07)	(4,385.07)	(4,385 07)	(4,385.07)	(4,385.07)	(4,385.07)	(4,385 07)
6206 6215	6206 - Rent Adj - IFRS 16 6215 - Utilities - COGS	6.58%	308 09	308 09	308 09	308.09	308 09	308 09	308.09	308 09	308.09	308 09	308 09	308 09	308 09	308 09	308 09
6220	6220 - Telephone & Internet - COGS	7-83%	366,56	366.56	366.56	366.56	366.56	366.56	366 56	366 56	366.56	366 56	366.56	366 56	366 56	366 56	366 56
6230	6230 - Janitorial Expense - COGS	5,46%	255.47	255 47	255.47	255.47	255 47	255.47	255 47	255 47	255.47	255.47	255.47	255 47	255.47	255.47	255.47
SS20	5520 - Training Fee			4 770 00	1,250.00	1.250.00	1.250.00	1,250.00	1,250.00	1.250.00	1.250.00	1,250.00	1.250.00	1.250.00	1.250.00	1,250.00	1,250.00
6010	6010 - Consultants - Bus Develop		1,250.00 300.00	1,250.00 300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300,00	300,00	300.00
6105 6130	6105 - Advertising/Marketing 6130 - Printed Materials		300.00	300.00	300.00	300.00	300.00	300.00	300.00	300,00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
6155	6155 - Bus Dev Travel		500.00	500.00	500.00	500.00	500.00	500.00		500.00	500.00	500.00	500.00	500.00	500,00	\$00.00 0.00	500.00
6305	6305 - Wages - Call Centre		0,00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6310	6310 - Wages - Educators		6,586.67	6,585.67	0.00 6,586.67	6.586.67	6.586.67	6,586.67		6,586,67	6,586.67	6,586.67	6,586,67	6,586.67	6,718.40	6,718.40	6,718.40
6315	6315 - Wages - Nursing (QC) 6325 - Wages - Admin (QC)		4,029.56	4,029.56	4,029.56	4.029.56	1,578.72	4,776.03		3,986.67	3,986.67	3,986.67	3,986.67	3,986.67	4,066.40	4,066.40	4,066.40
6325 6370	6370 - QPP		616.80	616.80	616.80	616.80	474.41	660.18	614.32	614.32	545.72	231.63	231.63	231.63	366.15	366.15	366.15
6355	6355 - EI		234.83	234.83	234.83	234.83	180.62	251.35		233.89	233.89	110.73	88.19	88.19 0.00	148.4B 0.00	148.48	148.48
5360	6360 - EHT		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6365	6365 - WSIB 6375 - Benefits		932.03	932.03	932.03	932.03	929.28	929.28		687.59	687.59	687.59	687.59	687.59	1,165.04	1,165.04	1,165.04
6375 6395	6395 - Banus		0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00
6405	6405 - Office Expenses		500.00	500.00	500.00	500.00	500.00	500.00		500.00	500.00	500.00	500.00		500.00	500.00 750.00	500.00 750.00
6420	6420 - IT/Software		750.00	750.00	750.00	750.00	750.00	750.00	750,00 0.00	750.00 1.000.00	750.00 0.00	750,00	750.00 1.000.00	750.00	750.00	0.00	0.00
6455	6455 - Travel - Admin		100.00	1,000.00	100.00	0.00	1,000.00	100.00	100.00	100.00	100.00	100.00	100.00		100.00	100.00	100.00
6495 6615	6495 - Other 6615 - Insurance - General Liability		133,49	133.49	133.49	133.49	133.49	133,49		133.49	133.49	133.49	133.49	133.49	133.49	133.49	133.49
6620	6620 - Insurance - Cyber Liability		124.06	124.06	124.06	124,06	124.06	124.06	124,06	124.06	124.06	124.06	124,06	124.06	124.06	124.06	124.06 40.24
6805	6805 - Bank Fees		40.24	40.24	40.24	40.24	40.24	40.24		40.24 365.99	40.24 365.99	40.24 365.99	40.24 365.99	40,24 365.99	40.24 365.99	40.24 365.99	365.99
6810	6810 - Credit Card Fees	1.83%	603.88	603.88	182.99	274.49	365.99	365.99	365.99	303.55	303.99	303.33	303.55			303.55	
	Total SG&A		18,227.77	19.227.77	17.806 89	17,898 39	16,339.70	18,793 51	17,699.14	18,699,14	17,630 54	17,193 29	18,170.75	17,170.75	18,054,47	18,054.47	18,054.47
	(Old) SCIEN																(42.054.47)
	EBITDA		1,022 23	22 23	(21,556 89)	(16,648 39)	(11,339.70)	(13,793,51)	(12,699 14)	(13,699.14)	(12,630 54)	(12,193 29)	(13,170.75)	(12,170.75)	(13,054.47)	(13,054,47)	(13,054.47)
			370.22	370.22	370.22	370 22	370.22	370.22	370.22	370.22	370.22	370.22	370.22	370.22	370.22	370 22	370.22
8410 8450	8410 - Amortization 8450 - Depreciation (Lease)		3,579 aB	3,579 88	3,579 &8	3.579 88	3,579.88	3,579.88		3,579.88	3,579 88	3,579 88	3,579 88		3,579 8B		
8450 8215	8215 - Depreciauon (Lease) 8215 - Interest Expense (Lease)		1,156 75	1,131 01	1,105.06	1,078 90	1,052.54	1,025 97		972 18	944.96	917.53	889 88	862 01	833 92	805 59	777.06
			_	_						4500	400000	1007.00	4 020 02	4.812.11	4,784 02	4,755.69	4,727,16
	Yotal Other Expense		5,106.85	5,081 11	5,055-16	5,029.00	5,002.64	4,976 07	4,949 28	4,922 28	4,895 06	4,867.63	4,839.98	4,812:11	4,789 02	4,755 09	4,727,10
	Net Income		(4,084.62)	(5.058.88)	(26.612.05)	(21,677,39)	(16,342,34)	(18,769.58)	(17,648 42)	(18,621 42)	(17,525 60)	(17,060.92)	(18,010.72)	(16,982.66)	(17,838 49)	(17,810 17)	(17,781 63)
	sect strenge		(1,001.02)	(5)050 50)	,,_,_	,,,	, -,										



VLOOKUP-Data Forecast 4 5 6 7 8 9 10 11 12 13 14 15 16 17 1 Check ->

Check>		2022 - 01	2022 - 01	2022 - Q1	2022 - Q2	2022 - Q2	2022 - Q2	2022 - Q3	2022 - Q3	2022 - Q3	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - QI
			2011/20091			2	2022	SAN DAS			Forecast	Forecast	Forecast	Salarani (James	Niveral)
Silver		Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023
	PROVINCIAL BILLING REVENUE Growth % over PY	0,5%	0,5%	0.5%	0,5%	0,5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	2%	2%	2%
	Friedlander, M Average Billing/Appointment	15 254,00	45 254.00	50 254 00	60 254.00	50 254.00	60 254,00	70 347.00	347.00	70 347,00	347.00	90 947 00	347,00	50 425.00	78 425 00	80 425.00
25%	Provincial Billing - Group Consultants - MDs	3,810.00 2,476.50	11,430 00	15,240 00 9,906 00	15,240 00 9,906 00	15,240 00 9,906 00	15,240 00 9,906 00	24,290.00 15,788.50	24,290 00 15,788 50	24,290 00 15,788 50	24,290 00 15,788 50	24,290.00 15,788.50	24,290.00 15,788.50	21,250 00 13,812 50	29,750 00 19,337 50	34,000 00 22,100 00
	r Gofeld, M	160	185	236	186	134	134	334	134	138	134	134	134	130	85	110
growth % ove	Average Billing/Appointment	200,00 32,000,00	200 00	200 00	200,00	200 00	19,430 00	19,430 00	19,430 00	19,430.00	19,430.00	19,430.00	19,430 00	125.00 16,250.00	125.90 10,625 00	125,00 13,750 00
30%	Provincial Billing - Group Consultants - MDs	22,400,00	25,900,00	33,040,00	26,040,00	18,760.00	13,601 00	13,601,00	13,601,00	13,601.00	13,601 00	13,601 00	13,601 00	11,375 00	7,437.50	9,625 00
ramped up (n	e Kunnumpurath, S	110	121	134	121	134	148	100	160.00	110.00	(5) TE 100	144.00	107.00	55 175 00	60 175.00	60 175 00
	Average Billing/Appointment Provincial Billing - Group	173,78 19,115,80	173,78 21,027,38	173 78 23,286 52	173 78 21,027 38	173,78 23,286 52	25,012 00 13,756 60	10,140 00	10,140.00	10,140.00	10,140.00	10,140 00 5,577 00	10,140 00 5,577 00	9,625 00 5,293 75	10,500 00 5,775 00	10,500 00 5,775 00
	Consultants - MDs	10,513 69	11,565.06	12,807,59	11,565 06	12,807,59		5,577,00	3,577,00	3,577.00	3,377.00	40	3,377 00	40	40	40
growth % ove	r Morgan, A Average Billing/Appointment	48 225,00	47 225,00	57 225,00	225,00	225,00	210/71	49 230 71	130.71	44070	220.71	210 71 9,228 40	6,229 17	215 00 8,600.00	215.00 8.600.00	215 00 8,600 00
30%	Provincial Billing - Group Consultants - MDs	10,800 00 7,560 00	10,575,00 7,402,50	12,825,00 8,977,50	7,875 00 5,512 50	9,000 00 6,300 00	10,612 66 7,428 86	11,304,79 7,913 35	5,075,62 3,552,93	9,459 11 6,621 38	5,537 04 3,875 93	6,459 88	4,360 42	6,020 00	6,020 00	6,020 00
granth 4 ove	Motlani, F	230	206	224	214	196	223	176	198	701	186	201	201	160	210	250 240 00
	Average Billing/Appointment Provincial Billing - Group	250 00 57,500 00	250 00 51,500 00	250 00 56,000 00	250.00 53,500.00	250.00 49,000.00	52,851 00	41,712 00	46,926.00	47,637.00	44,082.00	47,637.00	47,637.00	240,00 38,400.00	240.00 50,400.00	60,000 00
32%	S Consultants - MOs	39,100.00	35,020.00	38,080,00	36,380.00	33,320,00	35,938 68	28,364 16	31,909 68	32,393 16	29,975,76	32,393,16	32,393 16	26,112 00	34,272.00	40,800 00
grawth % over	r Smith, K Average Billing/Appointment	147 200 00	151 200,00	126 200,00	146 200.00	148 200.00	190.00	190.00	190.00	190.00	190.00	190.00	190.00	110 180.00	105 180,00	140 160.00
35%	Provincial Billing - Group S Consultants - MOs	29,400 00 19,110 00	30,200 00 19,630 00	25,200 00 16,380 00	29,200 00 18,980 00	29,600 00 19,240 00	32,110 00 20,871 50	22,800 00 14,820 00	22,800 00 14,820 00	19,800.00 12,870.00	18,900 00 12,285 00	25,200 00 16,380 00				
	FTE - Q1 2022	40	40	40	40	110	333	100	130	318	、場	834		115	115	115
	Average Billing/Appointment Provincial Billing - Group	275,00 11,000,00	275,00 11,000 00	275,00 11,000 00	275.00 11,000.00	18,590 00	18,590 00	18,590 00	18,590.00	18,590.00	18,590.00	18,590 00	18,590 00	205.22 23,600 00	205.22	205 22 23,600 00
35%	Consultants - MDs	7,150 00	7,150.00	7,150 00	7,150 00	12,083 50	12,083,50	12,083,50	12,083,50	12,083,50	12,083,50	12,083 50	12,083.50	15,340 00	15,340.00	15,340 00
THE REAL PROPERTY.	FTE - Q3 2022 Average Billing/Appointment		ļ	275.00	275.00	275.00	275,00	275.00	275.00	275,00	275,00	275 00	275,00	275.00	275,00	275.00
266	Provincial Billing - Group			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00 0 00	0.00	0.00	0.00	0.00
***	s) and demonstration of contracts:			-,												
reduced buttness	Growth % over PY	0,5%	0,5% 79	0,5%	0,5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0,5% 160	0.5%	0.5% 160
reduced business	Average Billing/Appointment	227,98	227.98 18,010.42	227 98 23.937 90	227.98	227.9B 23.937.9D	227 98 28,269 52	227.98 36,476.80	227.98 36,476.80	227.98 36,476.80	227.98 36,476.80	227 98 36,476 80	227 98 36,476 80	230,00 36,800.00	230.00	230 00 36,800 00
33%	Provincial Billing - Non-Group Consultants - MDs	14,358 18	12,066 98	16,038 39	18,024 10	16,038 39	18,940 58	24,439.46	24,439 46	24,439 46	24,439.46	24,439 46	24,439 46	24,656 00	20,033.00	24,656 00
	Glazman, T	146	164	182 369 00	178 369 00	168 369.00	369.00	158 369,00	369.00	168	369.00	369 00	369 00	140 335.00	160 335.00	190 335 00
	Average Billing/Appointment Provincial Billing - Non-Group	369 00 53,874 00	369.00 60,516.00	67,158 00	65,682 00 44,006 94	61,992,00 41,534,64	74,169.00 49,693.23	61,992.00 41,534.64	61,992.00 41.534.64	61,992 00 41,534 64	61,992 00 41,534 64	61,992 00 41,534 64	61,992 00 41,534 64	46,900 00 31,423 00	53,600.00 35,912.00	63,650 00 42,645 50
33%	4 Consultants - MDs	36,095 58	40,545.72	44,995.86				41,334 64 85	76	41,334 64 8B	78	71	78		75	75
	Isles, K Average Billing/Appointment	84 400 86	79 400 86	102 400.86	86 400 86	400.86	95 400.86	400,86	400 86	400.86	400 86	400 86	400 86 31,267.08	400 86 30.064.50	400 86 30.064 50	400 86 30,064 50
36%	Provincial Billing - Non-Group Consultants - MDs	33,672 24 21,550 23	31,667 94 20,267 48	40,887,72 26,168 14	34,473 96 22,063 33	33,271 38 21,293 68	38,081 70 24,372 29	34,073 10 21,806 78	30,465 36 19,497 83	35,275 68 22,576 44	31,267.08 20,010.93	28,461 06 18,215 08	20,010 93	19,241.28	19,241 28	19,241 28
														35 000 00	35 000 00	35 460 60
Flummanpy 33%	Provincial Bling - Group & Consultants - MDs	7,500 00 5,025 00	10,000 00 6,700 00	15,000 00 10,050 00	20,000 00 13,400 00	25,000 00 16,750 00	25,000.00 16,750.00	25,000 00 16,750 00	25,000 00 16,750 00	25,000 00 16,750 00	25,000.00 16,750.00	25,000 00 16,750 00	25,000 00 16,750 00	25,000 00 16,750 00	25,000 00 16,750 00	25,000 00 16,750 00
	Provincial Billing - Group	171,125 80	182,732 38	205,751 52	195,042 38	196,516 S2	198,845.66	173,266 79	172,251 62	177,346 11	169,869 04					
	Provincial Billing - Non-Group Consultants - MOs	108,976 36 185,339 18	110,194 36 193,677 24						128,934 16 199,554 54			126,929 86 201,662 21			113,564.50 192,403.28	
	NON-OHIP REVENUE															
	Non-OHIP Growth Non OHIP Revenue	17,500.00	17,500 00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000 00	19,250 00	19,250 00	22,000 00
	Non-CHIP - Ketamine (patients)	10	10	15	15	15	15	15	15	15	15	15	15	15	15	15
600,00	Non-OHIP Revenue - Ketamine	6,000.00	6,000 00	9,000 00	9,000 00	9,000.00	9,000,00	9,000 00	9,000 00	9,000.00	9,000.00	9,000.00	9,000 00	9,000 00	9,000 00	9,000.00
32%	Non-OHIP Revenue Doctor's % - Non-OHIP patients	23,500 00 12,920 00	23,500 00 12,920 00	29,000.00 15,130.00	29,000 00 15,130 00	29,000.00 15,130.00	29,000.00 15,130.00	29,000 00 15,130 00	29,000 00 15,130 00	28,250.00 14,620.00	28,250 00 14,620 00	31,000 00 16,490 00				
	REVENUE															
4105 4110	4105 - Provincial Billing - Group 4110 - Provincial Billing - Non-Group	171,125.80 108,976.36		205,751.52 131,983.62	195,042_38 127,057_60	196,516,52 119,201,28	198,845 66 140,520 22	173,266 79 132,541 90	128,934.16	177,346 11 133,744 48	169,869 04 129,735 88	177,115.40 126,929.86	129,735 88	113,764 50		130,514 50
4210 4220	4210 - Non OHIP Patients 4220 - Medico Legal Reports	23,500.00	23,500 00	29,000 00 200 00	29,000 00	29,000.00	29,000 00 200.00	29,000 00 200,00	29,000 00 200,00	29,000 00 200 00	29,000 00 200 00	29,000 00 200 00	29,000 00 200.00	28,250.00 200.00	28,250 00 200.00	31,000 00 200,00
4230 4305	4230 - Photocopying Files 4305 - Allied Health	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000 00	1,000,00	1,000.00	1,000 00	1,000,00	1,000,00 0.00	1,000.00	1,000.00
4320 4315	4320 - Research Projects 4315 - Other Revenue	4,000.00	4,000.00 2,000.00	4,000.00 2,000.00	4,000.00 2,000.00	4,000,00	4,000.00 2,000.00	4,000.00 2,000.00	4,000.00 2,000.00	4,000.00 2,000.00	4,000.00 2,000.00	4,000.00 2,000.00	4,000,00 2,000,00	4,000,00 2,000,00	4,000.00 2,000.00	4,000.00 2,000.00
4380	4380 - Rental Revenue 4385 - Sundry Income	2,800.00 6,500.00	2,800 00 6,500 00	2,800.00 6,500.00	2,800.00 6,500.00	2,800.00 6,500.00	2,800 00 6,500 00	2,800.00 6,500.00	2,800 00 6,500 00	2,800.00 6,500.00	2,800.00 6,500.00	2,800.00 6,500.00	2,800.00 6,500.00	2,800.00 6,500.00	2,800.00 6,500.00	2,800.00 6,500.00
4385			332,926 74								345,104 92				335,689.50	-
	Total Revenue	320,102-16	332,920 74	383,233:14	307,399,98	301,217,00	364,603 86	331,300 03	340,003,78	230,230 23	345,104 51	343,3-3120	313,332.00		,	
5005	COS S005 - Consultants - MDs	185,339.18					223,342.24 15,130.00	202,678 39	199,554.54 15,130.00	206,185 07 15,130 00	198,456,72 15,130 00	201,662 21	201,358 61 15,130 00		192,403.28	219,332 78 16,490.00
32% S010 S015	S010 - Doctor's % - Non-OHIP patients S015 - Doctor's % - Medico Legal Reports	12,920 00 200 00	200.00	15,130 00 200 00	15,130 D0 200 00	15,130 00 200 00	200.00	200 00	200 00	200 00	200 00	200 00 750.00	200 00 750.00	200.00	200 00	200 00
5045 5305	SOES - Consultants - Nurses S305 - Medical Supplies	750,00 16,974.37	750,00 17,654,44	750 00 20,322 19	750.00 19,493.09	750,00 19,154.65	750 00 20,408 66	750 00 18,629 19		18,909 28	18,300 22	18,535 68	18,525.44			20,079 82
0 06% 5310 2 02% 5315	S310 - Linens & Laundry S315 - U/S Needles	7,094.76		272 28 8,494 05	261 17 8,147 S1	256 64 B,006 05	273 44 8,530 19	7,786 43	7,683 96	7,903 50	7,648 93	248 35 7,747 34	7,743.06	7,115,54	7,440 24 967 97	8,392 74 1,091 89
0 26% 5320 0 23% 5325	5320 - Drug/Medical Tests 5325 - Patient Record Expenses	923 02 794 17	960 00 825 99	1,105.07 950.80	1,059.98 912.01	1,041,58 896,18	1,109 77 954 85	1,013 01 871 59	999 68 860 13	1,028 24 884 70	995.12 856.20	1,007.92 867.22	1,007 37 866 74	925.73 796.50 1.040.07	832 84 1,087 53	939 46 1,226 76
0 30% 5330 0 24% 5335	5330 - Medical Waste 5335 - PRP Kits	1,037.04 857.10		1,241 57 1,026 14	1,190.91 984.28	1,170.24 967.19	1,246 85 1,030 51	1,138 14 940 66	1,123.16 928.28	1,155 25 954 80	924 05	1,132 42 935 93	1,131,80 935,42	859,61	898.83	1,013 90
0.04% 5340	5340 - Patient Lounge Expense 5345 - Oxygen	131.99 209.89	218 30	158 02 251.28	151 58 241 03	148 95 236 85	158 70 252 35	144 86 230 35	142 95 227 32	147 04 233 81	142 30 226 28	144 13 229 19	144 05 229 07	210 50	220 11	156 14 248 29
3 24% 5360	5360 - Other Pharmaceuticals	11,389 30	11,845 60	13,635 59	13,079 28	12,852 20	13,693 61	12,499 64	12,335 15	12,687,57	12,278 91	12,436 89				13,472,96
0 07% 5505 5510	5505 - Clinic Equipment - R&M S510 - Ultrasound Equipment - Rental	255 93 815 44	266 19 815 44	306 41 815 44	293.91 815.44	288 80 815.44	307.71 815.44	280 88 815,44	277.19 815.44	285 11 815,44	275 92 815,44	279 47 815 44	279 32 815 44	256.6B B15.44	268 39 815.44	302.75 815.44
5515 5520	5515 - Staff Development 5520 - Training Fee					485.00 1,540.00										
5390	5390 - CPSO Fee	347 92	347.92	347.92	347.92	347,92	347.92	347.92	347,92	347.92	347.92	347,92	347.92	347.92	347.92	347.92



	Total COGS	240,267,55	250,203 97	288,600.25	276,086 06	272,321.50	288,552,25	263,706.10	260,006.08	267,871.07	258,711.23	262,470.14	262,142.45	239,638.72	250,974 33	285,129.90
	Gross Margin	79,834 61	82,722.77	94,634 89	91,513 92	88,896 30	96,313 63	87,602.59	86,679 70	88,719 52	86,393 69	87,075 12	87,209 60	81,400.78	84,715 17	93,534.60
	SG&A															
5115	5115 - Wages - Clinic Management	3,292.50	3,292 50	3,292.50	3,292 50	3,292 50	3,292.50	3,292,50	3,292,50	3,292,50	3,292,50	3,292,50	3,292.50	3,292 50	3,292 50	3,292.50
6205	6205 - Rent - COGS	47,634,24	47,634.24	47,634,24	47,634.24	47,634_24	47,634_24	47,634,24	47,634 24	47,634 24	47,634.24	47,634.24	47,634.24	48,428,15	48,428 15	48,428,15
6206	6206 - Rent Adj - IFRS 16	(31,829 00)	(31,829.00)	(31,829.00)	(31,829 00)	(31,829 00)	(31,829 00)	(31,829 00)	(31,829 00)	(31,829.00)	(31,829 00)	(31,829 00)	(31,829.00)	(32,552 00)	(32,552 00)	(32,552 00)
5.71% 6215	6215 - Utilities - COGS	2,982.80	2,982.80	2,982 80	2,982.80	2,982.80	2,982.80	2,982.80	2,982.80	2,982.80	2,982 80	2,982 80 1,349 64	2,982 B0 1,349 64	3,032,51 1,372,13	3,032 51 1,372 13	3,032,51 1,372,13
2 58% 6220	6220 - Telephone & Internet - COGS	1,349 64	1,349 64	1,349 64	1,349 64	1,349 64 757 47	1,349 64 757 47	1,349,64 757,47	1,349.64 757.47	1,349.64 757.47	1,349 64 757 47	757.47	757.47	770 10	770 10	770 10
1.45% 6225 4.92% 6230	6225 - Repairs & Maintenance - COGS 6230 - Janitorial Expense - COGS	757.47 2,570.72	757 47 2,570 72	757.47 2.570.72	757 47 2,570 72	2,570.72	2,570.72	2,570.72	2,570.72	2,570.72	2,570.72	2,570.72	2,570.72	2,613.56	2,613.56	2.613.56
6235	6235 - Security & Monitoring - COGS	42.75	42.75	42.75	42 75	42.75	42.75	42.75	42.75	42.75	42.75	42.75	42.75	42,75	42 75	42.75
6010	6010 - Wages - Business Development - Consultants	12,000,00	12,000,00	12,000,00	12,000.00	12,000.00	12,000,00	12,000.00	12,000.00	12,000.00	12,000.00	12,000,00	12,000.00	13,170,00	13,170,00	13,170.00
6105	6105 - Advertising Expense	2,500.00	2,500,00	2,500.00	2,500 00	2,500.00	10,000.00	10,000.00	10,000.00	10,000.00	2,500.00	2,500.00	2,500,00	2,500.00	2,500.00	2,500,00
6120	6120 - Finder's/Training Fee	1,000.00	1,000,00	1,000,00	1,000 00	1,000.00	1,000,00	1,000.00	1,000.00	1,000.00	1,000.00	1,000,00	1,000.00	1,000.00	1,000 00	1,000,00
6315	6315 - Wages - Nursing	40,785 53	40,785.53	40,785,53	40,785 53	44,407_14	44,407,14	44,407,14	44,407,14	44,407.14	44,407 14	44,407.14	44,407.14	45,445,98	45,445,98	45,445.98
6320	6320 - Wages - Management	0.00	0.00	0.00	0.00	0.00	0.00	7,000.00	7,000 00	7,000 00	7,000 00	7,000.00	7,000 00	7,000 00	7,000.00	7,000.00
6325	6325 - Wages - Admin	34,775 72	34,775.72	34,775.72	34,775.72	28,845 33	28,845.33	28,845,33	28,845,33	28,845.33	28,845 33	28,845.33	28,845 33 1,670 31	29,422 24 4,080 32	29,422.24 4,080.32	4,080.32
6350	6350 - CPP	4,118.11	4,118.11	4,118,11	4,118 11 1,671 40	3,992,25 1,620,32	3,992,25 1,620,32	3,992,25 1.620.32	3,992 25 1,620 32	3,794,75 1,614.96	2,986 95 1,332 24	2,439 02 1,041 69	772 20	1,654 59	1,654 59	1,654.59
6355 1,95% 6360	6355 - EI 6360 - EHT	1,671 40	1,671 40	1,671.40	1,473 44	1,620.32	1,428.42	1,564.92	1,564 92	1,564 92	1,564.92	1,564.92	1,564 92	1,596.43	1,596.43	1,596,43
0.70% 6365	6365 - WSIB/CSST	528 93	528 93	528 93	528 93	512.77	512.77	561.77	561.77	561.77	561.77	561.77	561 77	573 08	573 08	573.08
6375	6375 - Benefits	4,860.72	4,860.72	4,860,72	4,860.72	3,596.15	3,596,15	3,596.15	3,596.15	3,596,15	3,596 15	3,596,15	3,596 15	4,957.94	4,957.94	4,957,94
6380	6380 - Payroll Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6395	6395 - Banus	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 dD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6405	6405 - Office Supplies	750,00	750.00	750,00	750.00	750,00	750,00	750.00	750,00	750,00	750.00	750.00	750.00	750.00	750,00	750,00
6410	6410 - Postage & Courier	350.00	350.00	350.00	350 00	350.00	350,00	350,00	350 00	350.00	350.00	150.00	350,00	350 00	350,00	350,00
6420	6420 - Software Expenses	6,035,50	6,035.50	6,035.50	6,035,50	6,035.50	6,035.50	6,035.50	6,035.50	6,035.50	6,035.50	6,035,50	6,035.50	6,046,21	6,046.21	6,046,21 500.00
6450	6450 - Meals & Entertainment	500,00	500,00	500,00	500.00	500 00	500,00	500,00	500,00	500,00	500,00	500.00 0.00	500.00	500,00	500.00	0.00
6455	64S5 - Travel - Admin	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00
6480 6495	6480 - Bad Debt Expense 6495 - Other Expenses	1,000.00	1,000,00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1 000 00	1,000,00	1,000,00	1,000 00	1,000 00	1,000.00	1,000.00
6515	6515 - Consultants - Other	3.512.00	3.512.00	3,512.00	3,512 00	3.512 00	3,512.00	3,512.00	3,512.00	3,512 00	3,512 00	3,512 00	3,512 00	3,512 00	3,512.00	3,512.00
5% 6615	6615 - Insurance - General Liability	1,334.89	1,334.89	1,334.89	1,334.89	1,334.89	1,334.89	1.334.89	1.334.89	1,334 89	1,334,89	1,334.89	1,334.89	1,334.89	1,334,89	1,334.89
6620	6620 - Insurance - Cyber Liability	124.06	124,06	124.06	124.06	124.06	124,06	124.06	124,06	124 06	124.06	124.06	124.06	124.06	124,06	124.06
6805	6805 - Bank Fees & Interest	150.00	150,00	150.00	150.00	150,00	150,00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150,00	150.00
0.09% 6810	6810 - Credit Card Fees	300 68	312.73	359.99	345 30	339 31	361,52	330 00	325 66	334,96	324.17	328 34	328.16	301 56	315.33	355 69
	Total SG&A	144,572 11	144,584 15	144,631.41	144,616 72	140,799.25	148,321.47	155,475.45	155,471.10	155,277.55	146,676 24	145,841 93	144,803.55	152,468 99	152,482.75	152,523.12
	EBITDA	(64,737 50)	(61,861,38)	(49,996.52)	(53,102.80)	(51,902 96)	(52,007.84)	(67,872.86)	(68,791.41)	(66,558.03)	(60,282,55)	(58,766,81)	(57,593 95)	(71,068 22)	(67,767 59)	(58,988 52)
	EBIIDA	(04)/3/ 30)	festersmil	(valuation)	(00)10000)	(00)00===)	,,_,,	(-1,-1-1								
8205	8205 - Interest Expense	1,002.74	990-13	977-38	964.52	951.53	938.41	925.16	911.78	898.27	884 62	870 85	856 93	842 87	828 68	814.36
8215	BZ15 - Interest Expense (Leases)	5,583 79	5,374.51	5,163.56	4,950.92	4,736.60	4,520.56	4,302.80	4,083 30	3,862.05	3,639 04	3,414 25	3,187,66	2,959 27	2,723.30	2,485.44
	ent to the firm of	487.83	446.98	501.32	492.16	515 67	506.24	530.42	538.08	528.24	553,48	543.36	569.31	0.00	0.00	0.00
8325	8325 - Accretion - Finance Fees	487 83	446 98	301.32												
8405	8405 - Depreciation	7,949 77	7,949.77	7,949,77	9,599.77	9,599.77	9,599.77	9,599.77	9,599,77	9,599.77	9,599.77	9,599 77	9,599.77	9,599.77	9,599.77	9,599 77
8450	8450 - Depreciation (Leases)	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536 07	24,536.07	24,536 07
	Total Other Expenses	39,560 20	39,297.46	39,128 10	40,543 44	40,339 63	40,101 04	39,894.21	39,669 00	39,424.40	39,212 97	38,964 29	38,749 74	37,937 98	37,687 81	37,435 63
	Net Income	UHUARARANIU	пинанана	(89.124.62)	(93,646.24)	(92,242 59)	(92,108 88)	annauntent	padiinasaaa		(99,495.52)	(97,731 10)	(96,343 69)	*****	************	(96,424.15)



Check->		CLASS			- 2	-		-	-							10%	10%	10%
				2022 - Q1	2022 - Q1	2022 - Q1	2022 - Q2	2022 - Q2	2022 - Q7	2022 - Q1	2022 - Q3	2022 - Q3	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - Q1
							- 5		2022		24	SI COLO	W = 1		SV R		- W	-
Slawner 6	Ortho			Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023
	21/0/0	REVENUE																
	4445	4445 - Product Sales (Referrals)						*****	207.50	202.50	202.50		617.50	1 414 50	1 414 50	246.25	716.75	316.25
	4450 4455	4450 - Admin 4455 - Compression		287,50 27,059.01	287,50 28,525.55	287,50 23,099,27	287,50 24,853,62	287 50 31,520 64	287 50 34,524 75	287,50 24,270,34	287,50 30,234,10	517 50 26,400 47	517,50 24,290,08	1,414,50 27,468,81	1,414,50 32,666,00	316 25 29,764 91	316 25 31,378 11	25,409.19
	4460	4460 - Electrotherapy		4,723.28	6,735 23	5,276.70	4,784,03	5,309.94	5,679.65	3,535,46	3,827,63 1,093,89	5,934 10 521 21	3,756 56 309 50	3,801 33 98.35	5,420 62 441 58	5,195 61 302 43	7,408 75 164 62	5,804.37 54.51
	4465 4470	4465 - Fabrication (Custom) 4470 - Medical		274 93 21,403 07	149.66 21,526.20	49.55 21,833.32	747,21 22,178,38	318 06 22,874 77	2,223.94 26,501.94	242,60 25,123,92	30,963 65	29,476 21	30,925 34	25,926 14	25,476,70	23,543.38	23,678 82	24,016.66
	4475 4480	4475 - Orthotic 4480 - Shoes		133,783.67	139,029,19	142,407,65	142,210,32 32,082,88	136,632 68 30,879 76	140,244 68 31,430 11	154,629.91 31,534.12	139,868.70 31,429.53	153,508.05 30,796.34	152,354.16 26,419.10	157,298 07 35,225 47	135,363 24 35,225 47	136,459 34 31,822 99	141,809.78 24,895.94	145,255.80 31.835.18
	4485	4485 - Prosthetic		28,929 99 345 00	22,632 67 345 00	28,941.07 345.00	345.00	1,610.00	1,610.00	1,610,00	1,610 00	1,610 00	1,610 00	1,610 00	1,610 00	379 50	379.50	379.50
	4495 4496	4495 - Sales Discounts 4496 - Cash Over/Short		(5,906.40)	(6,022,38)	(6,116 13)	(6,211 87)	(6,291.37)	(6,483.50)	(6,672 84)	(6,741,15)	(6,904 60)	(6,903,80)	(7,173.62)	(6,459.15)	(6,497.04)	(6,624.62)	(6,727.74)
	4450														224 442 45	201 207 26	222.402.45	226,343,71
		Total Revenue		210,900 05	213,208 63	216,123 93	221,277 07	223,141,98	236,019 07	234,561,02	232,573 86	241,859 28	233,278 44	245,669.05	231,158.95	221,287 36	223,407.15	220,343 /1
		COST OF SALES																
	5305	5300 Clinic & Medical Supplies 5305 - Medical Supplies		400 00	400 00	400.00	400.00	400.00	400.00	300,00	300.00	300,00	300,00	500.00	300 00	300.00	303.00	300 00
		5200 Clinia & Madical Supplies		400.00	400 00	400.00	400.00	400.00	400 00	300,00	300.00	300.00	300.00	300.00	300.00	300,00	300 00	300 00
		5300 Clinic & Medical Supplies 5400 Cost of Goods Sold		400 00	400 00	400,00	400,00	400.00	400 00	300,00		-01000	-					
	5445 5450	5445 - Product COG 5450 - Admin	9.86%	28.34	28.34	28 34	28.34	28.34	28.34	28 34	28.34	51,00	51,00	139,41	139,41	31_17	31,17	31,17
	5455	S4SS - Compression	44,00%	11,905,97	12,551,24	10,163.68	10,935,59	13,869,08	15,190.89	10,678 95	13,303 01	11,616.21	10,687.63	12,086.28	14,373.04	13,096 55 1,766 51	13,806 37 2,518 98	11,180 04 1,973 48
	5460 5465	5460 - Electrotherapy 5465 - Fabrication (Custom)	34.00% 31.00%	1,605 91 85 23	2,289 98 46 39	1,794 08 15.36	1,626,57 231.64	1,805 38 98.60	1,931 08 689 42	1,202,06 75,21	1,301 39 339 10	2,017,59 161,58	1,277 23 95 95	30 49	136 89	93.75	51.03	16 90
	5470	S470 - Medical	44,63%	9,552,12	9,607 08	9,744,14	9,898,14	10,208,94	11,827,73	11,212,73	13,818.98	13,155,14	13,801,68	11,570,75 34,605,58	11,370,17 29,779,91	10,507.33 30,021.05	10,567,78 31,198,15	10,718 56 31,956 28
	5475 5480	S475 - Orthotic S480 - Shoes	22,00%	29,432,41 8,679,00	30,586 42 6,789 80	31,329.68 8,682.32	31,286 27 9,624 86	30,059 19 9,263 93	9,429 03	34,018,58 9,460,24	30,771 11 9,428 86	9,238,90	33,517,92 7,925,73	10,567,64	10,567_64	9,546,90	7,468.78	9,550.55
	5485	5485 - Prosthetic	42.00%	144,90	144,90	144,90	144,90 13,608,54	676.20 13,723.23	676.20 14,515.17	676,20 14,425,50	676 20 14,303 29	676 20 14,874 35	676 20 14,346 62	676 20 15,108 65	676.20 14,216.28	159 39 13,609 17	159 39 13,739 54	159 39 13,920 14
	5490	S490 - Purchase Discounts	6.15%	12,970 35	13,112,33	13,291.62			enne line.			ammunión a						
		5400 Cost of Goods Sold 5900 - Shipping, Freight & Delivery		74,404.22	75,156 48	75,194 12	77,384.85	79,732 88	85,141.70	81,777.80	83,970 29	85,562.74	82,380.16	86,077_45	83,102 55	78,831.84	79,541,19	79,506 51
	5905	S905 - Courier & Postage	0.10%	210.90	213.21	216.12	221 28	223,14	236.02	234 56	232 57	241.86	233,28	245.67	231.16	221.29	223 41 0.00	226 34
	5915	S915 - Freight in		0.00	0 00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0,00	0.00			
		5900 - Shipping, Freight & Delivery		210 90	213,21	216.12	221.28	223.14	236 02	234,56	232 57	241.86	233,28	245 67	231 16	221.29	223.41	226 34
		Total COGS		75,015.12	75,769.69	75,810 24	78,006.12	80,356 02	85,777.72	82,312.36	84,502 86	86,104.60	82,913.44	86,623.12	83,633.71	79,353 13	80,064.60	80,032 66
		Gross Margin		135,884 93	137 438 94	140,313.69	143,270.94	142,785.95	150,241 36	152,248.66	148,071 00	155,754 68	150,365 00	159,045.94	147,525 24	141,934,24	143,342.56	146,310 86
		oroza Mulgin																
		Sales, General & Administration																
		6205 - Rent	Same ten	36.519.33	36,519.33	36,519,33	36,519,33	36,519.33	36,519.33	40,519,33	40,519.33	40.519 33	40,519.33	40,519.33	40,519.33	40,519.33	40,519,33	40.519.33
		6205 - Rent	Mess De	3,300 00	3,300.00	3,300 00	3,300,00	3,300 00	3,300.00	3,300,00	3,300 00	3,300 OD	3,300,00	3,300 00	3,300.00	3,300 00	3,300.00	3,300 00
	6205	6205 - Rent		39,819 33	39,819.33	39,819 33	39,819 33	39,819.33	39,819.33	43,819.33	43,819.33	43,819.33	43,819.33	43,819.33	43.819.33	43,819.33	43,819 33	43,819.33
	0203	6206 - Rent Adj - IFRS 16	IT we	(18,090.00)	(18,090.00)	(18,090.00)	(18,090.00)	(18,090,00)	(18,090 00)	(18,090 00)	(18,090 00)	(18,090 00)	(18,090 00)	(18,090 00)	(18,090.00)	(18,090 00)	(18,090 00)	(18,090 00)
		6206 - Rent Adj - IFRS 16 6206 - Rent Adj - IFRS 16	DIA.	(3,750 00)	(3,750 00)	(3,750 00)	(3,750 00)	(3,750 00)	(3,750.00)	(3,750 00) (3,103 48)	(3,750 00)	(3,750.00)	(3,750,00)	(3,750 00)	(3,750,00)	(3,750.00)	(3,750 00)	(3,750.00)
		6206 - Rent Adj - IFRS 16	Meurtre	(3,300 00)	(3,300 00)	(3,300 00)	(3,300.00)	(3,300.00)	(3,300.00)	(3,300,00)	(3,300.00)	(3,300 00)	(00 00E,E)	(3,300 00)	(3,300.00)	(3,300.00)	(3,300.00)	(3,300.00)
	6206	6206 - Rent Adj - IFRS 15	Mesettre	(28,243.48)	(28,243.48)	(28,243.48)	(28,243.48)	(28,243.48)	(28,243.48)	(28,243 48)	(28,243.48)	(28,243.48)	(28,243.48)	(28,243 48)	(28,243.48)	(28,243.48)	(28,243.48)	(28,243.48)
	6215	6215 - Utilities - COGS	4.17%	1,660 28	1,660 28	1,660 28	1,660,28	1,660 28	1,660 28	1,827,06	1,827.06	1,827.06 1,574.31	1,827.06 1,574.31	1,827.06 1,574.31	1,827.06 1,574.31	1,827.06 1,574.31	1,827.06 1,574.31	1,827.06 1,574.31
	6220 6225	6220 - Telephone & Internet • COGS 6225 - Repairs & Maintenance • COGS	3.59%	1,430.60 2,358.63	1,430 60 2,358 63	1,430 60 2,358 63	1,430,60 2,358,63	1,430 60 2,358 63	1,430_60 2,358_63	1,574,31 2,595,57	1,574 31 2,595 57	2,595 57	2,595 57	2,595,57	2,595.57	2,595.57	2,595.57	2,595.57
	6230	6230 - Janitorial Expense - COGS	-576N	2,294 14	2,294 14	2,294,14	2,294.14	2,294,14	2,294.14	2,524.59	2,524.59 0.00	2,524 59	2,524,59 0.00	2,524 59	2,524 59 0.00	2,524 59 0 00	2,524 59 0.00	2,524.59
	6235	6235 - Security & Manitoring - COGS		0.00	0 00	0.00	0.00	0.00	0.00	0,00	0.00	0.00						
	6105 6130	6105 - Advertising Expense 6130 - Printed Materials		850.00 500.00	850.00 500.00	850.00 500.00	850.00 500.00	850.00 500.00	850.00 500.00	850,00 500.00	850 00 500 00	850-00 500-00	850-00 500-00	850.00 500.00	850.00 500.00	850.00 500.00	850.00 500.00	850 00 500 00
	6155	6155 - Business Development - Travel		500.00	500 00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
	6325	6325 - Wages - Admin (QC)		34,015.76	34,015.76	34,015.76	34,015,76	38,680.00	38,680.00	38,680,00	38,680 00	38,680 00	38,680.00	38,680 00	38,680.00	39,453,60	40,242 67	41,047 53
	6340	6340 - Wages - Clinicians		29,665.50	29,665.50	29,665 50	29,665,50	34,811 00	34,811.00	34,811.00	34,811 00 24,828 00	34,811.00 24.828.00	34,811.00 24,828.00	34,811.00 24,828.00	34,811.00 24.828.00	35,507.22 25,324.56	36,217.36 25,831.05	36,941.71 26.347.67
100	6345 6355	6345 - Wages - Warehouse/Production 6355 - El		24,174.10 1,567.34	24,174 10 1,567 34	24,174.10 1,567.34	24,174.10 1,567.34	24,828 00 1,683.00	24,828.00 1,683.00	24,828,00 1,683,00	1,683.00	1,683.00	1,683.00	1,683 00	1,683.00	1,716 66	1,750 99	1,786.01
	6360	6360 - EHT 6365 - WSIB/CSST		423 30 261 36	423.30 261.36	423.30 261.36	423,30 261,36	424 00 270 00	424.00 270.00	424.00 270.00	424.00 270.00	424.00 270.00	424,00 270.00	424 00 270 00	424.00 270.00	432.48 275.40	441 13 280 91	449.95 286.53
	6365 6370	6370 - QPP		4,697.75	4,697.75	4,697.75	4,697.75	5,902.00	5,902.00	5,902.00	5,902.00	5,902.00	5,902.00	5,902 00	5,902.00	6,020.04	6,140 44	6,263.25
311	6375 6380	6375 - Benefits 6380 - Payroll Expense		12,317 79 100 00	12,317.79	12,317.79 100.00	12,317.79 100.00	12,584 00 100 00	12,584.00 100.00	12,584 00 100 00	12,584 00 100 00	12,584 00	12,584 00	12,584.00	12,584.00	15,730.00	19,662.50	24,578,13 100.00
	6395	6395 - Banus		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0 00	0.00	0.00
	6405	6405 - Office Supplies		2,268 34	2,268 34	2,268.34	2,268 34	2,268 34	2,268.34	2,268,34	2,268 34	2,268.34	2,268 34	2,268 34	2,268.34	2,268 34	2,268 34	2,268.34
	6410	6410 - Postage & Courier		192.98	192.98	192,98	192.98 350.00	192,98 350,00	192,98 350 00	197,98 350,00	192 98 350 00	192.98 350.00	192.98 350.00	192.98 350.00	192.98 350.00	192.98 350.00	192 98 350 00	192 98 350 00
	6415 6420	6415 - Computer Expenses 6420 - Software Expenses		350 00 1,035 93	350 00 1,035 93	350 00 1,035 93	1,035 93	1,035.93	1,035.93	1,035.93	1,035.93	1,035 93	1,035.93	1,035 93	1,035 93	1,035.93	1,035 93	1,035 93
	6425	6425 - Office Repairs & Mainteneance		90.00	90 00	90 00	90 00	90.00	90 00	90 00	90.00	90.00	90,00	90 00	90 00	90 00	90.00	90.00
	6430 6435	6430 - Equipment Rental 6435 - Dues & Fees		375.00	375 00	375.00	375.00	375,00	375.00	375,00	375 00	375.00	375,00	375.00	375.00	375.00	375.00	375 00
	6440	6440 - Donations		300.00	300 00 270 18	300 00 270 18	300.00 270.18	300 00 270.18	300 00 270 18	300.00 270.18	300.00 270.18	300.00 270.18	300,00 270.18	300 00 270 18	300 00 270 18	300.00 270.18	300 00 270 18	300 00 270 18
	6450 6455	6450 - Meals & Entertainment 6455 - Travel		270 18 1,845 77	2,845,77	1,845.77	1,845.77	2,845,77	1,845 77	1,845.77	2,845,77	1,845 77	1,845.77	2,845,77	1,845 77	1,845.77	2,845,77	1,845.77
	6480 6495	6480 - Bad Debt Expense 6495 - Other Expense		42 51 735 72	42 51 735 72	42.51 735.72	42.51 735.72	42,51 735,72	42 51 735 72	42.51 735.72	42.51 735.72	42.51 735.72	42.51 735.72	42,51 735,72	42 51 735 72	42 51 735 72	42.51 735.72	42.51 735.72
											0.00	0.00					0.00	0.00
	6505															0.00		
	6510	6SOS - Accounting Fees 6S10 - Legal Fees		0.00	0.00	0 00	0.00	0 00	0 00	0.00	0 00	0 00	0.00	0 00	0 00	0.00	0.00	0.00
	6510 6515																	0 00 0 00
	6515 6615	6510 - Legal Fees 6515 - Consultants - Other 6615 - Insurance - General Liability		0 00 0 00 1,304 09	0.00 0.00 1,304.09	0.00 0.00 1,304.09	0.00 0.00 1,304.09	0 00 0 00 1,304.09	0 00 0 00 1,304 09	0.00 0.00 1,304.09	0 00 0 00 1,304 09	0.00 0.00 1,304.09	0.00 0.00 1,304.09	0.00 0.00	0 00 0 00 1,304 09	0.00 0.00 1,304.09	0.00 0.00 1,304.09	1,304 09
	6515	6510 - Legal Fees 6515 - Consultants - Other		0.00	0.00	0 00 0 00	0.00	0 00	0.00	0.00	0 00 0 00	0 00	0.00	0 00	0.00	0.00	0.00	0.00
	6515 6615 6620 6805	6510 - Legal Fees 6515 - Consultants - Other 6615 - Insurance - General Liability 6520 - Insurance - Cyber Liability		0.00 0.00 1,304.09 124.06 80.00	0.00 0.00 1,304.09 124.06 80.00	0 00 0 00 1,304 09 124 06	0.00 0.00 1,304.09 124.06	0 00 0 00 1,304.09 124.06	0.00 0.00 1,304.09 124.06	0.00 0.00 1,304.09 124.06 80.00	0 00 0 00 1,304 09 124 06 80 00	0.00 0.00 1,304.09 124.06 80.00	0.00 0.00 1,304.09 124.06 80.00	0.00 0.00 1,304.09 124.06 80.00	0.00 0.00 1,304.09 124.06 B0.00	0.00 0.00 1,304.09 124.06	0,00 0,00 1,304,09 124,06	0.00 1,304.09 124.06
	6515 6615 6620	6510 - Legal Fees 6515 - Consultants - Other 6615 - Insurance - General Liability 6620 - Insurance - Cyber Liability		0 00 0 00 1,304 09 124 06	0.00 0.00 1,304.09 124.06	0 00 0 00 1,304 09 124 06	0.00 0.00 1,304.09 124.06	0 00 0 00 1,304.09 124.06	0 00 0 00 1,304 09 124 06	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,24 09 124 06 80 00 1,191 29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06	0 00 1,304 09 124 06 80 60 1,191 29
	6515 6615 6620 6805	6510 - Legal Fees 6515 - Consultants - Other 6615 - Insurance - General Liability 6520 - Insurance - Cyber Liability		0.00 0.00 1,304.09 124.06 80.00	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,304 09 124 06	0.00 0.00 1,304.09 124.06	0 00 0 00 1,304.09 124.06	0.00 0.00 1,304.09 124.06	0.00 0.00 1,304.09 124.06 80.00	0 00 0 00 1,304 09 124 06 80 00	0.00 0.00 1,304.09 124.06 80.00	0.00 0.00 1,304.09 124.06 80.00	0.00 0.00 1,304.09 124.06 80.00	0.00 0.00 1,304.09 124.06 B0.00	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0,00 0,00 1,304,09 124,06	0.00 1,304.09 124.06
	6515 6615 6620 6805	6510 - Legal Fees 6515 - Consultants - Other 6615 - Insurance - General Liability 6620 - Insurance - Cyber Liability 6805 - Bank Fees & Interest 6810 - Credit Card Fees		0 00 0 00 1,304.09 124.06 80 00 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0.00 0.00 1,304.09 124.06 10.00 1,191.29	0 00 0 00 1,304.09 124.06 80.00 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,24 09 124 06 80 00 1,191 29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06	0 00 1,304 09 124 06 80 60 1,191 29
	6515 6615 6620 6805 6810	6510 - Legal Fees 6515 - Consultants - Other 6515 - Insurance - General Liability 6520 - Insurance - Cyber Liability 6805 - Bank Fees & Interest 6810 - Credit Card Fees Total SG&A EBITDA		0 00 0 00 1,304.09 124.06 80 00 1,191.29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,304.09 124.06 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0,00 0,00 1,304,09 124,06 80,00 1,191,29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304 09 124 06 80.00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0,00 0,00 1,304,09 124,06 20,000 1,191,29 167,820,31	0 00 1,304 09 124 06 80 60 1,191 29 173,954 03
	6515 6615 6620 6805	6510 - Legal Fees 6515 - Consultants - Other 6615 - Insurance - General Liability 6520 - Insurance - Cyber Liability 6805 - Bank Fees & Interest 6810 - Credit Card Fees		0 00 0 00 1,304.09 124.06 80 00 1,191.29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,304.09 124.06 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0,00 0,00 1,304,09 124,06 80,00 1,191,29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304 09 124 06 80.00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0,00 0,00 1,304,09 124,06 20,000 1,191,29 167,820,31	0 00 1,304 09 124 06 80 60 1,191 29 173,954 03
	6515 6615 6620 6805 6810	6510 - Legal Fees 6515 - Consultants - Other 6515 - Insurance - General Liability 6505 - Bank Fees & Interest 6810 - Credit Card Fees Total SG&A EBITDA 8130 - Enchange Gain/Loss		0 00 0 00 1,304.09 124.06 80 00 1,191.29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0 00 0 00 1,304 09 124 06 80 00 1,191 29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0 00 0 00 1,304.09 124.06 1,191.29	0.00 0.00 1,304.09 124.06 80.00 1,191.29	0,00 0,00 1,304,09 124,06 80,00 1,191,29	0 00 0 00 1,304 09 124 06 80 00 1,191 29 156,435 25 (8,364 25)	0.00 0.00 1,304 09 124 06 80.00 1,191 29 155,435 25	0.00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25 (5,070.25)	0.00 0.00 1,304 09 124 06 80 00 1,191 29 156,435 25 2,610 69	0.00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25 {7,910.01}	0.00 0.00 1,304.09 124.06 30.00 1,191.29 160,713.21 (18,778.97)	0,00 0,00 1,304,09 124,06 1,191,29 167,820,31 (24,477,76)	1,304 09 124 06 20 00 1,191 29 173,954 03 (27,643.17)
	6515 6615 6620 6805 6810	6510 - Legal Fees 6515 - Consultants - Other 6515 - Insurance - General Liability 6505 - Bank Fees & Interest 6510 - Credit Card Fees Total SG&A EBITOA B130 - Exchange Gain/Loss 8110 - Other income 8205 - Interest Expense 8205 - Interest Expense 8215 - Interest Expense	nw.	0 00 0 00 1,304.09 124.06 80.00 1,191.29 138,598.27 (2,713.34)	0.00 0.00 1,304 09 124 06 80 00 1,191.29 139,598 27 (2,159 33)	0.00 0.00 1,304.09 174.05 80.00 1,191.29 138,598.27 1,715.42	0,00 0,00 1,304,09 124,06 80,00 1,191,29 138,598,27 4,672,67	0 00 0 00 1,304.09 124.06 80.00 1,191.29 151,657.37 (8,871.42)	0.00 0.00 1,304.09 124.06 10.00 1,191.29 150,657.37 (416.01)	0.00 0.00 1.304.09 124.06 80.00 1,191.29 155,435.25 (3,186.59)	0 00 0 00 1,304 09 124 06 80 00 1,191 29 156,435 25 (8,364.25)	0.00 0.00 1,304 09 124.06 80.00 1,191 29 155,435.25 319 43	0.00 0.00 1,304,09 124,06 80.00 1,191.29 155,435.25 (5,070.25)	0.00 0.00 1,304 09 124 06 80.00 1,191 29 156,435 25 2,610 69	0 00 0 00 1,304 09 124 06 80 00 1,191 29 155,435 25 {7,910 01}	0.00 0.00 1,304.09 124.06 30.00 1,191.29 160,713.21 (18,778.97)	0.00 0.00 1,304.09 124.06 20.00 1,191.29 167,820.31 (24,477,76)	1,304 09 124 06 80 00 1,191 29 173,954 03 (27,643,17)
	6515 6615 6620 6805 6810	6510 - Legal Fees 6515 - Consultants - Other 6515 - Insurance - General Liability 6500 - Insurance - Cyber Liability 6505 - Bank Fees & Interest 6510 - Credit Card Fees Total SG&A EBITDA 8130 - Eschange Gain/Loss 8110 - Other Income 8205 - Interest Expense 8215 - Interest Expense	ifw Kini Duk	0.00 0.00 1,304.09 124.06 80.00 1,191.29 138,598.27 (2,713.34)	0.00 0.00 1,304.09 124.06 80.00 1,191.29 139,598.27 (2,159.33)	1,304.09 124.06 80.00 1,191.29 138,598.27 1,715.42	0.00 0.00 1,304.09 124.06 60.00 1,191.29 4,672.67	0 00 0 000 1,304.09 124.06 80.00 1,191.29 151,657.37 (8,871.42)	0.00 0.00 1,304.09 124.06 80.00 1,191.29 150,657.37 (416.01)	0.00 0.00 1.304.09 124.06 80.00 1,191.29 155,435.25 (3,186.59)	0 00 0 00 1,304 09 124 06 80 00 1,191 29 156,435 25 (8,364,75)	0.00 0.00 1.304 09 124.06 80.00 1,191 29 155,435 25 319.43	0.00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25 (5,070.25)	0 00 0 00 1,304 09 124 06 80 00 1,191 29 156,435 25 2,610 69	0.00 0.00 1.304 09 124 06 80 00 1,191 29 155,435 25 (7,910 01)	0.00 0.00 1,304.09 124.06 80.00 1,191.29 (18,778.97) 11,225.44 954.86 1,472.50	0.00 0.00 1,304.09 124.06 20.00 1,191.29 167.820.31 (24,477.76)	1,304 09 124 06 1,191 29 173,954 03 (27,643.17) 11,115 52 910 10 1,446 39
	6515 6615 6620 6805 6810	6510 - Legal Fees 6515 - Consultants - Other 6515 - Consultants - Other 6515 - Insurance - General Liability 6520 - Insurance - Cyber Liability 6520 - Insurance - Cyber Liability 6520 - Bank Fees & Interest 6510 - Credit Card Fees 7 Total 568.A EBITOA 8130 - Eachange Gain/Loss 8110 - Other Interest Expense 8215 - Interest Expense (Leases)	1014	0 00 0 00 000 1,304.09 124.06 80.00 1,191.29 (2,713.34)	0.00 0.00 1,304 09 124 06 80 00 1,191.29 139,598 27 (2,159.33)	1,304.09 124.05 1,191.29 138,598.27 1,715.42	1,304.09 124.06 1,191.29 138,598.27 4,672.67	0 00 0 00 000 1,304.09 124.06 124.06 1,191.29 151,657.37 (8,871.42)	0.00 0.00 1,304.09 124.06 80.00 1,191.29 150,657.37 (416.01)	0.00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25 (3,186.59)	0 00 0 00 1,304.09 124.06 80 00 1,191.29 156,435.25 (8,364.25)	0.00 0.00 1,304 09 124.06 80.00 1,191 29 155,435 25 319.43	0 00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25 (5,070.25)	0 00 0 00 1,304 09 124 06 80 00 1,191 29 155,435 25 2,610 69	0.00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25 {7,910.01}	1,304.09 124.06 20 1,191.29 160,713.21 (18,778.97)	1,304.09 124.06 1,191.29 167.820.31 (24,477,76)	1,304 09 124 06 20 00 1,191 29 173,954 03 (27,643.17)
	6515 6615 6620 6805 6810	6510 - Legal Fees 6515 - Consultants - Other 6515 - Isonsultants - Other 6515 - Insurance - General Liability 6520 - Insurance - Cyber Liability 65215 - Interest Expense (Leases) 6215 - Interest Expense (Leases)	DIA DIA	0 00 0 00 0 00 1,304 09 124 06 80 00 1,191 29 (2,713 34) 11,849 49 1,208 96 1,520.77 1,099 13	0.00 0.00 1,304 09 124 06 80 00 1,191.29 139,598 27 (2,159 33)	1,304.09 124.06 80.00 1,191.29 138,598.27 1,715.42	0.00 0.00 1,304.09 124.06 60.00 1,191.29 4,672.67	0 00 0 000 1,304.09 124.06 80.00 1,191.29 151,657.37 (8,871.42)	0.00 0.00 1,304.09 124.06 80.00 1,191.29 150,657.37 (416.01)	0.00 0.00 1.304.09 124.06 80.00 1,191.29 155,435.25 (3,186.59)	0 00 0 00 1,304 09 124 06 80 00 1,191 29 156,435 25 (8,364,75)	0.00 0.00 1.304 09 124.06 80.00 1,191 29 155,435 25 319.43	0.00 0.00 1,304.09 124.06 80.00 1,191.29 155,435.25 (5,070.25)	0 00 0 00 1,304 09 124 06 80 00 1,191 29 156,435 25 2,610 69	0.00 0.00 1.304 09 124 06 80 00 1,191 29 155,435 25 (7,910 01)	0.00 0.00 1,304.09 124.06 88.00 1,191.29 160,713.21 (18,778.97) 11,225.44 954.86 1,472.50 1,099.13	0.00 0.00 1,304.09 124.06 20.00 1,191.29 167.820.31 (24,477.76)	1,304 09 124 06 1,191 29 173,954 03 (27,643.17) 11,115 52 910 10 1,446 39



8405	8405 - Depreciation 8450 - Depreciation (Leases) 8450 - Depreciation (Leases) 8450 - Depreciation (Leases) 8450 - Depreciation (Leases)	upiq velth NNA	1,503 61 9,947.58 2,630.10 1,945.71 2,614 62	1,503.61 9,947.58 2,630.10 1,946.71 2,614.62	1,503.61 9,947.58 2,630.10 1,546.71 2,614.62	1,503.61 9,947.58 2,630.10 1,946.71 2,614.62	1,503 51 9,947 58 2,630 10 1,946 71 2,614 62	1,503 61 9,947.58 2,630.10 1,946.71 2,614 62	1,503.61 9,947.58 2,630.10 1,946.71 2,614.62	1,503.61 9,947.58 2,630.10 1,946.71 2,614.62	1,503,61 9,947,58 2,630.10 1,946,71 2,614.62	1,503 61 9,947 58 2,630.10 1,946.71 2,614 62	1,503.61 9,947.58 7,630.10 1,946.71 2,614.62	1,503.61 9,047.58 2,630.10 1,946.71 2,614.62	1,503 61 9,947.58 2,630.10 1,946.71 2,614.62	1,503.61 9,947.58 7,630.10 1,946.71 2,614.62	1,503 61 9,947.58 2,630 10 1,946 71 2,614 62
8450	8450 - Depreciation (Leases)		17,139 01	17,139.01	17,139.01	17,139,01	17,139 01	17,139 01	17,139 01	17,139.01	17,139.01	17,139 01	17,139.01	17,139.01	17,139.01	17,139 01	17,139 01
	Total Other Expenses		34,420 97	34,339 12	34,256.62	34,173.46	34,089.64	34,005.15	33,919.99	33,834,14	33,747.61	33,660 40	33,572.48	33,483 87	33,394.55	33,304.51	33,213.76
	NET INCOME		(37,134.31)	(36,498.46)	(32,541 20)	(29,500.79)	(42,961 06)	(34,421,16)	(37,106.57)	(42,198.39)	(33,420.18)	(38,730 65)	(30,961.79)	(41,393. 88)	(52,173 52)	(57,782.27)	(60,856.93)



VLDOKUP - Data Check ->	Forecast			4	5	6	2		9	10	110	12	13	14	15	16	17	18
MINEROTO				2022 - Q1	2022 - Q1	2022 - Q1	2022 - Q2	2022 - Q2	2022 - Q2	2022 - Q3	2022 - Q3	2022 - Q1	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - Q1
				Forecast	Forecast	Forecast	Forecast	Forecast	2022 Forecast	Forecast	Forecast	forecast	Forecast	Forecast Nov 2022	Forecast Dec 2022	Jan 2023	Forecatt Feb 2023	Feregus Mar 2023
Products				Jan 2022	Feb 2022	Mar 2022	Apr 2022 8,277.34	May 2022 11,781_51	June 2022 13,450,74	July 2022 43,954,46	Aug 2022 52,852,18	5ep 2022 78,818 25	Oct 2022 104,976 98	108,512.08	113,442.93	180 5053	CEN YORK	mar 2023
	ld @23%		23%	0	0	8,277,34 7,615 8,277	7,615 8,277	10,839	12,159	33,955 43,964	40,703 52,852	60,130 78,818	78,622 104,977	81,357 108,512	85,172 113,443			
New 3	agreemen	Incremental revenue Total 2022 Incremental reve	nue	126,186	٥	662	662	943	1,292	10,009	12,149	18,648	26,355	27,155	28,271			
PHC Annual LP																		
CannTrust																		
Monthly Net		RS Education Grant																
Up to 50K			3%		lower, oil, vape,	pre-roll, acesso 26%	xies											
- opto		1	4% 5% 6%		75,000 75,000	30%												
- ONE-				erage @ current	and new patient	s (RS+DP), EG	only applies to	RS			Note: 75k at H2	= Current and r	new patients					
Current						N. E	243	He J		4.00	3.0%	5.0%	7.5%	7.5%	7.5%	7,5%	7.5%	7.5%
dg P	Products RS	Sales from Calegory 58%	20%	0.0%	0.00	0 00	0 00	0.00	0.0%	42,050 00 9,062 50	50,460 00 10,875 00	84,100 00 18,125 00	126,150 00 27,187.50	126,150 00 27,187.50	126,150 00	126,150 00 27,187 50		
Flower, oil, vap	DP pe, pre-roll,	1% 40%	250% 12%	0.00	0.00	0.00	0.00	0.00	0.00	17,400 00	20,880 00	34,800 00	52,200 00	52,200 00	52,200 00	52,200 00	52,200 00	52,200 00
	Revenue PHC Split	(overage booked here)		0.00	0.00	0.00	0.00	0 00	0.00	68,512 50 22,623 63	82,215.00 27,148.35	137,025 00 45,247 25	205,537.50 67,870.88	205,537,50 67,870,88	205,537 50 67,870 88	205,537.50 67,870.88	205,537.50 67,870.88	205,537.50 67,870.88
	Ok overage			no	na	no	100	no	na	na	no	no	no	no	no	no	по	no
															447	2	95	<u>2</u> 2
			New Patients Cumulative Patients			0	0	0	306 306	400 706	1174	468 1642	580 2222	2802	3611	3611	3611	3611
New Patients			Panels.			Ž.	150	37	1000									
N FE F	Products RS	Annual Spend 300	Conversion 23%	0.00	0.00	0.00	0.00	0.00	1,759 50	4,059.50	6,750 50	9,441.50	12,776 50	16,111 50	20,763 25	20,763.25	20,763.25	20,763 25 9.027 50
Flower, oil, vap	DP pe, pre-rall,	300 300	10% 20%	0 00	0 00	0.00	0.00	0.00	765.00 1,530.00	1,765.00 3,530.00	2,935 00 5,870 00	4,105.00 8,210.00	5,555 00 11,110 00	7,005 00 14,010 00	9,027 50 18,055 00	9,027 50 18,055 00	9,027.50 18,055.00	18,055 00
	Revenue			0 00	0.00	0.00	0.00	0.00	4,054.50 1,248.48	9,354 50 2,961 67	15,555 50 4,924 93	21,756,50 6,888,19	29,441 50 9,321 29	37,126 50 11,754 39		47,845.75 15,148.15	47,845.75 15,148.15	
AVON	PHC Split			0.00	0.00		0.00	0,00	2,2 12 12	4,		Conntrust	150,878.95					
Current Patients																		
	Products	Sales from Category	Caryersan			1.0%	1.0%	2.0%	2.0% 14,016 67	2.0% 14,016.67	2.0% 14,016 67	3.0% 21,025.00	3 0% 21,025 00	3.0% 21,025 00	3.0% 21,025.00	3.0% 21,025 00	3.0% 21,025 00	3.0% 21.025.00
	icro Drops	58%	S% Conversion S%	0.00	0.00	7,008 33 1.0% 7,008 33	7,008 33 1.0% 7,008 33	14,016 67 2,0% 14,016 67	2.0% 14,016.67	2.0%	2.0%	3 0%	3.0% 21.025 00	3.0% 21,025.00	3 0% 21,025 00	3.0%	3.0% 21,025 00	3.0% 21,025.00
	:k Dose Cap: SL Spray	58%	Conversion 1%	0.00	0.00	1.0%	1.0% 7,008 33	1.0%	1.0% 7,008 33	1.0% 7,008.33	1 0% 7,008 33	1.0% 7,008.33	1.0% 7,008 33	1.0% 7,008 33	1.0% 7,008 33	7,008.33	1.0% 7,008.33	1.0% 7,008 33
	Topicals	1%	300%	0.00	0.00	100 8% 12,083 33	100.0% 12,083.33	100.0% 12,083.33	100.0% 12,083.33	100.0% 12,083.33	150.0% 18,125.00	200.0% 24,166 67	200.0% 24,166 67	200.0% 24,166.67	200.0% 24,166.67	200.0% 24,166 67	200 0% 24,166 67	200.0%
	Revenue			0.00	0.00	33,109 35	33,109.35	47,126 03	47,126 03	47,126 03	53,168 20	73,227.04	73,227.04	73,227.04	73,227.04 18,306.76	73,227 04 18,306 76	73,227.04 18,306.76	73,227 04 18,306 76
F	PHC Split		25%	0.00	0.00	8,277.34	8,277,34	11,781 51	11,781 51	11,781 51	13,292 05	18,306.76	18,306,76	18,306.76	18,300.76	18,300 70		
			New Patients Cumulative	0	0	0	0	0	306 306	400 706	468 1174	468 1642	580 2222	580 2802	#09 3611	3611	3611	3611
New Patients			Patients		0	ū			300	700	11/4			2000				
	Products icro Drops	Annual Spread 300	Conversion 6%	0.00	0.00	0.00	0.00	0.00	459 00	1,059 00	1,761.00	2,463 00	3,333.00	4,203.00	5,416 50	5,416.50	5,416 50	5,416.50
	k Dose Cap SL Spray	300	12% 1%	0.00 0.00	0 00	0.00	0.00	0.00	918.00 76.50	2,118 00 176 50	3,527 00 293 50	4,926 00 410.50	6,666 00 555 50	8,406 00 700 50	10,833 00 902.75	10,833 00 902 75 2,708 25	10,833 00 902.75 2,708 25	10,833 00 902.75 2,708 25
	Topicals	300	3%	0.00	0.00	0.00	0.00	0.00	1,683 00	\$29 S0 3,883 00	880 50 6,457.00	1,231.50 9,031.00	1,666 50	2,101 50 15,411 00	2,708 25	19.860.50		
	PHC Split		25%	0.00	0.00	0.00	0.00	0.00	420,75	970.75	1,614.25	2,257.75	3,055.25		4,965,13	4,965 13	4,965 13	4,965 13
<u>PILL</u> ≅ ₹												Avicanna	155,554.91					
Current	Products	Sales from Category			-			0%	0%	1%	196	1%	1%	14	1%	1%	1%	1%
	IR	58%	1% Coverson	0%	0.00	0.00	094 0.00	0.00	0.00	7,008 33	7,008.33	7,008 33 1%	7,008 33 1%		7,008.33 1%	7,008 33 1%	7,008 33 1%	7,008 33 1%
	ODT	58%	1%	0.00	0.00	0.00	0.00	0.00	0.00	7,008 33 1%	7,008 33 1%	7,008 33 1%	7,008 33 1%	1%	7,008 33 1%	7,008 33 1%	7,008 33 1%	7,008 33 1%
	XR	58%	5%	0.00	0.00	0.00	0.00	0.00	0.00	3,504.17	3,504 17	3,504 17	3,504.17	3,504,17	3,504.17	3,504 17	3,504 17	3,504 17 17,520 85
	Revenue PHC Split		30%	0 00	9.00	0.00	0.00	0.00	0 00	17,520 85 5,256 25	17,520 BS 5,256 25	17,520 85 5,256 25	17,S20 85 5,256 25		17,520 85 5,256 25	17,520 B5 5,256 25	17,520 BS 5,256 25	5,256 25
			New Fallents		٥	0	0		306	400	468	468	580	580	809	0	0	0
_			Cumulative Patients	0	0	0	0	a	306	706	1174	1642	2222	2802	3611	3611	3611	3611
New Patients	Products	AnnuilSpend	Constant															
	IR ODT	300 300	3,00% 3,00%	0.00	0.00	0.00	0.00	0.00	0 00	529 50 529 50	880 50 880 50	1,231 50 1,231 50	1,666 50 1,666 50	2,101.50	2,708 25 2,708 25		2,708.25	2,708 25
	XR	300	1.00%	0.00	0.00	0.00	0.00	0.00	0.00	176.50	293 50	410 50	555 50 3,888 50	700.50 4,903.50	902,75	902 75 6,319 25	902.75 6,319.25	902.75 6,319.25
	Revenue PHC Split		30%	0.00	0.00	0.00	0.00	0.00	0.00	1,235 50 370 65	2,054 50 616 35	2,873 50 862 05	1,166.55		1,895.78	1,895 78	1,895 78	1,895.78
		Total Product Revenue		0.00	0.00	8,277.34	8,277.34	11,781.51	13,450.74	43,964.46	52,852 18	78,818 25	104,976 98	108,512.08	113,442 93	113,442 93	113,442,93	113,442.93
												Carretab	37,920					
										222	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	4030	4030 - Revenue - Cannabis P	roduct Sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
		Total Revenue		0.00	0,00	3.00	- Angel	0,00	0.00	0.00	0.00	0.00			-,50	(2.7		



	Total COGS		0.00	0.00	0.00	0,00	0.00	0.00	0.00	0 00	0.00	0,00	0.00	0.00	0.00	0.00	0.0
	Gross Margin	-	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0 00	0,00	0 00	0.00	0.00	0.00	0.0
6050	6050 - Manufacturing Scale-Up	Product Co	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.0
6055	6055 - Process Validation	President Co.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
606D	6060 - Stability	Product Co.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0
6065		Product Co	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0
6070	6070 - Third Party Testing	Product Go	0 00	0.00	0.00	0,00	0.00	0.00	0 00	0 00	0.00	0,00	0.00	0.00	0 00	0,00	0.
6075	6075 - Development - Call Center	Pulatile						3,000.00	19,750.00	22,750.00	22,750.00	22,750.00	22,750.00	22,750.00	4,000.00	4,000.00	4,000.0
6105	6105 - Advertising			15,000.00			35,750.00	35,809.03	38,309.03	58,312.36	29,703.33	29,703,33	16,370.00	16,370.00	30,416.67	30,416.67	30,416.
6130	6130 - Printed Materials																
6135	6135 - Website																
6205	6205 - Rent		924.54	924.54	924,54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924.54	924
6220	6220 - Telephone & Internet	tionscrip	100.00	100.00	100,00	100.00	100,00	100,00	100.00	100.00	100.00	100.00	100.00	100.00	100,00	100.00	100.
6305	6305 - Wages - Sales	Windows					- 1	0.00	0.00	0.00	0.00	0.50	0.00	0.00	5,500.00	5,500.00	5300
6320		Francis Co.	13,750.00	13,750 00	13,750.00	13,750.00	13,750 00	13,750 00	13,750 00	13,750.00	13,750 00	13,750.00	13,750 00	13,750 00	14,025.00	14,025.00	14,025
6325	6325 - Wages - Admin	Printed Co.	3,600.00	8,233 33	8,233 33	8,233.33	0.00	0.00	0.00	0.00	0.00	0.00	8,398.00	8,398.00	8,398 00	8,398 00	8,398
6350	6350 - CPP	Product Co	945 58	1,198 10	1,198 10	1,198.10	168 93	448.72	448.72	448.72	448.72	448.72	448.72	448 72	1,222 05	1,222 05	1,222
6355	6355 - EI	Produit Ox	383.78	486 27	486 27	486 27	117.24	182 12	182 12	182 12	182 12	182 12	182.12	182 12	495 55	495 55	495
6375	6375 - Bénefits		952.72	952,72	952,72	952,72	952.72	952.72	952,72	952.72	1,502.72	2,052.72	2,052.72	2,052.72	2,290,90	2,290.90	2,290
6395	6395 - Bonus	Arphist Ce	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0 00	0.00	0.00	0.00	0
6405	CARE Office Comment	Selection Co.	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500
			500.00	500,00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500
6420	6420 - IT/Software	tales but to	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,962.00	0.00	0.00	0.00	0.00	3,308,00	0.00	0
6435	6435 - Ucences & Fees	Sentito	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0
6455	6455 - Travel - Admin		0.00	0.00	0.00	0.00	0.00	0.00	250 00	250 00	250.00	250.00	250.00	250.00	250 00	250.00	250
6505 6510	6505 - Accounting Fees 6510 - Legal Fees								230 00	5,000.00		454,45					
	6515 - Consultants - Other								i	5,000.00	100						
	6515 - Consultants - Other									10,000.00	10,000.00	10,000.00					
6515	6515 - Consultants - Other		0.00	0 00	0.00	0.60	Δ 00	0 00	0 00	15,000.00	10,000 00	10,000 00	0.00	0.00	0.00	0.00	٥
	Total SG&A		21,656 62	41,644 96	26,644.96	26,644 96	52,763 43	56,167.13	75,667 13	123,632 46	80,611 43	81,161 43	66,226 10	66,226 10	72,930,70	69,622 70	69,622
	ЕВПОА		(21,656 62)	(41,644 96)	(26,644.96)	(26,644 96)	(52,763 43)	(56,167 13)	(75,667.13)	(123,632.46)	(80,611 43)	(81,161 43)	(66,226 10)	(66,226 10)	(72,930.70)	(69,622.70)	(69,622.
	Calculation Annual regulatory fee rate	2.30%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	



			CLE	CL Name	140-22	feb-12	Mar-22	Apr 22	May 22	Jun 22	3452	2 Aug	22	Sep-22	Dct-22	Nov-22	Dec-22	110.5	3 Feb	23	Mar-2
	New Client Registrations Lapsing and Issuedre out Estimate all expire @ 6 months! Renormal Active Registrations Not alpained with standard in month RATIO Orders per patient per month COLINT Orders Average sinker amount Sales Culimate	50% 30% 1.3 5 MT20			9081						30 1.3 5 8	1.	97 5	30% 1.20 97 5			30% 1.20 5 97	100 30 1.21 34 5 9 5 3,49	% 3 1 1.:	00 0% 10 10	
	St all interactions by phone (count of orders) Registration process minutes per client by phone Registration process minutes per client by phone Registration process minutes per client of phone Remeal process minutes per client by phone Remeal process minutes per client de certool: Order process minutes per phone corder Order process minutes per phone corder Order process minutes per confine arrier The process minutes per confine arrier CRF Till band on time available by CSR	50% 10 2 3 3 10 2 8,400										S	0%	0%	en.	0%		16 15 18 3 86	0 100 0 30 0 5 6 1,9	00 40 38	1,080 216 3,246
	Net Sales to Patients Shipping Revenue (Tax collection) * impacts merchant and order fees and wariable by Province	1 -	4030								5 -	\$ ·		- 3 - 3	-	\$ 1	\$.	5 .	\$ 10.4 \$ 4 \$ 1,3	\$	
luct Costs	Product 838 Price 3Pt Fees (Mera for example)	SON									5 -	5 .	5	10 S	8 19	5 . :-	s ⊛	\$ 1,74	6 \$ 5,2	SB \$:	10,476
	Storage Pick and Pack per order Shipping Cost per order	\$ 2.06									5 .	5 .		. 5			\$ \$		6 \$ 1,3		
	subtotal											4: 1	5		.7	\$		\$ 2,27	4 \$ 6,B	22 \$:	13,64
	Balance	350	4030	4030 - Resenue - Cannabis Pro	1						-11							4			
Australie Variable Cope Variable Cope Variable	Rent Bask Fees Merchan par Transaction Fees Development - Call Centre, E-Commerce * anmonthe? Telephone Internet and Sasks and computers Office Expenses Licensing fee Finance Accounting Coosyllatival, ** ammonthe?		6205 6805 6805 6200 6420 6435 6510 6935 6505	6205 - Bank Fees & Interest 6810 - Orelit Card Fees 6220 - Telephone & Interest 6420 - If/Software 6425 - Office Superass 6435 - Licentra & Fees 6310 - Legal Fees 6315 - Card Comunity Fees 6305 - Card Comunity Fees 6305 - Card Consulting Fees 6305 - Card Consulting Fees 6305 - Card Consulting Fees 6305 - Card Consulting Fees	\$ 4,307	\$ 925 \$ 4,000 \$ 30,000 \$ 3,000 \$ 5,000 \$ 15,000		\$ 250	\$ 925 \$ 250 \$ 25,000	\$ 250	\$ 25 \$. \$ 4,00 \$ 10 \$ 50	0 \$ 2 0 \$ 4,0 0 \$ 1 0 \$ 5 0 \$ 5	00 \$ 00 \$ 00 \$	925 \$ 250 \$ - \$ 4,000 \$ 100 \$ 500 \$ 500 \$	250 - 4 000 100 500 500	\$ 250 \$ - \$ 4,000 \$ 100		\$ 25 \$ 9 \$ 4,00 \$ 10 \$ 50 \$ 50	0 \$ 2 9 \$ 2 0 \$ 40 0 \$ 1	96 \$ 00 \$ 00 \$ 00 \$	\$92 4,000 100 500 500
Variation	RP + HQS		6320 - 632		,	, 13,000					- Control			13	4-	5 Histor	5 10,000	(c) to a	· Alta	TO	pus
Payrid	ARP + AHCS' CSR count CSR 5 (based on estimated time utilization row 22)	\$ 79,000	6305								s -	\$ -		2	V-00	1 5200	5 500	1.0 \$ 5,00			5,00
	Subtotal						\$ 31,175														
	Rent				-5 25,212	3 6430	4 11,175 Mar-22 925	Apr-22 925	May-22 925	Jun-22 925	Jul-22 92	Аиg-2 5 9	2 5 2S	iep-22 925	Oct-22 925	Nov-22 925	138,000 Dec-22 925		4 -5 19.9	<u>и s</u> :	3,46
	Variable Payrall Capx						30,000 31,175	250 25,000 26,175	250 25.000 26.175	4,000 5,175	4,00	0 4,0	00	1,600 - 4,000 6,525	1,600 5,000 4,000 11,525	1,600 5,000 4,000 11,525	1,600 5,000 4,000 11,525				

4 5 6 7 8 9 10 11 12 13 14 15 16 17 11

2022 - Q1	2022 - Q1	2022 - Q1	2022 - Q2	2022 - Q2	2022 - 02	2022 - Q1	2022 - Q3	2022 - Q3	2022 - Q4	2022 - Q4	2022 - Q4	2023 - Q1	2023 - Q1	2023 - Q1
Forecast		Forecast			2022 Forecast	Forecast	Forecast			Forecast		Consess	Facecast	Ference
Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023

2022 2023 **893,485** .

		2022 893,485 . 2023 902,000															
	Number of astients driven by a % of reginal cogulation Cannabis Patients (#) Provincial Health Care Patients (#) - Cannabis - Virtual Provincial Health Care Patients (#) - Cannabis - In-Person Provincial Health Care Patients (#) - Family Practice Provincial Health Care Patients (#) - Addiction Provincial Health Care Patients (#) - Mental Health Provincial Health Care Patients (#) - Mental Health Provincial Health Care Patients (#) - Specialty (Pain) Fluorescopy Patients #		0.0009% 0.0009% 0.0009% 0.0009% 0.0009%	0.0000% 0.0000% 0.0000% 0.0000% 0.0000%	0.0000% 0.0000% 0.0000% 0.0000% 0.0000%	0.0000% 0.0000% 0.0000% 0.0000% 0.0000%	0 0000% 0 0000% 0 0000% 0 0000% 0 0000%	0.0000% 0.0000% 0.0000% 0.0000% 0.0000%	0.0000% 0.0000% 0.0000% 0.0000% 0.0000% 0.0000%	0.0000% 0.0000% 0.0000% 0.0000% 0.0000%	0.0020% 0.0000% 0.0000% 0.0000% 0.0000% 0.0003%	0,0033% 0.0000% 0.0000% 0,0000% 0,0005% 0,0008%	0.0033% 0.000% 0.000% 0.000% 0.000% 0.008%	0.0065% 0.0000% 0.0000% 0.0000% 0.0011% 0.0018%	0 0065% 0 0000% 0 0000% 0 0000% 0 0014% 0 0023%	0.0065% 0.0000% 0.0000% 0.0000% 0.0017% 0.0028% 0.0000%	0.0090% 0.0000% 0.0000% 0.0000% 0.0020% 0.0033% 0.0010%
	Clinic Model																
To discours	Revenue Calculations Cannabis Patients (#) – new patients from Manitoba Monthly Re-Ordering Monthly Patient Ordering	6% 45% 85%	0	0	0	0	0	0	0	0	0	0	0	0	58	58	80
	Core Patients Cannabis Patients - LP Ordering (#) Cannabis Patients - LP Revenue	30.00	0 0 0 00	0 0 0,00	0 0 0.00	0 0 0.00	0 0 0 00	0.00	0 0 0,00	0 0 0.00	0 0 0,00	0 0 0 00	0 0 0 0	0 0.00	0 49 1,477,64	3 51 1,524,57	7 71 2,139 83
	Cannabis LP Revenue transferred from Pathway Virtual					27,002.27						-					
	Total LP Revenue		25,444.85	25,953 74	26,472,82	27,002.27	27,542,32	28,093,17	28,655,03	29,228 13	29,812 69	30,408 95	31,017 12	31,637.47	30,267.73	30,314 67	30,929 93
	Provincial Health Care Patients (#) - Cannabis - Virtual Provincial Health Care Patients Revenue (\$37,40)	37.40	0 00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00
	Provincial Health Care Patients (#) - Cannabis - In-Person Provincial Health Care Patients Revenue (\$87,96/pt)	87.96	0 00	0.00	0.00	0.00	0.00	0,00	0,00	0.00	0 00	0 00	0.00	0.00	0.00	0,00	0 00
	Provincial Health Care Patients (#) - Family Practice Provincial Health Care Patients Revenue (\$80/pt)	80 00	0 00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0 00
	Provincial Health Care Patients (#) - Addiction Provincial Health Care Patients Revenue (\$/pt)	125 00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	g 00	0 00	0.00	0.00	0.00
	Provincial Health Care Patients (#) - Mental Health Provincial Health Care Patients Revenue (\$/pt)	125.00	0 00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0 00	21 2,563 02	25 3,120.20	3,677,38
	Provincial Health Care Patients (#) - Specialty (Pain) Provincial Health Care Patients Revenue (\$125/pt)	125 00	0 00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0 00	0 00	0 00	0.00	0.00	0.00	9 1,114.36
	Provincial Health Revenue Consultants MDs	75%	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,563 02 1,922 27	3,120.20 2,340,15	4,791.73 3,593.80
		7575		90%	90%	90%	90%	50%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Sedient	Fluoroscopy N of Specialty (Pain) Fluoroscopy Patients # Fluoroscopy Revenue	1 27	0% 0 0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	8 216 63
5-mm	X-Ray Facility Fee	100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00	802 34
	Conversion Rate on # of Allied Health Services to Compression Compression Unit Sales Compression Revenue (Average \$130/pair) Compression Costs (Average \$55/pair)	130.00 55.00	0 0 00 0 00	0 00 0 00	20 0.00 0.00	30 0 00 0 00	40 0.00 0.00	0 00 0 00	0.00 0.00	0,00 0.00	0.00 0.00	0.00 0.00	0 00 0 00	0 00 0.00	0 00 0 00	70 0.00 0.00	0.00 0.00
	Conversion Rate on # of Allied Health Services to Orthotic Orthotic Unit Sales	0	0	0	20	30	40	50	50	50	60	60	0 00	9.00	70	9.00	80 D.00
	Orthotic Revenue (Average \$400/pair) Orthotic Costs (Average \$100/pair)	400.00 100.00	0 00	0 00	0 00	0 00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0 00	0.00
	Brace Unit Sales Brace Revenue (Average \$200/pair) Brace Costs (Average \$22/pair)	200.00 22.00	0 0 0 0 0	0 0 00 0 00	0 00 0 00	0 00 0 00	0 00 0 00	0,00 0,00	0 00 0 00	0 00 0 00	0.00 0.00	0.00 0.00	0.00 0.00	0 00 0 00	0 00 0 00	0 00 0 00	0.00
	Option 1 Alled Health Services - # of Visits Allied Health Services - Revenue - Average Rate/Visit	100.00	0 00	0.00	0.00	0 00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00
	Allied Health Services - Cost - Average Rate/Visit	60%	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00
	Option 2 Allied Rent (per munth)	500.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Patient #s MDs FTE requirement (1 FTE = 450 patients)	450	0	0	0	0	0	0	0	0	0	0	0	6	78 1	83 1	127 1
ients	Nursing FTE requirement (0.75 FTE per 1 FTE MD) Nursing Wages (\$25/hr x 2080 hrs/yr x 1,2 (benefits)	0.75 62,400	0	0	0	0	0	0	0	0	0	0	0	0	1 5,200	1 5,200	1 5,200
the the sepa cever	Admin FTE requirement (0.20 FTE per 1 FTE MD) Admin wages (\$18/hr x 2080 hrs/yr x 1.2 (benefits)	0.20 44,928	0	0	0	0	0	0	0	0	0	0	0	0	1 3,744	1 3,744	1 3,744
These are standalon based on growth of Manitoba business, from the current LP from Virtual.	Total Cannabis Patient 4s Educator FTE requirements (1 FTE = 300 patients) Educator wages (\$25/hr x 2080 hrs/yr x 1.2 (benefits)	300 62,400	0	0	0 0	0	0	0 0	0	0	0	0	0 0 0	0 0	58 1 5,200	58 1 5,200	80 1 5,200
4005 4105 4115	4005 - Revenue - LPs 4105 - Provinicial Billing - Group 4115 - Revenue - Fluoroscopy		25,444.85 0.00 0.00	25,953.74 0.00 0.00	26,472.82 0.00 0.00	27,002 27 0 00 0 00	27,542 32 0 00 0 00	28,093.17 0.00 0.00	28,655.03 0.00 0.00	29,228 13 0.00 0.00	29.812.69 0.00 0.00	30,408.95 0.00 0.00	31,017,12 0 00 0 00	31,637,47 0 00 0 00	30,267.73 2,563.02 0.00	30,314,67 3,120,20 0,00	30,929,93 4,791,73 1,018 97
4305 4375 4380	4305 - Allied Health 4375 - Revenue - Infusions 4380 - Revenue - Rent		0 00 0 00 3,838 00	0 00 0 0 0 888,6	0 00 0 00 3,838,00	0 00 0 00 3,838 00	0 00 0 00 3,838 00	0 00 0 00 0 888,6	0.00 0.00 0.838,6	0.00 0.00 3,838.00	0.00 0.00 3,836 00	0 00 0 00 3,838 00	0.00 0.00 3,838.00	0 00 0 00 3,838 00	0.00 0.00	0.00 0.00	0 00 0 00 0 00
4455	4455 - Compression		0.00	0.00	0 00	0.00	0 00	0 00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4475	4475 - Orthotic Tatal Revenue		29,282 85	29,791.74	30,310 82	30,840 27											



	5005 5055	5005 - Consultants - MOs 5055 - Consultants - Allied Health	0 00	0.00	0 00	0 00	0 00 0 00	0.00	0 00	0 00	0 00	0.00	0 00	0.00	1,922,27 0.00	2,340,15 0,00	3,593,80 0.00
	50S0 530S	5050 - Consultants - NP 5305 - Medical Supplies	0.00	300.00	300.00	300,00	300,00	300_00	300.00	300,00	300,00	300.00	300,00	300.00	300,00	300,00	300,00
	5455 5475	5455 - Compression 5475 - Orthotic	0 00 0 00	0.00	0 00	0 00	0 00	0.00	0 00 0 00	0 00	0,00 0.00	0.00	0 00 0 00	0.00	0 00	0,00	0.00
		Total COGS	0.00	300,00	300.00	300.00	300,00	300.00	300.00	300 00	300,00	300 00	300.00	300 00	2,222 27	2,640 15	3,893 80
		Gross Margin	29,282.85	29,491.74	30,010 82	30,540 27	31,080 32	31,631.17	32,193 03	32,766 13	33,350 69	33,946.95	34,555 12	35,175 47	30,608.49	30,794.72	32,846.83
	6205 6206 6215	6205 - Rent 6206 - Rent - IFRS 16 Adj 6215 - Utlilities	13,683 96 (10,247 73)	13,683.96 (10,247.73)												(10,067.40)	(10,067-40)
livo 1	6220 6230	5220 - Telephone & Internet 6230 - Janitorial Expense	300,00	300,00	300.00	300.00	300.00	300,00	300.00	300,00	300.00	300,00	300.00	300.00	300,00	300,00	300,00
	6105	6105 - Advertising	500.00	500,00	500.00	500,00	500.00	500,00	500,00	500,00	500,00 500.00	500,00	500.00	500.00	500.00 500.00	500,00 500.00	500.00 500.00
	6130 6135	6130 - Printed Materials 6135 - Website	500.00	500.00	500,00	500,00	500.00	500,00	500,00	500.00	500.00	500,00	500,00	500.00	500.00	500,00	500,00
	6310 6315	6310 - Wages - Educators 631S - Wages - Nursing	3,565,47 6,600,19	3,565,47 6,600,19	3,565.47 6,600.19	3,565 47 6,600 19	3,601.00 6,000.32	3,601,00 6,000,32	3,601.00 6,000.32	3,601.00 6,000.32	3,601 00 6,000 32	3,601,00 6,000,32	3,601,00 6,000,32	3,601.00 6,000.32	8,873.02 11,320.33	8,873 02 11,320 33	8,873 OZ 11,320 33
	6325 6350	6325 - Wages - Admin 6350 - CPP	6,453 32 1,132 66	6,453 32 905,73	6,453 32 905 73	6,453 32 905 73	6,916 43 900 22	6,916.43 900.22	6,916 43 900 22	6,916 43 900 22	6,916 43 900 22	6,916.43 900.22	6,916.43 900.22	6,916 43 900 22	10,796.76 918.22	10,798.76 918.22	10,798,76 918.22
	6355 6360	6355 - EI 6360 - EHT	459.71 0.00	367.28	367 28 0 00	367 28 0.00	365.04	365.04	365.04	365.04	365.04	365.04	365 04 0 00	365 04	372,34 0.00	372.34	372 34 0 00
	6365	6365 - WSIB/CCST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	6375	6375 - Benefits	885.67	885 67	885.67	885.67	799.08	799,08	799.08	859 05	859 05	859.05	859 05	859.05	1,107.08	1,107 08	1,107.08
	6395	6395 - Bonus	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	6405	6405 - Office Expenses	250,00	250.00	250,00	250.00	250.00	250,00	250,00	250.00	250,00	250.00	250.00	250,00	250.00	250,00	250,00
	6410	6410 - Postage/Courier	100.00	169.10	100.00	100.00	100.00	100.00	100,00	100,00	169.10	100.00	100.00	100.00 169.10	169.10	169.10	100,00
	6420 645S	6420 - Software Expenses 6455 - Travel	169.10 1,200.00	169.10	169.10	169.10 1,200.00	169.10	702,10	169.10 1,200.00	103,10	109.10	169.10 1,200.00	169.10	103'10	1,200.00	169.10	105,10
	6615 6620	6615 - Insurance - General Insurance 6620 - Insurance - Cyber Llability	2,875.14	2,875.14	2,875.14	2,875.14	2,875.14	2,875,14	2,875.14	2,875.14	2,875,14	2,875.14	2,875.14	2,875.14	2,875.14	2,875.14	2,875,14
	6805	6805 - Bank Fees & Interest	54.47	54.47	54.47	54.47	54.47	54.47	54.47	54.47	54.47	54,47	54.47	54.47	54.47	54,47	54_47
6%	6525	6525 - Management Fees	3,000.00	3,000 00	3,000.00	3,000 00	3,000.00	3,000 00	3,000 00	3,000 00	3,000.00	3,000 00	3,000 00	3,000 00	3,000 00	3,000 00	3,000 00
		Total SG&A	31,481 95	29,962.59	29,962 59	31,162.59	31,993.94	31,993 94	33,193.94	32,053 91	32,053 91	33,253 91	32,053 91	32,053 91	48,001 60	46,801 60	46,801 60
		ЕВІТДА	(2,199 10)	(470.85)	48,23	(622,31)	(913.62)	(362,77)	(1,000 91)	712 22	1,295,79	693.04	2,501 22	3,121.56	(17,393.12)	(16,006 88)	(13,954.77)
	8205	8205 - Interest Expense	2,532.90	2,523.08	2,513 20	2,503.27	2,493.29	2,483 27	2,473.19	2,463 06	2,452.89	2,442 66	2,432 38	2,422.05	2,411 67	2,401 23	2,390 75
	8215	8215 - Interest Expense (Leases)	7,352.41	7,330.76	7,308 94	7,286.94	7,264.77	7,242.42	7,219 90	7,197.19	7,174 30	7,151 23	7,127.98	7,104.54	7,080.91	7,057 10	7,033.09
	8405	8405 - Depreciation		11,440.79	11,440 79	11,440 79				11,440 79			11,440.79		11,440.79	11,440.79	11,440.79
	8410 8450	8410 - Amortization	10,109.20 5.434.02	10,109.20	10,109 20	10,109 20	10,109 20 5,434 02	10,109 20 5,434 D2	10,109 20	10,109 20 5,434 02	10,109 20 5,434 02	10,109 20 5,434 02	10,109.20 5,434.02	10,109 20 5,434 02	10,109 20 5,434 02	10,109 20 5,434 02	10,109 20 5,434 02
	843U	8450 - Depreciation (Leases)	5,434 02	5,434.02	5,434.02	5,434.02	3,434 02	3,434 DZ	5,434 02	3,434 UZ	3,434 02	3,434 02	3,434.02	3,434.02	3,43402	3,434 02	3,434 02
		Total Other Expenses	36,869 33	36,837.85	36,806 15	36,774.22	36,742 08	36,709 70	36,677 10	36,644 27	36,611 20	36,577.90	36,544 37	36,510 60	36,476 59	36,442.34	36,407 85
		Net Income	(39,068.43)	(37,308.69)	(36,757.92)	(37,396.54)	(37,655.69)	(37,072.47)	(37,678.01)	(35,932.04)	(35,314.41)	(35,884.86)	(34,043.15)	(33,389.04)	(53,869.70)	(52,449.22)	(50,362.62)

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SCHEDULE D

FORM OF OFFICER'S CERTIFICATE

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OFFICER'S CERTIFICATE

TO: Avonlea-Drewry Holdings Inc. (the "Lender")

RE: Pathway Health Corp. (the "Borrower")

Pathway Health Services Corp. ("PHSC")

Pathway Healthcare Technologies Corp. ("Pathway Tech")

2563367 Ontario Limited ("**256**") Slawner Ortho Ltee. ("**Slawner**")

Pathway Wellness Products Corp. ("Pathway Wellness")

13199223 Canada Ltd. ("**131**") 10030712 Manitoba Ltd. ("**100**") 1964433 Alberta Ltd. ("**196**")

PHSC, Pathway Tech, 256 and Slawner are referred to collectively herein as, the "Guarantors". The Borrower, the Guarantors, Pathway Wellness, 131, 100 and 196 are referred to collectively herein as, the "Borrower Entities".

AND RE: Credit Agreement dated July 29, 2022, among the Lender and the Borrower (the "Credit

Agreement")

Capitalized terms used herein not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement.

The undersigned officer of the Borrower hereby certifies, on behalf of the Borrower Entities and without personal liability, that:

- 1. I have personal knowledge of the matters hereinafter certified.
- 2. The Borrower has authority to borrow money upon the credit of the Borrower, and the Borrower and each Guarantor, respectively, have the authority to mortgage and grant a security interest in all or any of their respective existing and after-acquired assets, to secure their respective obligations to the Lender.
- Other than as disclosed to the Lender in writing, no winding-up, liquidation, dissolution, bankruptcy, merger, amalgamation or continuation of the Borrower Entities and no sale of the assets of the Borrower Entities out of the ordinary course of business of the Borrower Entities has been commenced or is being contemplated by the Borrower Entities as of the date hereof and I have no knowledge of any such proceedings having been commenced or being contemplated in respect of the Borrower Entities by any other person.
- 4. Other than as disclosed to the Lender in writing, the Borrower Entities are up to date, as at the date hereof, in all of their respective corporate filings, including, without limitation, those required under their respective statute of incorporation. The Borrower Entities have not received any notice or other communication from any person or government authority indicating that there exists a situation which, unless remedied, could result in the dissolution of any of the Borrower Entities.
- 5. Other than as disclosed to the Lender in writing, there is no litigation or proceeding pending or threatened before any court, agency, tribunal, arbitration board or any other body which has or

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could have a material adverse effect on the condition, either financial or otherwise, of any of the Borrower Entities or on the ability of the Borrower or the Guarantors to perform their respective obligations under the Credit Agreement or any of the any of the Credit Documents.

Other than as disclosed to the Lender in writing (or below), the Borrower Entities are in compliance with all laws, rules, requirements, orders, directions, ordinances and regulations (collectively, the "Laws") of every governmental, municipal, or civil authority or agency in connection with the payment of any monies owing under applicable laws, including but not limited to the payment of all goods and services taxes, harmonized sales taxes and payroll remittances owing to the applicable agency or authority:

Obligation	Amount Payable	Amount Paid	Balance Owing

7. Other than as disclosed to the Lender in writing, the Borrower Entities are not in default under any material agreement, contract, lease or other instrument to which they are a party (including the Credit Documents) and no event has occurred which, with the giving of notice or the passage of time or both, will become an event of default thereunder.

[Signature page follows]

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I acknowledge that the Lender is relying on this Certif transactions contemplated thereby.	icate in connection with the Credit Agreement and the
DATED this day of, 20,	
	Ken Yoon
	Chief Executive Officer

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THIS IS EXHIBIT "E"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor UNLESS PERMITTED UNDER SECURITIES LEGISLATION IN CANADA, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF THE ISSUANCE OF THIS SECURITY.

WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF THE ISSUANCE OF THIS SECURITY.

SECURED PROMISSORY GRID NOTE

Toronto, Ontario MAY 27, 2022

- FOR VALUE RECEIVED, PATHWAY HEALTH CORP., a corporation existing under the laws of the Province of Alberta (the "Issuer") promises to pay to the order of AVONLEA-DREWRY HOLDINGS INC., a corporation existing under the laws of the Province of Ontario or its permitted assigns ("Holder"), the aggregate principal sum equal to the greater of:
 - a) \$0; and
 - b) the amount of the principal balance from time to time owing by the Issuer to the Holder as recorded by or on behalf of the Holder on the grid attached hereto as Schedule "A" and any further grids attached hereto, all of which grids form part of this Note up to a maximum of One Million Canadian Dollars (Cdn.\$1,000,000),

together with accrued and unpaid interest thereon, due and payable as set forth below, from the applicable date of advance through and including the date on which such interest and all fees and expenses are paid in full, at the rate provided in Section 4 below and subject to terms and conditions as set forth herein.

- 2. Repayment. Payment of interest and principal under this secured promissory grid note (this "Note") shall be made on the earlier of: (i) August 31, 2022; and (iii) such earlier date which this Note becomes due and payable in accordance with Sections 9 and 11 of this Note (the "Maturity Date"). Payment of principal and interest due on this Note shall be payable at the instructions set forth on Schedule "B", or at such other place as may be designated by Holder, by written notice to the Issuer. Interest on this note shall accrue and be paid in accordance with Section 3 of this Note. All payments under this Note shall be made in lawful money of Canada in immediately available funds.
- Amount"), shall bear interest from the applicable date of advance on the terms and conditions set forth herein. While outstanding, the Principal Amount shall bear interest at the rate of fifteen percent (15%) per annum, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year, provided, however, that if (i) all principal and interest are not repaid by the Maturity Date or (ii) there occurs an Event of Default (as defined herein) under the Note



Documents (as defined herein), interest will accrue from and after such date on a daily basis at the default rate of 20% per annum (the "**Default Rate**"). The parties intend that the interest rate and fees on this Note will never exceed the maximum rate permitted by law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under applicable law. The Issuer shall pay interest accrued and unpaid (each, an "**Interest Payment**") on the Maturity Date.

- 4. **Expenses**. The prevailing party in any action arising from this Note shall be entitled to an award of its costs and reasonable and documented attorneys' fees incurred in connection therewith. In addition, Issuer shall pay all reasonable and documented attorneys' fees and court costs incurred by Holder in enforcing and collecting this Note. Issuer shall pay all reasonable and documented attorney and other legal fees incurred to document the Note, any related filings to protect Holder's security interest and any amendments, modifications or supplements to the Note. Amounts due under this provision, together with the principal and interest and amounts due under the Note Documents shall be referred to as the "**Note Obligations**".
- 5. **Prepayment**. This Note may be prepaid, in whole or in part, without penalty upon no less than three (3) business days' notice to the Holder.
- 6. **Setoff**. The principal of and interest on this Note shall be paid without setoff or counterclaim, except as expressly set forth herein, and free and clear of and exempt from, and without deduction for or on account of, any present or future taxes, levies, imposts, duties, deductions, withholdings or other charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government or any political subdivision or taxing authority thereof.
- Security. Payment of all amounts owing to Holder under this Note is secured as set forth in that certain general security agreement (the "GSA"), by and between the Issuer and Holder and dated as of the date hereof, the secured guarantee of the Issuer's subsidiary, Pathway Health Services Corp., by and between the Holder and Pathway Health Services Corp. and dated as of the date hereof (the "Guarantee"), and the Share Pledge Agreement, by and between the Issuer and the Holder and dated as of the date hereof (the "Share Pledge Agreement", and together with this Note, the GSA and the Guarantee, the "Note Documents").
- 8. Use of Proceeds. The Issuer issued this Note to Holder for the purpose of obtaining funds to be used for general working capital purposes as set forth in Schedule "C" attached hereto during the period of time from the date hereof until such time as the Issuer and the Holder enter into a credit facility agreement substantially on the terms set forth in the term sheet dated May 20, 2022 (the "Credit Facility Agreement"). Until the Maturity Date, the Issuer shall not take any action that is inconsistent with the past practices, its business or the uses set forth in Schedule "C", as the case may be, or that is not taken in the ordinary course of the normal day-to-day operations of its business until such time as the Parties have executed the Credit Facility Agreement, the Note Obligations are repaid in full, or with the written consent of the Holder.
- 9. **Credit Facility Agreement.** The Issuer and the Holder agree that in the event that the Credit Facility Agreement is executed by the parties hereto prior to the Maturity Date, the Note Obligations will form part of the indebtedness owed to the Holder under the Credit Facility Agreement, which will amend and restate the terms and conditions of this Note, without novation, and this Note will be marked repaid.



- 10. **Representation and Warranties**. The Issuer represents and warrants to Holder as follows:
 - (a) The Issuer is duly organized, validly existing and in good standing in its jurisdiction of formation. The Issuer has all requisite power and authority to execute and deliver this Note, the GSA and the Share Pledge Agreement and to perform the obligations hereunder.
 - (b) The execution, delivery and performance by the Issuer of this Note has been duly authorized by all necessary organizational action and will not (a) contravene the terms of the Issuer's organizational documents, (b) violate any applicable and material law or (c) any other agreements of the Issuer which could result a material adverse effect of the Issuer.
 - (c) This Note has been duly executed by the Issuer and constitutes a legal, valid and binding obligation of the Issuer, enforceable against it in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles.
- 11. Events of Default. The occurrence of any one or more of the following shall constitute an "Event of Default":
 - (a) Issuer fails to pay timely any of the principal amount due under this Note on the date the same becomes due and payable or any accrued interest or other amounts due under this Note on the date the same becomes due and payable;
 - (b) Issuer breaches any material representation or warranty under, or defaults in its performance of any material covenant under the GSA, the Share Pledge Agreement or this Note;
 - (c) if the pledge granted by the Issuer to the Holder pursuant to the Share Pledge Agreement or the security granted pursuant to the GSA shall cease to be valid and perfected first ranking priority security interest;
 - (d) if a default occurs under the Guarantee or the Guarantee ceases to be in full force and effect:
 - (e) Issuer files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing;
 - (f) Issuer defaults in the observance or performance of any material provision relating to indebtedness or liability of the Issuer to any Person, in an aggregate principal amount exceeding \$250,000, subject to any cure or grace period provided for in the documentation providing for such indebtedness or liability; or
 - (g) an involuntary petition is filed against Issuer (unless such petition is dismissed or discharged within 30 days) under any bankruptcy statute now or hereafter in effect, or a

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custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of Issuer.

- 12. Remedies. Upon the occurrence of any Event of Default: (a) all indebtedness, liabilities and obligations of the Issuer under this Note shall at the Holder's option and without notice become immediately due and payable without presentment, demand, protest or notice of dishonor, all of which are hereby expressly waived by the Issuer; and (b) the Holder shall have all rights, powers and remedies available under this Note, or accorded by law, including the right to resort to any or all collateral for any Note Obligations subject hereto and to exercise any or all of the rights of a beneficiary or secured party pursuant to all applicable law. All rights, powers and remedies of the Holder may be exercised at any time by the Holder and from time to time after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.
- 13. **Notices.** Any demand, notice or other communication in connection with this Note shall be in writing and shall be personally delivered, mailed by registered mail or sent by email, to the address or email address of the addressee set out below or to such other coordinates as the relevant party may from time to time designate to the other party in such manner.

In the case of the Issuer:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A Toronto, ON M9B 6E5

Attention:

Ken Yoon, Chief Executive Officer

E-mail:

ken.yoon@pathwayhealth.ca

In the case of the Holder:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, Ontario L7C 3L8

Attention:

Mr. David Dozzo, Director

E-mail:

ddozzo@capforminc.com

Any communication which is personally delivered shall be deemed to have been validly and effectively given on the date of such delivery if such date is a business day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of delivery. Any communication which is mailed shall be deemed to have been validly and effectively given on the fifth business day following the date of mailing provided that, in the event of an interruption in postal services before such fifth business day, such communication shall be given by one of the other means. Any communication which is transmitted by email shall be deemed to have been validly and effectively given on the date of transmission if such date is a business day and such transmission was made during normal business hours of the recipient; otherwise, it shall be



deemed to have been validly and effectively given on the business day next following such date of transmission.

- 14. Waiver. Issuer hereby waives demand, notice, presentment, protest and notice of dishonor,
- 15. **Governing Law**. This Note shall be governed by and construed under the laws of the Province of Ontario, as applied to agreements among Ontario residents, made and to be performed entirely within the Province of Ontario, without giving effect to conflicts of laws principles.
- Indemnification. The Issuer shall indemnify the Holder against all suits, actions, proceedings, claims, losses, expenses (including reasonable fees, charges and disbursements of counsel), damages and liabilities that the Holder may sustain or incur as a consequence of any misrepresentation contained in any writing from the Issuer delivered to the Holder in connection with this Note.
- 17. **Modification; Waiver**. Any term of this Note may be amended or waived only with the written consent of Issuer and Holder. Holder may delay or forego enforcing any of its rights or remedies under this Note without losing them.
- 18. **Assignment**. So long as no Event of Default has occurred and is continuing, this Note may not be transferred or assigned without Issuer's prior written consent; other than to an affiliate of the Holder. Interest and principal shall be paid solely to Holder or such permitted assign. Such payment shall constitute full discharge of Issuer's obligation to pay such interest and principal. Issuer may not at any time assign any of its rights or its obligations under this Note.

[Signature Page Follows]



IN WITNESS WHEREOF, Issuer has caused this Note to be issued as of the date first set forth above.

PATHWAY HEALTH CORP.

7308330E284340

Name: Ken Yoon

Title: Chief Executive Officer

SCHEDULE A

GRID TO SECURED PROMISSORY GRID NOTE

Date	Principal Amount of Advance	Indebtedness to which Interest applies	Principal Paid or Prepaid	Balance of Principal Unpaid	Amount of Interest Paid	Balance of Interest Unpaid	Notation Made by:
Balance Open							



SCHEDULE B

PAYMENT INSTRUCTIONS

Beneficiary Name:

AVONLEA-DREWRY HOLDINGS INC.

Beneficiary Address:

P.O. BOX 8 CALEDON EAST

CALEDON, ON L7C 3L8

CANADA

Bank Name: CIBC

Bank Address:

1 QUEEN ST. EAST

TORONTO, ON M5C 2W5

Account Number: 009020106756212

Swift Code: CIBCCATT

Account Currency: CAD



SCHEDULE C

USE OF PROCEEDS

Use of proceeds	
Commodity & payroll tax payments	175,000
D&O insurance	180,000
E-commerce, sales license build out	150,000
Marketing initiatives	120,000
Public company costs	180,000
General working capital	195,000
	1,000,000



UNLESS PERMITTED UNDER SECURITIES LEGISLATION IN CANADA, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF THE ISSUANCE OF THIS SECURITY.

AMENDED AND RESTATED SECURED PROMISSORY GRID NOTE

Calgary, Alberta April 21, 2023

FOR VALUE RECEIVED, **PATHWAY HEALTH CORP.**, a corporation existing under the laws of the Province of Alberta ("**Pathway**" or the "**Borrower**") promises to pay to the order of **AVONLEA-DREWRY HOLDINGS CORP.**, a corporation existing under the laws of the Province of Ontario or its permitted assigns (or the "**Lender**"), the aggregate principal sum of all Advances (as defined herein) equal to the greater of:

- a) six hundred thousand Canadian Dollars (Cdn.\$600,000); and
- b) the amount of the principal balance from time to time owing by the Borrower to the Lender as recorded by or on behalf of the Lender on the grid attached hereto as Schedule "A" and any further grids attached hereto, all of which grids form part of this Note up to a maximum of One Million Two Hundred Thousand Canadian Dollars (Cdn.\$1,200,000),

(in the case of a) and b), the "Principal Amount"), together with accrued and unpaid interest thereon, and other fees and expenses from the applicable date of advance through and including the date on which such interest and all fees and expenses are paid in full, at the rate provided in Section 5 below (the Principal Amount, accrued and unpaid interest thereon and any other fees and expenses being collectively referred to herein as the "Indebtedness"), subject to the terms and conditions of this Note, as the same may be amended from time to time.

- 1. **Definitions**. In this Note, including the recitals and the Schedules hereto and in all notices given pursuant to this Note, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:
 - "ABCA" means the *Business Corporations Act* (Alberta), including the regulations promulgated thereunder, as the same may be amended from time to time.
 - "Additional Security" means the security agreements and other documents required to be provided to the Lender pursuant to Section 10, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing.
 - "ADH Credit Facility" means the credit agreement entered into among the Borrower, as borrower, certain subsidiaries of the Borrower, as guarantors, and Avonlea-Drewry Holdings Inc., as lender pursuant to which the lender advanced \$3.5 million to the Borrower, on a secured, non-convertible basis.
 - "Advance" means each disbursement made by the Lender to the Borrower under this Note.
 - "Affiliate" means an affiliate as defined in the ABCA.

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"Applicable Law" means, in relation to any person, transaction or event:

- (a) all applicable provisions of the common law and all statutes, rules and regulations of any Governmental Authority in effect from time to time having force of law; and
- (b) all judgments, orders, awards, decrees, official directives, writs and injunctions all having force of law from time to time in effect of any Governmental Authority in an action, proceeding or matter in which the person is a party or by which it or its property is bound or having application to the transaction or event.

"Arrangement" the transaction substantially as set forth in the Arrangement Agreement.

"Arrangement Agreement" means the arrangement agreement dated March 31, 2023, entered into among Pathway, HEAL Global Holdings Corp. and The Newly Institute Inc. pursuant to which Pathway will acquire all of the issued and outstanding shares of each of HEAL Global Holdings Corp. and The Newly Institute Inc. in exchange for common shares in the capital of Pathway.

"Borrower" has the meaning as set out in the preamble.

"Business Day" means a day of the year, other than a Saturday, Sunday or statutory holiday, on which banking institutions are open for business in Calgary, Alberta.

"Canadian Dollars", "Cdn.\$" or "\$" mean lawful money of Canada.

"Collateral" means all property, assets and undertaking of the Borrower at any time in which a security interest is granted to the Lender, together with all proceeds of the foregoing.

"Creditor Proceedings" means any dissolution, winding up, total or partial liquidation, plan of arrangement, receivership, insolvency, proposal, bankruptcy or compromise under Insolvency Legislation, or the arrangement provisions of any applicable corporate law, or a general assignment for the benefit of creditors or similar proceedings offered with respect to the Borrower, or its properties or liabilities; provided however that the Pathway Transaction and any related transactions thereto will not constitute a "Creditor Proceeding" for the purposes of this Note.

"Distribution" means any amount paid to or on behalf of the shareholders, directors, officers or employees of the Borrower or any Affiliate of the Borrower, and whether any of the foregoing is made, paid or satisfied in or for cash, property or both; provided that salaries and commissions paid to employees of the Borrower in the ordinary course of business shall not be considered to be Distributions.

"Event of Default" means any of the events or circumstances specified in Section 14.

"Governmental Authority" means Canada, any province or territory thereof, as applicable, any municipal or other political subdivision of any such province or territory, and any agency, department, commission, board, bureau or instrumentality of any of them and judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Indebtedness" has the meaning ascribed thereto on the face page of this Note.



"Insolvency Legislation" means legislation in any applicable jurisdiction relating to Creditor Proceedings, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any applicable corporate legislation.

"Lender" has the meaning as set out in the preamble.

"Lien" means any mortgage, charge, security agreement, security interest, assignment, pledge, lien, builders' lien or other encumbrance of whatsoever kind or nature, regardless of form and whether consensual or arising by law (statutory or otherwise), that secures the payment of any indebtedness or liability or the observance or performance of any obligation.

"Material Adverse Effect" means any matter, event or circumstance, other than with respect to the Pathway Transaction or any transactions related thereto, relating to the Borrower which could in the reasonable opinion of the Lender, if not remedied, have a material adverse effect on: (i) its business, financial condition, operations, property, assets or undertaking, (ii) its ability to repay any Indebtedness under, or perform any other obligations in accordance with, this Note or any of the Security to which it is a party, (iii) the validity or enforceability of this Note or the Security to which it is a party, (iv) the rights and remedies of the Lender, or (v) the priority ranking of any Liens granted to the Lender pursuant to the Security.

"Maturity Date" has the meaning ascribed thereto in Section 2.

"Note" means this amended and restated secured promissory grid note, together with all schedules, appendices and exhibits attached to it.

"Note Documents" means this Note and the Security,

"Obligations" means, at any time and from time to time, all Indebtedness, liabilities and obligations, whether direct or indirect, absolute or contingent, matured or unmatured, owing to the Lender in respect of the Note Documents or otherwise payable pursuant to this Note, including without limitation, all principal, interest, fees, indemnities, costs and expenses relating to any of the foregoing.

"Pathway Grid Note" means the secured convertible promissory grid note dated February 3, 2023 in the principal amount of \$1,250,000 issued by Pathway, as borrower, in favour of HEAL Global Holdings Corp., as lender.

"Pathway Third-Party Loan" means the senior secured \$3.5 million line of credit that is expected to be offered to the Borrower by an arms-length third party in connection with the Pathway Transaction and, if offered and entered into, the senior secured \$3.5 million line of credit entered into between the Borrower and such arms-length third party.

"Pathway Transaction" means the Arrangement pursuant to the Arrangement Agreement, together with the Private Placement. "Permitted Indebtedness" means, without duplication:

(a) trade payables of the Borrower (other than indebtedness for borrowed money) incurred in the ordinary course of business, provided that such indebtedness is or would be classified as a current liability on the Borrower's financial statements;



- (b) all Indebtedness of the Borrower to the Lender, or under or secured by any Security;
- (c) capital lease obligations and indebtedness secured by purchase money liens;
- (d) the ADH Credit Facility;
- (e) the Pathway Grid Note;
- (f) the Pathway Third-Party Loan, so long as any security granted by the Borrower to the lender under such Pathway Third-Party Loan is satisfactory to the Lender;
- (g) indebtedness of 10030712 Manitoba Ltd., a 51% owned subsidiary of Pathway, in respect of leasehold improvement loans;
- (h) Canada Emergency Business Account loans of each of 2563367 Ontario Ltd. (dba Silver Medical Group Centre for Pain Care) and 9393 1681 Quebec Inc. (dba Slawner Ortho Lteé), subsidiaries of Pathway;
- (i) all indebtedness secured by Permitted Liens; and
- (j) such other indebtedness of the Borrower which the Lender has consented to in writing.

"Permitted Liens" means, as at any particular time, any of the following encumbrances on the Collateral:

- (a) Statutory Liens in respect of any amount which is not at the time overdue, or which may be overdue but the validity of which are then being contested in good faith;
- (b) undetermined or inchoate Liens incidental to operations arising in the ordinary course of business which relate to obligations (i) not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same, or (ii) are then being contested in good faith;
- (c) liens arising out of judgments, awards or claims filed which are then being contested in good faith;
- (d) security given to a public utility or any Governmental Authority to secure obligations incurred in the ordinary course of business and not at the time overdue;
- (e) easements, rights-of-way, servitudes or other similar rights in and (including rights-of-way and servitudes for railways, sewers, drains, pipelines, gas and water mains, electric light and power, telephone, telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which either alone or in the aggregate do not materially detract from the value of land or materially impair its use;
- (f) Liens arising in connection with the construction or improvement of land or arising out of the furnishing of materials or supplies therefor, provided that any such Lien secures moneys not at the time overdue (or if overdue, are then being contested in good faith), notice of such Lien has not been given to the Lender, and such Lien has not been registered against title to such land;

- (g) Liens securing Permitted Indebtedness; and
- (h) all such other claims and encumbrances as are specifically disclosed by notice in writing to the Lender to the extent that the Lender, by specific notice in writing to the Borrower, advises the Borrower that the Lender agrees to accept such claims and encumbrances as Permitted Liens for the purposes of this Note;

provided that the use of the term "Permitted Liens" to describe such Liens means that they are permitted to exist and shall not be interpreted as meaning that such Liens are entitled to priority over the Security.

"person" means any individual, corporation, company, partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.

"Principal Amount" has the meaning ascribed thereto on the face page of this Note.

"Private Placement" means one or more equity, debt or convertible debt financings for aggregate gross proceeds of up to \$10,000,000, including minimum aggregate proceeds of \$500,000 to be subscribed for by management of Pathway and other Pathway associates and related parties, the completion of which is a condition to closing of the Arrangement.

"Repayment Triggering Event" means that date on which the Borrower receives the proceeds of the Private Placement.

"Security" means the GSA, the guarantees, security agreements and other documents provided to the Lender under the ADH Credit Facility and extended to this Note pursuant to Section 10, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing and, for certainty shall include any Additional Security.

"Statutory Lien" means a Lien in respect of any property or assets of any person created by or arising pursuant to any applicable legislation in favour of any person (such as but not limited to a Governmental Authority), including in respect of obligations to deduct and remit taxes, duties, assessments, employee source deductions and goods and services taxes pursuant to Applicable Law.

"TSXV" means the TSX Venture Exchange.

- 2. **Loan**. A loan of up to an aggregate amount of Cdn.\$1,200,000 is being made available to be Borrower by the Lender. The Borrower may, with the prior approval of the Lender (other then when an Event of Default has occurred and is continuing), borrow amounts from the Lender on the terms as set out in this Note according to the following schedule:
 - (a) On the date hereof, Cdn.\$600,000; and
 - (b) On or after May 15, 2023, Cdn.\$600,000,

which the Lender shall advance to the Borrower in reliance upon the representations and warranties contained herein and subject to the terms and conditions of this Note. Notwithstanding the forgoing,

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the Lender may provide Advances hereunder at such times and from time to time, in such amounts as requested by the Borrower.

- 3. Advances. As a condition precedent to the Lender making an Advance to the Borrower:
 - (a) Each Note Document, duly executed, shall have been received, each in full force and effect and in form and substance satisfactory to the Lender, acting reasonably
 - (b) no Event of Default shall have occurred and be continuing or would arise immediately after giving effect to or as a result of such extension of credit; and
 - (c) the representations and warranties of the Borrower in Section 11 shall be true and correct as of the date of such Advance,

and the Lender, in it sole and unfettered discretion, may require evidence of the above by way of affidavit, officer's certification or otherwise prior to making an Advance.

4. **Repayment**. Payment of all Indebtedness owing under this Note shall be made on or before the earlier of: (i) July 21, 2023; and (ii) the date of the Repayment Triggering Event (in either case, the "**Maturity Date**") and (iii) subject to Section 15, upon the occurrence of an Event of Default. In the event that the Maturity Date occurs as a result of the occurrence of the Repayment Triggering Event, the Borrower covenants to pay all Indebtedness owing under this Note in priority to all other indebtedness of any nature and kind whatsoever.

Payment of Principal Amount, any fees and the interest due on this Note shall be payable at the instructions set forth on Schedule "B", or at such other place as may be designated by Lender, by written notice to the Borrower. Interest on this Note shall accrue and be paid in accordance with Section 5. All payments under this Note shall be made in lawful money of Canada in immediately available funds.

5. **Interest.** The outstanding Principal Amount shall bear interest on the terms and conditions set forth herein, from the date hereof. While outstanding, the Principal Amount shall bear interest at the rate of fifteen percent (15%) per annum, calculated monthly and compounded annually, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year.

In the event that: (i) all Indebtedness is not repaid on or before the Maturity Date, or (ii) there occurs an Event of Default on, before or in connection with the Maturity Date, interest will be deemed to accrue from the issuance date of the Note at a rate of 24% per annum, calculated monthly and compounded annually, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year and added to the Indebtedness.

The theory of deemed reinvestment shall not apply to the calculation of interest or payment of fees or other amounts hereunder, notwithstanding anything contained in this Note now or hereafter granted to or taken by the Lender and all interest and fees payable by the Borrower to the Lender shall accrue from day to day and be computed as described herein in accordance with the "nominal rate" method of interest calculation.

The Borrower hereby waives, to the fullest extent it may do so under Applicable Law, any provisions of Applicable Law, including specifically the *Interest Act* (Canada) and any analogous provincial legislation which may be inconsistent with this Note

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Notwithstanding any provision of this Note, the parties intend that the interest rate and fees on this Note will never exceed the maximum rate permitted by Applicable Law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at, but not in excess of, the highest rate recoverable under Applicable Law.

- 6. **Reporting Requirements**. The Borrower covenants to report to the Lender once weekly, no later then 5 pm (EST) on the last Business Day of each week prior to the Maturity Date as to the current status of those events and milestones set forth in Schedule "D".
- 7. **Expenses**. The Borrower shall pay all reasonable and documented attorneys' fees and court costs incurred by Lender in enforcing and collecting in respect of the Note Documents. Each party shall bear their own costs and expenses incurred to document the Note Documents, while the Borrower shall bear the costs and expenses related to required regulatory or other filings to protect Lender's security interest and any amendments, modifications or supplements to the Note Documents. Amounts due under this provision, together with the principal and interest and amounts due shall form part of the Obligations.
- 8. **Prepayment**. This Note may be prepaid, in whole or in part, without penalty upon no less than three Business Days' notice to the Lender, prior to the Maturity Date;
- 9. Setoff. The Obligations owning under the Note Documents shall be paid without setoff or counterclaim, except as expressly set forth herein, and free and clear of and exempt from, and without deduction for or on account of, any present or future taxes, levies, imposts, duties, deductions, withholdings or other charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government or any political subdivision or taxing authority thereof.
- Security. Payment of all Indebtedness and Obligations owing to Lender under this Note are secured by the Security granted to the lender under the ADH Credit Facility and any Additional Security. The Borrower expressly acknowledges and agrees that the grant of the Security to the Lender under the ADH Credit Facility shall apply to the Indebtedness as if the Indebtedness were incurred under the ADH Credit Facility mutatis mutandis and hereby grants such Security to the Lender.

The Security required to be created hereby shall be effective upon execution and delivery thereof, and the undertakings as to any guarantees and Security herein or in any document hereunder shall be continuing, whether the monies hereby or thereby secured or any part thereof shall be advanced before or after or at the same time as the creation of any such guarantees or other Security, or before or after or upon the date of execution of any amendments to or restatements of this Agreement, and shall not be affected by any Obligations fluctuating from time to time.

The Lender shall have the right to request Additional Security from time-to-time at its sole discretion. The Borrower shall do, at the Borrower's sole cost and expense, all such commercially reasonable acts, execute all such instruments and provide such further assurances as the Lender may reasonably request to ensure that the priority of the Liens created by all of the Security executed and delivered to the Lender as contemplated hereby is duly protected and perfected by registration, filing or recordation of such Security or a caution, caveat, security notice or other appropriate instrument at all offices where necessary or of material advantage to the protection or perfection thereof; and to cooperate with the Lender and Lender's counsel in renewing or refiling

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any registration, filing or recordation required hereby from time to time in order to preserve, protect and maintain the priority of such Liens.

- 11. **Representation and Warranties**. In addition to the representations and warranties set forth in the other Note Documents, which are expressly incorporated by reference into this Note and form an integral part hereof, the Borrower represents and warrants to the Lender as at the date hereof and as at the date of each Advance, as follows:
 - (a) the Borrower is duly organized, validly existing and in good standing in its jurisdiction of formation. The Borrower has all requisite power and authority to execute and deliver the Note Documents and to perform the obligations hereunder;
 - (b) the execution, delivery and performance by the Borrower of the Note Documents has been duly authorized by all necessary organizational action and will not (a) contravene the terms of the Borrower's organizational documents, (b) violate any applicable and material law or (c) any other agreements of the Borrower which could result a Material Adverse Effect;
 - (c) each this Note and the other Note Documents in existence as at the date hereof has been duly executed by the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable against it in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles;
 - (d) the execution, delivery and performance by the Borrower of the Note Documents does not require any governmental action, license, consent or approval of or notice to or filing with any Governmental Authority which has not been obtained and do not and will not contravene any provision of Applicable Law or any governmental action applicable to it or any of its assets, subject only to the filing of requisite forms under applicable securities laws and TSXV approval, if required;
 - (e) except as otherwise previously disclosed to the Lender, the Borrower is not in material breach or material default of, 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 under any material agreement or instrument by which it or any of its properties, assets or undertakings are bound, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
 - (f) except as otherwise previously disclosed to the Lender, there are no material actions, suits or proceedings pending or threatened against it at law or in equity by or before any Governmental Authority, domestic or foreign, or before any arbitrator of any kind, and it is not in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any Governmental Authority, domestic or foreign, or any arbitrator of any kind, except in each case to the extent it would not reasonably be expected to have a Material Adverse Effect;
 - (g) all financial information submitted to the Lender fairly reflect, as of the dates thereof, the consolidated financial condition of the Borrower and the results of its operations for the periods covered thereby, have been prepared in accordance with generally accepted

accounting principles and, from the date of the latest such financial information submitted to the Lender, there has been no material adverse change in the consolidated financial condition of the Borrower or its properties, assets, condition or undertaking which has not been disclosed in writing to the Lender;

- (h) other than as disclosed to the Lender in writing, the Borrower has filed all tax returns which were required to be filed, has paid or made provision for payment of all taxes which are due and payable, and has provided adequate reserves for the payment of any taxes the payment of which is being contested in good faith;
- (i) the Borrower has in full force and effect such policies of insurance in such amounts issued by insurers of recognized standing insuring its properties and operations, including business interruption insurance and replacement cost insurance, and providing such coverage as would be maintained by a prudent operator engaged in the same or similar business where its properties and operations are located;
- (j) the Borrower is in material compliance with all Applicable Laws;
- (k) subject to the assumptions and qualifications made by the Borrower and provided to the Lender in writing, the projections and other related data provided to the Lender by the Borrower, to the best of the knowledge of the Borrower, fairly and properly reflect the interests and projections of the Borrower therein and thereto as of the date thereof;
- except as otherwise disclosed to the Lender, no event or circumstance has occurred which
 constitutes, or which with the giving of notice, lapse of time or both would constitute, an
 Event of Default; and
- (m) to the knowledge of the Borrower, there is no fact that the Borrower has not disclosed to the Lender in writing, or of which the Lender is not otherwise aware, that could reasonably be expected to have a Material Adverse Effect.
- 12. **General Covenants**. In addition to covenants set forth elsewhere in this Note and in the other Note Documents, which are expressly incorporated by reference into this Note and form an integral part hereof, the Borrower covenants and agrees with the Lender that, so long as any Obligations remain outstanding and unpaid, the Borrower shall:
 - (a) Pay and Perform Obligations: duly and punctually pay all principal, interest, fees and other amounts payable hereunder on the dates, times and places, and in the manner specified herein or therein, and observe and comply with all other terms and conditions of the Note Documents;
 - (b) Use of Proceeds: use the proceeds advanced by the Lender under the Note solely for those purposes set forth in Schedule "C" attached hereto, except where the Borrower has received the prior written consent of the Lender to deviate from such purposes.
 - (c) Maintain Existence: maintain and preserve its existence and status in its jurisdiction of organization and make all filings and registrations in each other jurisdiction necessary or advisable in connection therewith, except to the extent failure to make such filings would not have a Material Adverse Effect, or where the Borrower has received the prior written consent of the Lender to carry out such action;



- (d) Conduct Business: conduct its business in a proper and efficient manner, and maintain its property and assets in good repair and condition, subject to ordinary wear and tear;
- (e) Pay Remittances: duly remit as and when due all employee pension contributions and/or other benefits (including workers' compensation premiums, employer health tax premiums, Canada Pension Plan contributions, Employment Insurance Commission premiums), and statutory remittances (including income tax, goods and services tax, or where applicable, provincial sales tax or harmonized sales tax);
- (f) Provide Access: permit any representatives of the Lender to enter upon and inspect its assets, books and records, and discuss with its senior management its business, financial condition and operations, from time to time upon reasonable notice and conditions of confidentiality and during normal business hours;
- (g) Maintain Security: ensure that the Security granted to the Lender remains legal, valid, binding and enforceable in accordance with the terms thereof, subject to general principles of equity and laws affecting creditors' rights generally;
- (h) Security Registrations: co-operate with the Lender so as to permit the Lender to forthwith register, file and record the Security (or notices, financing statements or other registrations, including amending registrations) in all proper offices where such registration, filing or recording may be necessary or of material advantage to perfect or protect the Liens constituted thereby, and ensure that such Security ranks in priority to any other Liens granted by it other than Permitted Liens;
- (i) Give Notice: promptly give written notice to the Lender of:
 - (i) any Event of Default of which it becomes aware, using reasonable diligence,
 - (ii) any damage to or destruction of any assets which might give rise to a claim for insurance monies in excess of \$100,000,
 - (iii) any litigation, arbitration or other proceeding commenced or threatened against or affecting it which would reasonably be expected to have a Material Adverse Effect,
 - (iv) any Lien of which it becomes aware that has been registered, filed or recorded against the interests of it in any Collateral which is not a Permitted Lien; and
 - (v) any other change (financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of it that has or would reasonably be expected to have a Material Adverse Effect,

and from time to time provide the Lender with all information requested by the Lender concerning the status of any of the foregoing; and

(j) Provide Other Documents: use reasonable efforts to provide the Lender from time to time with such other documents, security, opinions, consents, acknowledgments and agreements as are requested by the Lender and are necessary to implement this Note and the Security, and any other Note Document.

- 13. **Negative Covenants**. Without the prior written consent of the Lender or in connection with the Pathway Transaction, the Borrower hereby covenants and agrees that it shall not:
 - (a) Incur Debt: create, incur, assume or permit to exist any debt, other than Permitted Indebtedness;
 - (b) Financial Assistance: provide financial assistance, guarantees, investments, additional management remuneration (in excess of salary and bonuses paid to employees in the ordinary course of business), dividends or any other employee loans to any persons including Affiliates except for (i) those approved by the Lender, (ii) those provided to Affiliates in respect of acquisitions and projects in the ordinary course of business;
 - (c) Negative Pledge: create, incur, permit or suffer to exist any Liens upon or with respect to any Collateral, other than Permitted Liens;
 - (d) Material Changes: liquidate or dissolve, cease to carry on business as now being conducted by it, complete any transaction whereby all or substantially all of its property and assets would become the property of any other person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, or amend in any material respect its constating documents;
 - (e) Limit Activities: make any material change in the nature of its business nor take any action that is inconsistent with past practices, or that is not taken in the ordinary course of the normal day-to-day operations of its business, until such time as the Obligations are repaid in full, or with the written consent of the Lender.;
 - (f) Restrictions on Dispositions: directly or indirectly sell, lease, assign, transfer, convey or otherwise dispose of any of its assets greater than \$100,000;
 - (g) Distributions: declare, pay or make any Distributions or payments on subordinated debt when an Event of Default has occurred and is continuing or would reasonably be expected to occur as a result of making such Distribution; and
 - (h) Change of Control: permit a change of control or ownership.
- 14. **Events of Default**. In addition to Events of Default set forth in the other Note Documents and which are applicable to the Borrower, which are expressly incorporated by reference into this Note and form an integral part hereof, the occurrence of any one or more of the following events, other than in connection with the Pathway Transaction, after the expiry of any applicable cure period set out below, shall constitute an "**Event of Default**" under this Note:
 - (a) if the Borrower or any of its Affiliates defaults in the observance or performance of any material agreement, covenant or undertaking given by the Borrower to the Lender in any Note Document or in any document executed in connection herewith, in any other future loan or credit facility agreement between the Lender and the Borrower, or in any document executed in connection therewith;
 - (b) if the Borrower defaults in payment of any of the Obligations of the Borrower to the Lender when due;

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- (c) if the Borrower fails to repay any of the Obligations of the Borrower upon the occurrence of the Repayment Triggering Event;
- (d) the transfer or disposition of any of the Collateral, other than in the regular course of business, by the Borrower, except as expressly permitted by the Note Documents;
- (e) if any material licences, permits or approvals required by any law, regulation or governmental policy or any governmental agency or commission for the operation by the Borrower of its business shall be withdrawn or cancelled;
- (f) if any representation or warranty in any Note Document, in any other future loan or credit facility agreement between the Borrower and the Lender, or in any document executed in connection therewith, made by the Borrower or any of its Affiliates to the Lender shall be false or inaccurate in any material respect;
- (g) if there is a material default or other failure to perform in any material agreement to which the Borrower is a party or by which the Borrower is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any indebtedness in an amount exceeding \$50,000;
- (h) if any material misrepresentation, misstatement or omission existed at the time made in any warranty or representation set forth herein, or in any other Note Document, in any other future loan or credit facility agreement between the Borrower and the Lender, or in any document executed in connection therewith;
- (i) if the Borrower shall:
 - (i) become insolvent, or generally not pay its debts or meet its liabilities as the same become due, or suspend or threaten to suspend the conduct of its business, or admit in writing its inability to pay its debts generally, or declare any general moratorium on payment of its indebtedness or interest thereon, or propose a compromise or arrangement between it and any of its creditors,
 - (ii) make an assignment of its property for the general benefit of its creditors, whether or not under the *Bankruptcy and Insolvency Act* (Canada), or make a proposal (or file a notice of its intention to do so), whether or not under such Act,
 - (iii) institute any Creditor Proceedings seeking to adjudicate it an insolvent, or seeking compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation,
 - (iv) apply for the appointment of, or the taking of possession by, a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property, or
 - (v) take any overt action to approve, consent to or authorize any of the actions described in this paragraph (i) or in paragraph (j) below;



- (j) if any petition shall be filed, application be made or other proceeding be instituted by a third party against it:
 - seeking to adjudicate it an insolvent, or a declaration that an act of bankruptcy has occurred,
 - (ii) seeking a receiving order against it, including under the *Bankruptcy and Insolvency*Act (Canada),
 - (iii) seeking liquidation, dissolution, winding-up, reorganization, administration, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation, or
 - (iv) seeking the entry of an order for relief or the appointment of a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property,

and such petition, application or proceeding shall continue undismissed, or unstayed and in effect, for a period of 15 Business Days after the institution thereof, provided that if an order, decree or judgment which is not stayed has been granted (whether or not entered or subject to appeal) against it thereunder in the interim, such grace period shall cease to apply;

- (k) if any of its property having a fair market value in excess of \$100,000 shall be seized (including by way of execution, attachment, garnishment or distraint) or any Lien thereon shall be enforced, or such property shall become subject to any receivership, or any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of \$100,000 shall exist or such property, or any receiver, sheriff, civil enforcement agent or other person shall become lawfully entitled to seize or distrain upon any such property under the *Civil Enforcement Act* (Alberta), the *Workers' Compensation Act* (Alberta), the *Personal Property Security Act* (Alberta) or any other Applicable Law whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, receivership, charging order or equitable execution, or other seizure or right, shall continue in effect and not released or discharged for more than 15 Business Days;
- (I) if one or more judgments for the payment of money in the aggregate in excess of \$100,000 from time to time, and not substantially covered by insurance, shall become enforceable against it and it shall not have (i) provided for its discharge in accordance with its terms within 15 Business Days from the date of entry thereof, or (ii) procured a stay of execution thereof within 15 Business Days from the date of entry thereof and within such period, or such longer period during which execution of such judgment shall have been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal;
- (m) if it denies, to any material extent, its obligations under the Note or claims the Note to be invalid or withdrawn in whole or in part; or any of the Note or any material provision

becomes unlawful or is changed by virtue of legislation or by a court, statutory board or commission;

- if the Security is not enforceable or if it shall dispute or deny any liability or obligation under (n) the Security; and
- (o) if a Material Adverse Effect has occurred.
- Remedies. Upon the occurrence of any Event of Default: (a) all indebtedness, liabilities and 15. obligations of the Borrower under this Note shall at the Lender's option and without notice become immediately due and payable without presentment, demand, protest or notice of dishonor, all of which are hereby expressly waived by the Borrower; and (b) the Lender shall have all rights, powers and remedies available under the Note Documents, or accorded by Applicable Law, including the right to resort to any or all Collateral for any Obligations subject hereto and to exercise any or all of the rights of a beneficiary or secured party pursuant to all Applicable Law. All rights, powers and remedies of the Lender may be exercised at any time by the Lender and from time to time after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.
- Notices. Any demand, notice or other communication in connection with this Note shall be in writing 16. and shall be personally delivered, mailed by registered mail or sent by email, to the address or email address of the addressee set out below or to such other coordinates as the relevant party may from time to time designate to the other party in such manner.

In the case of the Borrower:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

Attention:

Ken Yoon, Chief Executive Officer

E-mail:

ken.yoon@pathwayhealth.ca

In the case of the Lender:

P.O. Box 8 Caledon East Caledon ON L7C 3L8 Canada

Attention:

Mr. David Dozzo, Director

E-mail: ddozzo@capforminc.com

Any communication which is personally delivered shall be deemed to have been validly and effectively given on the date of such delivery if such date is a business day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of delivery. Any communication which is mailed shall be deemed to have been validly and effectively given on the fifth business day following the date of mailing provided that, in the event of an interruption in postal



services before such fifth business day, such communication shall be given by one of the other means. Any communication which is transmitted by email shall be deemed to have been validly and effectively given on the date of transmission if such date is a business day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of transmission.

- 17. Waiver. Borrower hereby waives demand, notice, presentment, protest and notice of dishonor.
- 18. **Severability**. Any provision of this Note or the Security which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Note fail to provide for any relevant matter, the validity, legality or enforceability of this note shall not hereby be affected
- 19. Further Assurances. The Borrower shall, at the request of the Lender do all such further acts and execute and deliver all such further documents as may, in the reasonable opinion of the Lender, be necessary or desirable in order to fully perform and carry out the purpose and intent of the Note Documents.
- 20. **Time of the Essence**. Time shall be of the essence in the Note Documents.
- 21. **Governing Law**. This Note shall be governed by and construed under the laws of the Province of Alberta, as applied to agreements among Alberta residents, made and to be performed entirely within the Province of Alberta, without giving effect to conflicts of laws principles.
- Indemnification. The Borrower shall indemnify the Lender against all suits, actions, proceedings, claims, losses, expenses (including reasonable fees, charges and disbursements of counsel), damages and liabilities that the Lender may sustain or incur as a consequence of any misrepresentation contained in any writing from the Borrower delivered to the Lender in connection with this Note, or from any default in the observance or performance of any material agreement, covenant or undertaking given by the Borrower to the Lender in the Note Documents.
- 23. **Modification; Waiver**. Any term of this Note may be amended or waived only with the written consent of Borrower and Lender and the prior approval of the TSXV. Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them.
- 24. Assignment. So long as no Event of Default has occurred and is continuing, this Note may be transferred or assigned by Lender to any person without Borrower's prior written consent provided such person executes and delivers a counterpart to this Note pursuant to which it agrees to be bound by the terms hereof. No such assignment shall relieve the Lender of its obligations hereunder. Interest and principal shall be paid solely to Lender or such permitted assign. Such payment shall constitute full discharge of Borrower's obligation to pay such interest and principal. Borrower may not at any time assign any of its rights or its obligations under this Note.
- 25. Amendment and Restatement. Subject to the terms and conditions of this amended and restated Note, 251, the Borrower and the Lender agree that, effective as of the date of this amended and restated Note, the original Note shall be amended and restated in its entirety on the terms and

conditions of this amended and restated Note, without in any way affecting the rights or obligations of any party which may have accrued as of the date hereof pursuant to the provisions of such agreement prior to their amendment and restatement hereunder.

[Signature Page Follows]



IN WITNESS WHEREOF, Borrower has caused this Note to be issued as of the date first set forth above.

PATHWAY HEALTH CORP.

By: Kuybon

Name: Ken Yoon

Title: Chief Executive Officer

AVONLEA-DREWRY HOLDINGS INC.

David Doggo

Name: David Dozzo

Title: Director

SCHEDULE "A"

GRID TO SECURED GRID PROMISSORY NOTE

Date	Principal Amount of Advance	Indebtedness to which Interest applies	Principal Paid or Prepaid	Balance of Principal Unpaid	Amount of Interest Paid	Balance of Interest Unpaid	Notation Made by:
April 21, 2023	\$600,000	\$600,000	(1)	\$600,000		(O	Dentons
May 15, 2023	\$400,000	\$1,000,000	(*)	\$1,00,000	10.	10	Dentons
June 26, 2023	\$200,000	\$1,200,000	17. 6	\$1,200,000](1	Dentons
July 13, 2023	\$30,000	\$1,230,000	*1	\$1,230,000	10	ŧ.	Dentons
		¥.					

PB

SCHEDULE "B"

PAYMENT INSTRUCTIONS

Beneficiary: Dentons Canada LLP

Address: 850 2nd Street SW, Calgary AB T2P 0R8

Beneficiary Bank: Bank of Montreal

Bank Address: 595 8th Avenue SW, Calgary AB T2P 1G1

Swift Code: BOFMCAM2

Bank Code: 001

Branch / Transit: 25159-001

Account Number: 1037-813

Memo reference: 577214-000001



SCHEDULE "C"

USE OF PROCEEDS

Use of Proceeds/2023	April	May	Total
Working capital (including aging payables)	150,000	150,000	300,000
Transaction costs and professional fees	450,000	150,000	600,000
Growth in existing clinics and medical cannabis	•	100,000	100,000
	600,000	400,000	1,000,000



SCHEDULE "D"

REPORTING EVENTS

Events Engagement Letter with an Investment Bank Interim Order/Mailing of the Information Circular relating to the Arrangement Agreement Sign-off on Financing Materials and beginning of Marketing Phase Receipt of TSXV Conditional Approval for Arrangement Closing of Financing in Escrow Final Order/Holding of Shareholder Meetings and approval of resolution by shareholders Closing of transaction and release of offering proceeds

THIS IS EXHIBIT "F"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND

FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

GUARANTEE

THIS GUARANTEE is made as of the 27th day of May, 2022

BY:

PATHWAY HEALTH SERVICES CORP., (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "Secured Party")

RECITALS

- A. Pathway Health Corp., as borrower (together with its successors and assigns, the "Borrower") has issued a secured interest bearing demand promissory grid note to the Secured Party (the "Note").
- B. The Guarantor has agreed to guarantee the payment by the Borrower of the Guaranteed Obligations.
- C. In this Guarantee, in addition to the definitions set out in the recitals hereto or any Section hereof, certain capitalized terms used herein shall have the meanings ascribed to them in Schedule "A" hereto.

NOW THEREFORE, in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with the Secured Party as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees to and for the benefit of the Secured Party the due and punctual payment of all Guaranteed Obligations. The guarantee contained herein is an absolute, unconditional, present and continuing guarantee of payment, and not of collection, is in no way conditioned or contingent upon any attempt to collect from or enforce payment by the Borrower or upon any other event, contingency or circumstance whatsoever. If, for any reason whatsoever, the Borrower shall fail or be unable to duly, punctually and fully pay any Guaranteed Obligations as and when the same shall become due and payable, the Guarantor shall forthwith pay, or cause to be paid, such Guaranteed Obligations to the Secured Party.

1.2 No Set off by Guarantor; Reinstatement

All amounts payable by the Guarantor under this Guarantee shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever except pursuant to any Requirement of Law. The Guarantee herein shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Secured Party as a result of any Proceedings of or affecting the Borrower or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. The Secured Party may concede or compromise any claim that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 1.2.



ARTICLE 2 ENFORCEMENT

2.1 Demand

Upon default in the payment of the Guaranteed Obligations or any part thereof, the Guarantor shall, on demand by or on behalf of the Secured Party, forthwith pay to the Secured Party all Guaranteed Obligations for which such demand was made. Any statement in writing of the Secured Party as to the amount of the Guaranteed Obligations and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

2.2 Right to Immediate Payment or Performance; Principal Debtor

The Secured Party shall not be bound to make any demand on or to seek or exhaust its recourse against the Borrower or any other Person or any Security held by it before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Guarantee, and the Guarantor hereby renounces all benefits of discussion and division. Any amounts which may not be recoverable from the Guarantor as guarantor under this Guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Secured Party by the Guarantor after demand therefor.

2.3 Subordination

All liabilities and indebtedness, present and future, absolute or contingent, joint or several, of the Borrower to the Guarantor are hereby postponed and subordinated to the payment and performance in full of the Guaranteed Obligations and all other amounts payable hereunder and unless otherwise agreed by the Secured Party, all monies received by the Guarantor in respect thereof shall be received in trust for the Secured Party and forthwith upon receipt shall be paid over to the Secured Party, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee. The Guarantor shall not:

- (a) claim, rank, prove or vote as a creditor in any Proceedings of or affecting the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations;
- (b) assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any Security) against the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations; or
- (c) have any right of subrogation to the Secured Party or be otherwise entitled to claim the benefit of any Security now or hereafter held by the Secured Party in respect of the Guaranteed Obligations;

until the Secured Party has received full and final payment of all Guaranteed Obligations and all other amounts payable hereunder.

ARTICLE 3 PROTECTION OF THE SECURED PARTY

3.1 Defects in Creation of Guaranteed Obligations

The Secured Party shall not be concerned to see or enquire into the capacity and powers of the Borrower or the Guarantors, or their directors, officers, employees or agents acting or purporting to act on their behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Borrower and the Guarantors in favour of the Secured Party shall be deemed to form part of the Guaranteed Obligations

even though the Borrower and any of the Guarantors may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, fraudulently, defectively or informally effected or in excess of the capacity or powers of the Borrower or the Guarantors, or their directors, officers, employees or agents.

3.2 Liability Absolute

This Guarantee shall be a continuing guarantee and the liability of the Guarantor hereunder shall be absolute, unconditional and irrevocable and shall not be discharged, diminished or in any way affected by:

- (a) any amalgamation, merger, consolidation or reorganization of the Borrower or the Guarantors or any continuation of the Borrower or the Guarantors from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;
- (b) any change in the name, business, objects, capital structure, ownership, constating documents, by-laws or resolutions of the Borrower or the Guarantors, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Borrower or the Guarantors becomes the property of any other Person;
- (c) any lack of validity, enforceability or value of any Note Document or any agreement or instrument relating to any Note Document or to any Security therefor;
- (d) any change in the time, manner or place of payment of, or in any other term of any Note Document or any amendment or waiver thereof, or any consent to departure from any Note Document;
- (e) any taking, exchange, release or non-perfection of any Security, or any release or amendment or waiver of or consent to departure from any credit support or other guarantee for any Note Document;
- (f) subject to any Requirement of Law, any manner of application of any Security or proceeds of realization thereof, or any manner of sale or other disposition of any collateral or any other assets of the Borrower or the Guarantors;
- (g) any amendment or modification of or supplement to or other change in any Note Document or any other agreement or instrument;
- (h) any failure, omission or delay on the part of any Person to conform or comply with any term of any Note Document or any other agreement or instrument;
- (i) to the extent as may be waived under Applicable Laws, the benefit of all principles or provisions of law, statutory or otherwise, which may be in conflict with the terms hereof;
- (j) any Proceedings of or affecting the Borrower, the Guarantors or any other Person and any court orders made or action taken by the Borrower, the Guarantors or any other Person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in this Article 3 occurring with or without the consent of the Secured Party;
- (k) any defence, counterclaim or right of set-off available to the Borrower with respect to the Guaranteed Obligations arising from any event or circumstance set forth or contemplated in this Article 3;

- (I) the fact that the Borrower ceases to be liable for any reason whatsoever to the Secured Party in respect of all or any part of the Guaranteed Obligations for any reason arising from or relating to any event or circumstance set forth or contemplated in this Article 3 or the fact that a court determines that the liability of the Borrower to the Secured Party in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (otherwise than pursuant to the express terms of any Note Document or the actual payment of those Guaranteed Obligations);
- (m) any termination by or release of any Guarantor or Persons, other than the Guarantor, in whole or in part of any of the Guaranteed Obligations; or
- (n) any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Borrower or any other Person in respect of the Guaranteed Obligations or the liability of the Guarantor other than the actual payment or performance thereof.

Without limiting the generality of the foregoing, the Guarantor agrees that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower or the Guarantors shall default under or fail to comply with the terms of any Loan Document and that notwithstanding the recovery hereunder for or in respect of any given default or failure to so comply by the Borrower or the Guarantors under any Loan Document, this Guarantee shall remain in force and effect and shall apply to each and every subsequent default. If (i) an event permitting the exercise of remedies under any Loan Document shall at any time have occurred and be continuing beyond any applicable cure period and (ii) such exercise, or any consequences thereof provided in such Loan Document shall at any time be prevented by reason of the pendency against the Borrower or the Guarantors of a Proceeding, the Guarantor agrees that, solely for purposes of this Guarantee and its obligations hereunder, the Loan Document shall be deemed to have been declared in default and all amounts thereunder shall be deemed to be due and payable, with all the attendant consequences as provided for in such agreement as if declaration of default and the consequence thereof had been accomplished in accordance with the terms thereof, and the Guarantor shall forthwith pay and perform the Guaranteed Obligations.

3.3 Dealings by the Secured Party

The Secured Party may from time to time in its absolute discretion, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

- (a) permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations, any Loan Document or any other agreement relating to any of the foregoing or demand payment of all or any Guaranteed Obligations;
- (b) enforce or take action under or abstain from enforcing or taking action under any Loan Document or any other guarantee of the Guaranteed Obligations;
- (c) receive, give up, subordinate, release or discharge any Security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any Security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any Security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any Security; or allow or abstain from allowing the Borrower or other Persons to deal with all or any part of such undertaking, property and assets;



- (d) renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Borrower or to any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (e) accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Borrower or any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (f) in whole or in part prove or abstain from proving a claim of the Secured Party in any Proceedings of or affecting the Borrower or any other Person; and
- (g) agree with the Borrower, any other guarantor or any other Person to do anything described in Subsections (a) to (f) above;

whether or not any of the matters described in Subsections (a) to (g) above occur alone or in connection with one or more other such matters. No loss of or in respect of any Security for the Guaranteed Obligations or any part thereof, whether occasioned through the fault of the Secured Party or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder.

3.4 Waiver of Notice

To the extent permitted by Applicable Laws, the Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 3.1, 3.2 or 3.3 and all other notices whatsoever in respect of the Guaranteed Obligations. The Guarantor hereby acknowledges the terms of the Note Documents and of all the provisions therein contained and consents to and approves the same.

3.5 Acknowledgment

The Guarantor acknowledges that it has received and will receive substantial direct and indirect benefits from the entering into of the Note Documents by the Borrower and the arrangements contemplated therein and this Guarantee is made knowingly in contemplation of such benefits.

ARTICLE 4 AGREEMENTS, REPRESENTATIONS AND WARRANTIES OF GUARANTOR

4.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party as follows:

- (a) Organization and Qualification. The Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with full right, power and authority under its corporate charter and, if applicable, by-laws and under the laws of the jurisdiction of its incorporation to enter into this Guarantee and to perform its obligations hereunder;
- (b) Authorization and Enforceability. The Guarantor has taken all necessary corporate action to enter into and perform its obligations contained in and contemplated by this Guarantee. This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms;



- (c) No Conflict. Neither the execution and delivery of this Guarantee nor compliance with any of the terms and provisions hereof (i) contravenes any Requirement of Law applicable to the Guarantor or any of its respective properties or other assets, (ii) conflicts with, breaches or contravenes the provisions of the corporate charter or, if applicable, bylaws of the Guarantor or conflicts with, breaches, contravenes or constitutes a default under any Contractual Obligation of the Guarantor or (iii) results in the creation or imposition of any mortgage, charge, assignment, lien, security interest or other encumbrance upon any of the property or assets of the Guarantor;
- (d) Governmental Consent. No Governmental Consent is required to authorize, or is required in connection with the execution, delivery and performance of this Guarantee or the taking of any action by the Guarantor hereby contemplated, except any that have been obtained;
- (e) Litigation. Other than as disclosed in writing to the Secured Party, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the best of the Guarantor's knowledge, threatened against or affecting the Guarantor or any of its properties or rights which would reasonably be expected to have a material adverse effect on the right or ability of the Guarantor to fulfill its obligations hereunder, or which questions the validity, binding effect or enforceability of this Guarantee or any action taken or to be taken by the Guarantor pursuant hereto or in connection with the transactions contemplated hereby; and
- (f) No Default or Amendment. Neither the Guarantor nor, to the best knowledge of the Guarantor, the Borrower or any Guarantor is in default of their respective obligations under this Guarantee or any Loan Document, respectively, and, to the best knowledge of the Guarantor, no event or condition has occurred or exists which with the lapse of time or the giving of notice would constitute a default of any of the Guarantor's obligations under this Guarantee or of the Borrower's or Guarantor's obligations under any Loan Document.

ARTICLE 5 MISCELLANEOUS

5.1 Expenses; Indemnity

The Guarantor shall pay on demand all reasonable out of pocket costs and expenses of the Secured Party (including, without limitation, the reasonable fees and expenses of counsel for the Secured Party) reasonably incurred in connection with the preparation and any enforcement of this Guarantee. The Guarantor shall indemnify and save the Secured Party harmless from and against any and all other losses, costs and expenses (which shall not include loss of profit or consequential damages, other than interest and fees on the amounts of credit advanced by the Secured Party to the Borrower, at the rate or rates applicable thereto in the Credit Facility Agreement) which may arise by virtue of any of the Guaranteed Obligations not being paid or performed in a punctual manner or any Loan Document or any other agreement relating to any of the foregoing being or becoming for any reason whatsoever in whole or in part void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable by the Secured Party in accordance with its terms, or released, compromised or discharged by operation of any Requirement of Law or otherwise.

5.2 Amendment; Waiver

No amendment of this Guarantee shall be binding unless executed in writing by the Secured Party and the Guarantor. No waiver of any provision of this Guarantee shall be effective unless given in writing by the Secured Party and no such waiver shall constitute a waiver of any other provision nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided. No delay on the part of the Secured Party in the exercise of any right, power or remedy

hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of the Secured Party permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Guarantee.

5.3 Additional Security

This Guarantee shall be in addition to, and shall not be in any way prejudiced by nor shall this Guarantee prejudice (i) any other Security now or hereafter held by the Secured Party, and (ii) the endorsement by the Guarantor of any notes or other documents, and the rights of the Secured Party under this Guarantee shall not be merged in any such other Security or endorsement or any judgment obtained by the Secured Party on the Guaranteed Obligations or the Security.

5.4 Successors and Assigns; Assignment

This Guarantee shall be binding upon the Guarantor and its successors and permitted assigns, and enure to the benefit of the Secured Party and its successors and assigns. The Guarantor shall not assign any rights or obligations with respect to this Guarantee without the prior written consent of the Secured Party which consent may be unreasonably withheld.

5.5 Communication

Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or e-mail and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable e-mail address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a) If to the Secured Party, to:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, ON L7C 3L8

Attention:

David Dozzo, Director

E-mail:

ddozzo@capforminc.com

(b) If to the Guarantor, to:

Pathway Health Services Corp. 16 Four Seasons Place, Suite 203A Etobicoke, ON M9B 6H7

Attention:

Aura Balboa, Chief Financial Officer

E-mail:

aura.balboa@theclinicnetwork.ca

5.6 Taxes

If any payment made by the Guarantor to the Secured Party becomes subject to any withholding or deduction with respect to taxes, the Guarantor shall also duly and punctually pay to the Secured Party such additional amount as may be necessary to ensure that the Secured Party receives an amount, after taking into account all applicable taxes, equal to the amount which would have been received by the Secured Party had such payment not been made subject to any withholding or deduction. In any such

circumstance, the Guarantor shall also promptly remit to the Secured Party the relevant official receipts or other evidence satisfactory to the Secured Party, acting reasonably, evidencing payment to the appropriate taxing authority of each such tax by the Guarantor on behalf of the Secured Party. If, following the payment of such tax by the Guarantor to the appropriate taxing authority, the Secured Party is granted a credit against any taxes payable by it or a refund of taxes paid by it as a result of the payment of such tax by the Guarantor, the Secured Party shall, at the time of utilization of that credit or refund, credit the Guarantor with the amount of that credit or refund, provided the Secured Party, in its sole judgement, is satisfied that:

- (a) the retention by it of that credit will not be prejudiced thereby; and
- (b) the net financial result to the Secured Party of crediting the Guarantor with the amount of such credit or refund is no less favourable to the Secured Party than that which would have occurred under the provisions of this Guarantee had there been no obligation on the Guarantor to pay such tax to the appropriate taxing authority.

In the event the Guarantor is entitled to be credited with all or any portion of such credit or refund utilized by the Secured Party, the Secured Party shall deliver to the Guarantor a certificate prepared by it in good faith and signed by one of its officers setting forth the amount to be so credited to the Guarantor and the method of calculation thereof and such certificate shall be prima facie evidence, in the absence of manifest error, of the amount to be so credited to the Guarantor. "Taxes" as used herein includes, but is not limited to, any applicable withholding taxes, value added taxes, imports and duties but excludes income taxes.

The Secured Party shall, at the Guarantor's request and cost, file such documentation and do such commercially reasonable things as is necessary to obtain such credit or refund, but the Secured Party shall not be obligated to disclose any information to the Guarantor or any other Person concerning its income or taxes that is not otherwise publicly available.

5.7 General

- (a) References. As used herein, "hereto", "herein", "hereof", "hereby", "hereunder" and any similar expressions refer to this Guarantee, and not to any particular Article, Section or other portion hereof. Whenever in this Guarantee a particular Article, Section or other portion thereof is referred to, such reference pertains to the Article, Section or portion thereof contained herein unless otherwise indicated. In this Guarantee, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. The inclusion of headings herein is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Invalidity of Provisions. Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (c) Entire Agreement. This Guarantee, together with the other Note Documents, constitutes the entire agreement between the parties pertaining to the subject matter of this Guarantee. There are no warranties, representations or agreements between the parties in connection with such subject matter except as specifically set forth or referred to in this Guarantee and the other Note Documents.
- (d) Governing Law, Attornment. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable

therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.

- (e) Copy Received. The Guarantor acknowledges receipt of a copy of this Guarantee.
- (f) Time of Essence. Time shall be of the essence.

[Signature Page Follows]



IN WITNESS WHEREOF Pathway Health Services Corp. has executed this Guarantee effective as of the day and year first above written.

PATHWAY HEALTH SERVICES CORP.

Per: ___

Name: Aura Balboa

Title: Chief Financial Officer

Aura Balboa

PKD

SCHEDULE "A" TO GUARANTEE

"Applicable Laws" means, in relation to any Person, transaction or event:

- all applicable common law and the laws of equity, and all applicable provisions of laws, statutes, rules, guidelines, policies and regulations of any Governmental Authority in effect from time to time; and
- ii. all judgments, orders, awards, decrees, official directives, writs and injunctions from time to time of any Governmental Authority in an action, proceeding or matter in which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banking institutions located in Toronto, Ontario are open for business.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Note" means the secured interest bearing demand promissory grid note dated as of May 27, 2022, issued to the Secured Party, as lender, the Borrower, as borrower, and pursuant to which the Secured Party may advance up to Cdn.\$1.0 million to the Borrower, as such promissory note may be supplemented, amended, replaced or restated from time to time.

"Governmental Authority" means

- (a) any government, parliament or legislature, any regulatory or administrative authority, agency, commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances.
- (b) any Person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Governmental Consents" means all authorizations, registrations, consents, approvals, licences, exemptions, publications, filings, notices to and declarations of or with any Governmental Authority including, without limitation, related to any environmental law or environmental matter, that are required for the execution, delivery or performance of this Guarantee or the taking of any action by the Guaranter contemplated under this Guarantee.

"Guarantee" means this guarantee, as amended, supplemented or restated from time to time.

"Guaranteed Obligations" means all of the obligations, liabilities and indebtedness of the Borrower and the Guarantor to the Secured Party, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency, including without limitation all present and future indebtedness, liabilities and obligations of the Borrower and the Guarantor to the Secured Party owing under, out of, in connection with or in respect of the Note and the other Note Documents to which the Borrower is a Party.

"Note Documents" has the meaning ascribed thereto in the Note.



"Person" means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate or other judicial entity or any governmental body.

"Proceedings" means any voluntary or involuntary receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature.

"Requirement of Law" means, as to any Person, any law, treaty, regulation, ordinance, decree, judgment, order or similar requirement made or issued under sovereign or statutory authority and applicable to or binding upon that Person, or to which that Person or any of its property is subject.

"Security" means any mortgage, charge, assignment, lien, pledge, security interest or other encumbrance, any guarantee, and any other arrangement designed to secure the payment or performance of any obligation, liability or indebtedness held by or in favour of the Secured Party, whether obtained from the Borrower or the Guarantor and whether obtained before, at the time of or after the execution and delivery of this Guarantee.

THIS IS EXHIBIT "G"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

GUARANTEE

THIS GUARANTEE is made as of the 29th day of July, 2022

BY:

PATHWAY HEALTHCARE TECHNOLOGIES CORP., (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "Secured Party")

RECITALS

- A. Pathway Health Corp., as borrower (together with its successors and assigns, the "Borrower") is party to a credit agreement dated as of the date hereof among, *inter alios*, the Borrower, as borrower, the Guarantor, as a guarantor and the Secured Party, as lender (as amended, supplemented, restated or replaced from time to time the "Credit Agreement").
- B. The Guarantor has agreed to guarantee the payment by the Borrower of the Guaranteed Obligations.
- C. In this Guarantee, in addition to the definitions set out in the recitals hereto or any Section hereof, certain capitalized terms used herein shall have the meanings ascribed to them in Schedule "A" hereto.

NOW THEREFORE, in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with the Secured Party as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees to and for the benefit of the Secured Party the due and punctual payment of all Guaranteed Obligations. The guarantee contained herein is an absolute, unconditional, present and continuing guarantee of payment, and not of collection, is in no way conditioned or contingent upon any attempt to collect from or enforce payment by the Borrower or upon any other event, contingency or circumstance whatsoever. If, for any reason whatsoever, the Borrower shall fail or be unable to duly, punctually and fully pay any Guaranteed Obligations as and when the same shall become due and payable, the Guarantor shall forthwith pay, or cause to be paid, such Guaranteed Obligations to the Secured Party.

1.2 No Set off by Guarantor; Reinstatement

All amounts payable by the Guarantor under this Guarantee shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever except pursuant to any Requirement of Law. The Guarantee herein shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Secured Party as a result of any Proceedings of or affecting the Borrower or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. The Secured Party may concede or compromise any claim

that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 1.2.

ARTICLE 2 ENFORCEMENT

2.1 Demand

Upon default in the payment of the Guaranteed Obligations or any part thereof, the Guarantor shall, on demand by or on behalf of the Secured Party, forthwith pay to the Secured Party all Guaranteed Obligations for which such demand was made. Any statement in writing of the Secured Party as to the amount of the Guaranteed Obligations and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

2.2 Right to Immediate Payment or Performance; Principal Debtor

The Secured Party shall not be bound to make any demand on or to seek or exhaust its recourse against the Borrower or any other Person or any Security held by it before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Guarantee, and the Guarantor hereby renounces all benefits of discussion and division. Any amounts which may not be recoverable from the Guarantor as guarantor under this Guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Secured Party by the Guarantor after demand therefor.

2.3 Subordination

All liabilities and indebtedness, present and future, absolute or contingent, joint or several, of the Borrower to the Guarantor are hereby postponed and subordinated to the payment and performance in full of the Guaranteed Obligations and all other amounts payable hereunder and unless otherwise agreed by the Secured Party, all monies received by the Guarantor in respect thereof shall be received in trust for the Secured Party and forthwith upon receipt shall be paid over to the Secured Party, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee. The Guarantor shall not:

- (a) claim, rank, prove or vote as a creditor in any Proceedings of or affecting the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations;
- (b) assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any Security) against the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations; or
- (c) have any right of subrogation to the Secured Party or be otherwise entitled to claim the benefit of any Security now or hereafter held by the Secured Party in respect of the Guaranteed Obligations;

until the Secured Party has received full and final payment of all Guaranteed Obligations and all other amounts payable hereunder.

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ARTICLE 3 PROTECTION OF THE SECURED PARTY

3.1 Defects in Creation of Guaranteed Obligations

The Secured Party shall not be concerned to see or enquire into the capacity and powers of the Borrower or the Guarantors, or their directors, officers, employees or agents acting or purporting to act on their behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Borrower and the Guarantors in favour of the Secured Party shall be deemed to form part of the Guaranteed Obligations even though the Borrower and any of the Guarantors may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, fraudulently, defectively or informally effected or in excess of the capacity or powers of the Borrower or the Guarantors, or their directors, officers, employees or agents.

3.2 Liability Absolute

This Guarantee shall be a continuing guarantee and the liability of the Guarantor hereunder shall be absolute, unconditional and irrevocable and shall not be discharged, diminished or in any way affected by:

- (a) any amalgamation, merger, consolidation or reorganization of the Borrower or the Guarantors or any continuation of the Borrower or the Guarantors from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;
- (b) any change in the name, business, objects, capital structure, ownership, constating documents, by-laws or resolutions of the Borrower or the Guarantors, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Borrower or the Guarantors becomes the property of any other Person;
- (c) any lack of validity, enforceability or value of any Credit Document or any agreement or instrument relating to any Credit Document or to any Security therefor;
- (d) any change in the time, manner or place of payment of, or in any other term of any Credit Document or any amendment or waiver thereof, or any consent to departure from any Credit Document;
- (e) any taking, exchange, release or non-perfection of any Security, or any release or amendment or waiver of or consent to departure from any credit support or other guarantee for any Credit Document;
- (f) subject to any Requirement of Law, any manner of application of any Security or proceeds of realization thereof, or any manner of sale or other disposition of any collateral or any other assets of the Borrower or the Guarantors;
- (g) any amendment or modification of or supplement to or other change in any Credit Document or any other agreement or instrument;
- (h) any failure, omission or delay on the part of any Person to conform or comply with any term of any Credit Document or any other agreement or instrument;
- (i) to the extent as may be waived under Applicable Laws, the benefit of all principles or provisions of law, statutory or otherwise, which may be in conflict with the terms hereof;

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- (j) any Proceedings of or affecting the Borrower, the Guarantors or any other Person and any court orders made or action taken by the Borrower, the Guarantors or any other Person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in this Article 3 occurring with or without the consent of the Secured Party;
- (k) any defence, counterclaim or right of set-off available to the Borrower with respect to the Guaranteed Obligations arising from any event or circumstance set forth or contemplated in this Article 3;
- (I) the fact that the Borrower ceases to be liable for any reason whatsoever to the Secured Party in respect of all or any part of the Guaranteed Obligations for any reason arising from or relating to any event or circumstance set forth or contemplated in this Article 3 or the fact that a court determines that the liability of the Borrower to the Secured Party in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (otherwise than pursuant to the express terms of any Credit Document or the actual payment of those Guaranteed Obligations);
- (m) any termination by or release of any Guarantor or Persons, other than the Guarantor, in whole or in part of any of the Guaranteed Obligations; or
- (n) any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Borrower or any other Person in respect of the Guaranteed Obligations or the liability of the Guarantor other than the actual payment or performance thereof.

Without limiting the generality of the foregoing, the Guarantor agrees that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower or the Guarantors shall default under or fail to comply with the terms of any Loan Document and that notwithstanding the recovery hereunder for or in respect of any given default or failure to so comply by the Borrower or the Guarantors under any Loan Document, this Guarantee shall remain in force and effect and shall apply to each and every subsequent default. If (i) an event permitting the exercise of remedies under any Loan Document shall at any time have occurred and be continuing beyond any applicable cure period and (ii) such exercise, or any consequences thereof provided in such Loan Document shall at any time be prevented by reason of the pendency against the Borrower or the Guarantors of a Proceeding, the Guarantor agrees that, solely for purposes of this Guarantee and its obligations hereunder, the Loan Document shall be deemed to have been declared in default and all amounts thereunder shall be deemed to be due and payable, with all the attendant consequences as provided for in such agreement as if declaration of default and the consequence thereof had been accomplished in accordance with the terms thereof, and the Guarantor shall forthwith pay and perform the Guaranteed Obligations.

3.3 Dealings by the Secured Party

The Secured Party may from time to time in its absolute discretion, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

- (a) permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations, any Loan Document or any other agreement relating to any of the foregoing or demand payment of all or any Guaranteed Obligations;
- (b) enforce or take action under or abstain from enforcing or taking action under any Loan Document or any other guarantee of the Guaranteed Obligations;

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- (c) receive, give up, subordinate, release or discharge any Security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any Security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any Security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any Security; or allow or abstain from allowing the Borrower or other Persons to deal with all or any part of such undertaking, property and assets;
- (d) renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Borrower or to any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (e) accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Borrower or any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (f) in whole or in part prove or abstain from proving a claim of the Secured Party in any Proceedings of or affecting the Borrower or any other Person; and
- (g) agree with the Borrower, any other guarantor or any other Person to do anything described in Subsections (a) to (f) above;

whether or not any of the matters described in Subsections (a) to (g) above occur alone or in connection with one or more other such matters. No loss of or in respect of any Security for the Guaranteed Obligations or any part thereof, whether occasioned through the fault of the Secured Party or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder.

3.4 Waiver of Notice

To the extent permitted by Applicable Laws, the Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 3.1, 3.2 or 3.3 and all other notices whatsoever in respect of the Guaranteed Obligations. The Guarantor hereby acknowledges the terms of the Credit Documents and of all the provisions therein contained and consents to and approves the same.

3.5 Acknowledgment

The Guarantor acknowledges that it has received and will receive substantial direct and indirect benefits from the entering into of the Credit Documents by the Borrower and the arrangements contemplated therein and this Guarantee is made knowingly in contemplation of such benefits.

ARTICLE 4 AGREEMENTS, REPRESENTATIONS AND WARRANTIES OF GUARANTOR

4.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party as follows:

(a) Organization and Qualification. The Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with full right, power and authority under its corporate charter and, if applicable, by-laws and

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under the laws of the jurisdiction of its incorporation to enter into this Guarantee and to perform its obligations hereunder;

- (b) Authorization and Enforceability. The Guarantor has taken all necessary corporate action to enter into and perform its obligations contained in and contemplated by this Guarantee. This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms;
- (c) No Conflict. Neither the execution and delivery of this Guarantee nor compliance with any of the terms and provisions hereof (i) contravenes any Requirement of Law applicable to the Guarantor or any of its respective properties or other assets, (ii) conflicts with, breaches or contravenes the provisions of the corporate charter or, if applicable, bylaws of the Guarantor or conflicts with, breaches, contravenes or constitutes a default under any Contractual Obligation of the Guarantor or (iii) results in the creation or imposition of any mortgage, charge, assignment, lien, security interest or other encumbrance upon any of the property or assets of the Guarantor;
- (d) Governmental Consent. No Governmental Consent is required to authorize, or is required in connection with the execution, delivery and performance of this Guarantee or the taking of any action by the Guarantor hereby contemplated, except any that have been obtained:
- (e) Litigation. Other than as disclosed in writing to the Secured Party, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the best of the Guarantor's knowledge, threatened against or affecting the Guarantor or any of its properties or rights which would reasonably be expected to have a material adverse effect on the right or ability of the Guarantor to fulfill its obligations hereunder, or which questions the validity, binding effect or enforceability of this Guarantee or any action taken or to be taken by the Guarantor pursuant hereto or in connection with the transactions contemplated hereby; and
- (f) No Default or Amendment. Neither the Guarantor nor, to the best knowledge of the Guarantor, the Borrower or any Guarantor is in default of their respective obligations under this Guarantee or any Loan Document, respectively, and, to the best knowledge of the Guarantor, no event or condition has occurred or exists which with the lapse of time or the giving of notice would constitute a default of any of the Guarantor's obligations under this Guarantee or of the Borrower's or Guarantor's obligations under any Loan Document.

ARTICLE 5 MISCELLANEOUS

5.1 Expenses: Indemnity

The Guarantor shall pay on demand all reasonable out of pocket costs and expenses of the Secured Party (including, without limitation, the reasonable fees and expenses of counsel for the Secured Party) reasonably incurred in connection with the preparation and any enforcement of this Guarantee. The Guarantor shall indemnify and save the Secured Party harmless from and against any and all other losses, costs and expenses (which shall not include loss of profit or consequential damages, other than interest and fees on the amounts of credit advanced by the Secured Party to the Borrower, at the rate or rates applicable thereto in the Credit Facility Agreement) which may arise by virtue of any of the Guaranteed Obligations not being paid or performed in a punctual manner or any Loan Document or any other agreement relating to any of the foregoing being or becoming for any reason whatsoever in whole or in part void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable by the Secured

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Party in accordance with its terms, or released, compromised or discharged by operation of any Requirement of Law or otherwise.

5.2 Amendment; Waiver

No amendment of this Guarantee shall be binding unless executed in writing by the Secured Party and the Guarantor. No waiver of any provision of this Guarantee shall be effective unless given in writing by the Secured Party and no such waiver shall constitute a waiver of any other provision nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided. No delay on the part of the Secured Party in the exercise of any right, power or remedy hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of the Secured Party permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Guarantee.

5.3 Additional Security

This Guarantee shall be in addition to, and shall not be in any way prejudiced by nor shall this Guarantee prejudice (i) any other Security now or hereafter held by the Secured Party, and (ii) the endorsement by the Guarantor of any notes or other documents, and the rights of the Secured Party under this Guarantee shall not be merged in any such other Security or endorsement or any judgment obtained by the Secured Party on the Guaranteed Obligations or the Security.

5.4 Successors and Assigns; Assignment

This Guarantee shall be binding upon the Guarantor and its successors and permitted assigns, and enure to the benefit of the Secured Party and its successors and assigns. The Guarantor shall not assign any rights or obligations with respect to this Guarantee without the prior written consent of the Secured Party which consent may be unreasonably withheld.

5.5 Communication

Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or e-mail and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable e-mail address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a) If to the Secured Party, to:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, ON L7C 3L8

Attention:

David Dozzo, Director

E-mail:

ddozzo@capforminc.com

(b) If to the Guarantor, to:

Pathway Healthcare Technologies Corp. 16 Four Seasons Place, Suite 203A Toronto, Ontario M9B 6E5

Attention: Michael Steele

E-mail: steeleconsult@aol.com

If any payment made by the Guarantor to the Secured Party becomes subject to any withholding or deduction with respect to taxes, the Guarantor shall also duly and punctually pay to the Secured Party such additional amount as may be necessary to ensure that the Secured Party receives an amount, after taking into account all applicable taxes, equal to the amount which would have been received by the Secured Party had such payment not been made subject to any withholding or deduction. In any such circumstance, the Guarantor shall also promptly remit to the Secured Party the relevant official receipts or other evidence satisfactory to the Secured Party, acting reasonably, evidencing payment to the appropriate taxing authority of each such tax by the Guarantor on behalf of the Secured Party. If, following the payment of such tax by the Guarantor to the appropriate taxing authority, the Secured Party is granted a credit against any taxes payable by it or a refund of taxes paid by it as a result of the payment of such tax by the Guarantor, the Secured Party shall, at the time of utilization of that credit or refund, credit the Guarantor with the amount of that credit or refund, provided the Secured Party, in its sole judgement, is satisfied that:

- (c) the retention by it of that credit will not be prejudiced thereby; and
- (d) the net financial result to the Secured Party of crediting the Guarantor with the amount of such credit or refund is no less favourable to the Secured Party than that which would have occurred under the provisions of this Guarantee had there been no obligation on the Guarantor to pay such tax to the appropriate taxing authority.

In the event the Guarantor is entitled to be credited with all or any portion of such credit or refund utilized by the Secured Party, the Secured Party shall deliver to the Guarantor a certificate prepared by it in good faith and signed by one of its officers setting forth the amount to be so credited to the Guarantor and the method of calculation thereof and such certificate shall be prima facie evidence, in the absence of manifest error, of the amount to be so credited to the Guarantor. "Taxes" as used herein includes, but is not limited to, any applicable withholding taxes, value added taxes, imports and duties but excludes income taxes.

The Secured Party shall, at the Guarantor's request and cost, file such documentation and do such commercially reasonable things as is necessary to obtain such credit or refund, but the Secured Party shall not be obligated to disclose any information to the Guarantor or any other Person concerning its income or taxes that is not otherwise publicly available.

5.6 General

- (a) References. As used herein, "hereto", "herein", "hereof", "hereby", "hereunder" and any similar expressions refer to this Guarantee, and not to any particular Article, Section or other portion hereof. Whenever in this Guarantee a particular Article, Section or other portion thereof is referred to, such reference pertains to the Article, Section or portion thereof contained herein unless otherwise indicated. In this Guarantee, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. The inclusion of headings herein is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Invalidity of Provisions. Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (c) Entire Agreement. This Guarantee, together with the other Credit Documents, constitutes the entire agreement between the parties pertaining to the subject matter of

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this Guarantee. There are no warranties, representations or agreements between the parties in connection with such subject matter except as specifically set forth or referred to in this Guarantee and the other Credit Documents.

- (d) Governing Law, Attornment. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.
- (e) Copy Received. The Guarantor acknowledges receipt of a copy of this Guarantee.
- (f) Time of Essence. Time shall be of the essence.

[Signature Page Follows]

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IN WITNESS WHEREOF Pathway Healthcare Technologies Corp. has executed this Guarantee effective as of the day and year first above written.

PATHWAY HEALTHCARE TECHNOLOGIES CORP.

Per:

Name: Michael Steele

Title: President and CEO

SCHEDULE "A" TO GUARANTEE

"Applicable Laws" means, in relation to any Person, transaction or event:

- all applicable common law and the laws of equity, and all applicable provisions of laws, statutes, rules, guidelines, policies and regulations of any Governmental Authority in effect from time to time; and
- ii. all judgments, orders, awards, decrees, official directives, writs and injunctions from time to time of any Governmental Authority in an action, proceeding or matter in which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banking institutions located in Toronto. Ontario are open for business.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Credit Agreement" has the meaning ascribed thereto in Recital A to this Guarantee.

"Credit Documents" has the meaning ascribed thereto in the Credit Agreement.

"Governmental Authority" means

- (a) any government, parliament or legislature, any regulatory or administrative authority, agency, commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances.
- (b) any Person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Governmental Consents" means all authorizations, registrations, consents, approvals, licences, exemptions, publications, filings, notices to and declarations of or with any Governmental Authority including, without limitation, related to any environmental law or environmental matter, that are required for the execution, delivery or performance of this Guarantee or the taking of any action by the Guarantor contemplated under this Guarantee.

"Guarantee" means this guarantee, as amended, supplemented or restated from time to time.

"Guaranteed Obligations" means all of the obligations, liabilities and indebtedness of the Borrower and the Guarantor to the Secured Party, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency, including without limitation all present and future indebtedness, liabilities and obligations of the Borrower and the Guarantor to the Secured Party owing under, out of, in connection with or in respect of the Credit Agreement and the other Credit Documents to which the Borrower is a Party.

"Person" means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate or other judicial entity or any governmental body.

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"Proceedings" means any voluntary or involuntary receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature.

"Requirement of Law" means, as to any Person, any law, treaty, regulation, ordinance, decree, judgment, order or similar requirement made or issued under sovereign or statutory authority and applicable to or binding upon that Person, or to which that Person or any of its property is subject.

"Security" means any mortgage, charge, assignment, lien, pledge, security interest or other encumbrance, any guarantee, and any other arrangement designed to secure the payment or performance of any obligation, liability or indebtedness held by or in favour of the Secured Party, whether obtained from the Borrower or the Guarantor and whether obtained before, at the time of or after the execution and delivery of this Guarantee.



GUARANTEE

THIS GUARANTEE is made as of the 29th day of July, 2022

BY:

2563367 ONTARIO LIMITED, (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

RECITALS

- A. Pathway Health Corp., as borrower (together with its successors and assigns, the "Borrower") is party to a credit agreement dated as of the date hereof among, *inter alios*, the Borrower, as borrower, the Guarantor, as a guarantor and the Secured Party, as lender (as amended, supplemented, restated or replaced from time to time the "Credit Agreement").
- B. The Guarantor has agreed to guarantee the payment by the Borrower of the Guaranteed Obligations.
- C. In this Guarantee, in addition to the definitions set out in the recitals hereto or any Section hereof, certain capitalized terms used herein shall have the meanings ascribed to them in Schedule "A" hereto.

NOW THEREFORE, in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with the Secured Party as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees to and for the benefit of the Secured Party the due and punctual payment of all Guaranteed Obligations. The guarantee contained herein is an absolute, unconditional, present and continuing guarantee of payment, and not of collection, is in no way conditioned or contingent upon any attempt to collect from or enforce payment by the Borrower or upon any other event, contingency or circumstance whatsoever. If, for any reason whatsoever, the Borrower shall fail or be unable to duly, punctually and fully pay any Guaranteed Obligations as and when the same shall become due and payable, the Guarantor shall forthwith pay, or cause to be paid, such Guaranteed Obligations to the Secured Party.

1.2 No Set off by Guarantor; Reinstatement

All amounts payable by the Guarantor under this Guarantee shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever except pursuant to any Requirement of Law. The Guarantee herein shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Secured Party as a result of any Proceedings of or affecting the Borrower or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. The Secured Party may concede or compromise any claim

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that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 1.2.

ARTICLE 2 ENFORCEMENT

2.1 Demand

Upon default in the payment of the Guaranteed Obligations or any part thereof, the Guarantor shall, on demand by or on behalf of the Secured Party, forthwith pay to the Secured Party all Guaranteed Obligations for which such demand was made. Any statement in writing of the Secured Party as to the amount of the Guaranteed Obligations and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

2.2 Right to Immediate Payment or Performance; Principal Debtor

The Secured Party shall not be bound to make any demand on or to seek or exhaust its recourse against the Borrower or any other Person or any Security held by it before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Guarantee, and the Guarantor hereby renounces all benefits of discussion and division. Any amounts which may not be recoverable from the Guarantor as guarantor under this Guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Secured Party by the Guarantor after demand therefor.

2.3 Subordination

All liabilities and indebtedness, present and future, absolute or contingent, joint or several, of the Borrower to the Guarantor are hereby postponed and subordinated to the payment and performance in full of the Guaranteed Obligations and all other amounts payable hereunder and unless otherwise agreed by the Secured Party, all monies received by the Guarantor in respect thereof shall be received in trust for the Secured Party and forthwith upon receipt shall be paid over to the Secured Party, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee. The Guarantor shall not:

- (a) claim, rank, prove or vote as a creditor in any Proceedings of or affecting the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations;
- (b) assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any Security) against the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations; or
- (c) have any right of subrogation to the Secured Party or be otherwise entitled to claim the benefit of any Security now or hereafter held by the Secured Party in respect of the Guaranteed Obligations;

until the Secured Party has received full and final payment of all Guaranteed Obligations and all other amounts payable hereunder.

ARTICLE 3 PROTECTION OF THE SECURED PARTY

3.1 Defects in Creation of Guaranteed Obligations

The Secured Party shall not be concerned to see or enquire into the capacity and powers of the Borrower or the Guarantors, or their directors, officers, employees or agents acting or purporting to act on their behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Borrower and the Guarantors in favour of the Secured Party shall be deemed to form part of the Guaranteed Obligations even though the Borrower and any of the Guarantors may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, fraudulently, defectively or informally effected or in excess of the capacity or powers of the Borrower or the Guarantors, or their directors, officers, employees or agents.

3.2 Liability Absolute

This Guarantee shall be a continuing guarantee and the liability of the Guarantor hereunder shall be absolute, unconditional and irrevocable and shall not be discharged, diminished or in any way affected by:

- (a) any amalgamation, merger, consolidation or reorganization of the Borrower or the Guarantors or any continuation of the Borrower or the Guarantors from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;
- (b) any change in the name, business, objects, capital structure, ownership, constating documents, by-laws or resolutions of the Borrower or the Guarantors, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Borrower or the Guarantors becomes the property of any other Person;
- (c) any lack of validity, enforceability or value of any Credit Document or any agreement or instrument relating to any Credit Document or to any Security therefor;
- (d) any change in the time, manner or place of payment of, or in any other term of any Credit Document or any amendment or waiver thereof, or any consent to departure from any Credit Document;
- (e) any taking, exchange, release or non-perfection of any Security, or any release or amendment or waiver of or consent to departure from any credit support or other guarantee for any Credit Document;
- (f) subject to any Requirement of Law, any manner of application of any Security or proceeds of realization thereof, or any manner of sale or other disposition of any collateral or any other assets of the Borrower or the Guarantors;
- (g) any amendment or modification of or supplement to or other change in any Credit Document or any other agreement or instrument;
- (h) any failure, omission or delay on the part of any Person to conform or comply with any term of any Credit Document or any other agreement or instrument;
- (i) to the extent as may be waived under Applicable Laws, the benefit of all principles or provisions of law, statutory or otherwise, which may be in conflict with the terms hereof;

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- (j) any Proceedings of or affecting the Borrower, the Guarantors or any other Person and any court orders made or action taken by the Borrower, the Guarantors or any other Person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in this Article 3 occurring with or without the consent of the Secured Party;
- (k) any defence, counterclaim or right of set-off available to the Borrower with respect to the Guaranteed Obligations arising from any event or circumstance set forth or contemplated in this Article 3:
- (I) the fact that the Borrower ceases to be liable for any reason whatsoever to the Secured Party in respect of all or any part of the Guaranteed Obligations for any reason arising from or relating to any event or circumstance set forth or contemplated in this Article 3 or the fact that a court determines that the liability of the Borrower to the Secured Party in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (otherwise than pursuant to the express terms of any Credit Document or the actual payment of those Guaranteed Obligations);
- (m) any termination by or release of any Guarantor or Persons, other than the Guarantor, in whole or in part of any of the Guaranteed Obligations; or
- (n) any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Borrower or any other Person in respect of the Guaranteed Obligations or the liability of the Guarantor other than the actual payment or performance thereof.

Without limiting the generality of the foregoing, the Guarantor agrees that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower or the Guarantors shall default under or fail to comply with the terms of any Loan Document and that notwithstanding the recovery hereunder for or in respect of any given default or failure to so comply by the Borrower or the Guarantors under any Loan Document, this Guarantee shall remain in force and effect and shall apply to each and every subsequent default. If (i) an event permitting the exercise of remedies under any Loan Document shall at any time have occurred and be continuing beyond any applicable cure period and (ii) such exercise, or any consequences thereof provided in such Loan Document shall at any time be prevented by reason of the pendency against the Borrower or the Guarantors of a Proceeding, the Guarantor agrees that, solely for purposes of this Guarantee and its obligations hereunder, the Loan Document shall be deemed to have been declared in default and all amounts thereunder shall be deemed to be due and payable, with all the attendant consequences as provided for in such agreement as if declaration of default and the consequence thereof had been accomplished in accordance with the terms thereof, and the Guarantor shall forthwith pay and perform the Guaranteed Obligations.

3.3 Dealings by the Secured Party

The Secured Party may from time to time in its absolute discretion, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

- (a) permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations, any Loan Document or any other agreement relating to any of the foregoing or demand payment of all or any Guaranteed Obligations;
- (b) enforce or take action under or abstain from enforcing or taking action under any Loan Document or any other guarantee of the Guaranteed Obligations;

- (c) receive, give up, subordinate, release or discharge any Security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any Security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any Security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any Security; or allow or abstain from allowing the Borrower or other Persons to deal with all or any part of such undertaking, property and assets;
- (d) renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Borrower or to any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Borrower or any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (f) in whole or in part prove or abstain from proving a claim of the Secured Party in any Proceedings of or affecting the Borrower or any other Person; and
- (g) agree with the Borrower, any other guarantor or any other Person to do anything described in Subsections (a) to (f) above;

whether or not any of the matters described in Subsections (a) to (g) above occur alone or in connection with one or more other such matters. No loss of or in respect of any Security for the Guaranteed Obligations or any part thereof, whether occasioned through the fault of the Secured Party or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder.

3.4 Waiver of Notice

To the extent permitted by Applicable Laws, the Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 3.1, 3.2 or 3.3 and all other notices whatsoever in respect of the Guaranteed Obligations. The Guarantor hereby acknowledges the terms of the Credit Documents and of all the provisions therein contained and consents to and approves the same.

3.5 Acknowledgment

The Guarantor acknowledges that it has received and will receive substantial direct and indirect benefits from the entering into of the Credit Documents by the Borrower and the arrangements contemplated therein and this Guarantee is made knowingly in contemplation of such benefits.

ARTICLE 4 AGREEMENTS, REPRESENTATIONS AND WARRANTIES OF GUARANTOR

4.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party as follows:

(a) Organization and Qualification. The Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with full right, power and authority under its corporate charter and, if applicable, by-laws and

under the laws of the jurisdiction of its incorporation to enter into this Guarantee and to perform its obligations hereunder;

- (b) Authorization and Enforceability. The Guarantor has taken all necessary corporate action to enter into and perform its obligations contained in and contemplated by this Guarantee. This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms;
- (c) No Conflict. Neither the execution and delivery of this Guarantee nor compliance with any of the terms and provisions hereof (i) contravenes any Requirement of Law applicable to the Guarantor or any of its respective properties or other assets, (ii) conflicts with, breaches or contravenes the provisions of the corporate charter or, if applicable, bylaws of the Guarantor or conflicts with, breaches, contravenes or constitutes a default under any Contractual Obligation of the Guarantor or (iii) results in the creation or imposition of any mortgage, charge, assignment, lien, security interest or other encumbrance upon any of the property or assets of the Guarantor;
- (d) Governmental Consent. No Governmental Consent is required to authorize, or is required in connection with the execution, delivery and performance of this Guarantee or the taking of any action by the Guarantor hereby contemplated, except any that have been obtained:
- (e) Litigation. Other than as disclosed in writing to the Secured Party, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the best of the Guarantor's knowledge, threatened against or affecting the Guarantor or any of its properties or rights which would reasonably be expected to have a material adverse effect on the right or ability of the Guarantor to fulfill its obligations hereunder, or which questions the validity, binding effect or enforceability of this Guarantee or any action taken or to be taken by the Guarantor pursuant hereto or in connection with the transactions contemplated hereby; and
- (f) No Default or Amendment. Neither the Guarantor nor, to the best knowledge of the Guarantor, the Borrower or any Guarantor is in default of their respective obligations under this Guarantee or any Loan Document, respectively, and, to the best knowledge of the Guarantor, no event or condition has occurred or exists which with the lapse of time or the giving of notice would constitute a default of any of the Guarantor's obligations under this Guarantee or of the Borrower's or Guarantor's obligations under any Loan Document.

ARTICLE 5 MISCELLANEOUS

5.1 Expenses; Indemnity

The Guarantor shall pay on demand all reasonable out of pocket costs and expenses of the Secured Party (including, without limitation, the reasonable fees and expenses of counsel for the Secured Party) reasonably incurred in connection with the preparation and any enforcement of this Guarantee. The Guarantor shall indemnify and save the Secured Party harmless from and against any and all other losses, costs and expenses (which shall not include loss of profit or consequential damages, other than interest and fees on the amounts of credit advanced by the Secured Party to the Borrower, at the rate or rates applicable thereto in the Credit Facility Agreement) which may arise by virtue of any of the Guaranteed Obligations not being paid or performed in a punctual manner or any Loan Document or any other agreement relating to any of the foregoing being or becoming for any reason whatsoever in whole or in part void, voidable, ultra vires, illegal, invalid, ineffective or otherwise unenforceable by the Secured

Party in accordance with its terms, or released, compromised or discharged by operation of any Requirement of Law or otherwise.

5.2 Amendment; Waiver

No amendment of this Guarantee shall be binding unless executed in writing by the Secured Party and the Guarantor. No waiver of any provision of this Guarantee shall be effective unless given in writing by the Secured Party and no such waiver shall constitute a waiver of any other provision nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided. No delay on the part of the Secured Party in the exercise of any right, power or remedy hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of the Secured Party permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Guarantee.

5.3 Additional Security

This Guarantee shall be in addition to, and shall not be in any way prejudiced by nor shall this Guarantee prejudice (i) any other Security now or hereafter held by the Secured Party, and (ii) the endorsement by the Guarantor of any notes or other documents, and the rights of the Secured Party under this Guarantee shall not be merged in any such other Security or endorsement or any judgment obtained by the Secured Party on the Guaranteed Obligations or the Security.

5.4 Successors and Assigns; Assignment

This Guarantee shall be binding upon the Guarantor and its successors and permitted assigns, and enure to the benefit of the Secured Party and its successors and assigns. The Guarantor shall not assign any rights or obligations with respect to this Guarantee without the prior written consent of the Secured Party which consent may be unreasonably withheld.

5.5 Communication

Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or e-mail and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable e-mail address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a) If to the Secured Party, to:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, ON L7C 3L8

Attention:

David Dozzo, Director

E-mail:

ddozzo@capforminc.com

(b) If to the Guarantor, to:

2563367 Ontario Limited 16 Four Seasons Place, Suite 203A Toronto, Ontario M9B 6E5

Attention: Kim Wei, President and Chief Executive Officer

E-mail: kim.wei@pathwayhealth.ca

If any payment made by the Guarantor to the Secured Party becomes subject to any withholding or deduction with respect to taxes, the Guarantor shall also duly and punctually pay to the Secured Party such additional amount as may be necessary to ensure that the Secured Party receives an amount, after taking into account all applicable taxes, equal to the amount which would have been received by the Secured Party had such payment not been made subject to any withholding or deduction. In any such circumstance, the Guarantor shall also promptly remit to the Secured Party the relevant official receipts or other evidence satisfactory to the Secured Party, acting reasonably, evidencing payment to the appropriate taxing authority of each such tax by the Guarantor on behalf of the Secured Party. If, following the payment of such tax by the Guarantor to the appropriate taxing authority, the Secured Party is granted a credit against any taxes payable by it or a refund of taxes paid by it as a result of the payment of such tax by the Guarantor, the Secured Party shall, at the time of utilization of that credit or refund, credit the Guarantor with the amount of that credit or refund, provided the Secured Party, in its sole judgement, is satisfied that:

- (c) the retention by it of that credit will not be prejudiced thereby; and
- (d) the net financial result to the Secured Party of crediting the Guarantor with the amount of such credit or refund is no less favourable to the Secured Party than that which would have occurred under the provisions of this Guarantee had there been no obligation on the Guarantor to pay such tax to the appropriate taxing authority.

In the event the Guarantor is entitled to be credited with all or any portion of such credit or refund utilized by the Secured Party, the Secured Party shall deliver to the Guarantor a certificate prepared by it in good faith and signed by one of its officers setting forth the amount to be so credited to the Guarantor and the method of calculation thereof and such certificate shall be prima facie evidence, in the absence of manifest error, of the amount to be so credited to the Guarantor. "Taxes" as used herein includes, but is not limited to, any applicable withholding taxes, value added taxes, imports and duties but excludes income taxes.

The Secured Party shall, at the Guarantor's request and cost, file such documentation and do such commercially reasonable things as is necessary to obtain such credit or refund, but the Secured Party shall not be obligated to disclose any information to the Guarantor or any other Person concerning its income or taxes that is not otherwise publicly available.

5.6 General

- (a) References. As used herein, "hereto", "herein", "hereof", "hereby", "hereunder" and any similar expressions refer to this Guarantee, and not to any particular Article, Section or other portion hereof. Whenever in this Guarantee a particular Article, Section or other portion thereof is referred to, such reference pertains to the Article, Section or portion thereof contained herein unless otherwise indicated. In this Guarantee, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. The inclusion of headings herein is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Invalidity of Provisions. Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (c) Entire Agreement. This Guarantee, together with the other Credit Documents, constitutes the entire agreement between the parties pertaining to the subject matter of

- this Guarantee. There are no warranties, representations or agreements between the parties in connection with such subject matter except as specifically set forth or referred to in this Guarantee and the other Credit Documents.
- (d) Governing Law, Attornment. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.
- (e) Copy Received. The Guarantor acknowledges receipt of a copy of this Guarantee.
- (f) Time of Essence. Time shall be of the essence.

[Signature Page Follows]

IN WITNESS WHEREOF 2563367 Ontario Limited has executed this Guarantee effective as of the day and year first above written.

2563367 ONTARIO LIMITED

Per:

Name: Kim Wei

DocuSigned by:

Title: President and Chief Executive Officer

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SCHEDULE "A" TO GUARANTEE

"Applicable Laws" means, in relation to any Person, transaction or event:

- i. all applicable common law and the laws of equity, and all applicable provisions of laws, statutes, rules, guidelines, policies and regulations of any Governmental Authority in effect from time to time; and
- ii. all judgments, orders, awards, decrees, official directives, writs and injunctions from time to time of any Governmental Authority in an action, proceeding or matter in which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banking institutions located in Toronto, Ontario are open for business.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Credit Agreement" has the meaning ascribed thereto in Recital A to this Guarantee.

"Credit Documents" has the meaning ascribed thereto in the Credit Agreement.

"Governmental Authority" means

- any government, parliament or legislature, any regulatory or administrative authority, agency,
 commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances,
- (b) any Person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Governmental Consents" means all authorizations, registrations, consents, approvals, licences, exemptions, publications, filings, notices to and declarations of or with any Governmental Authority including, without limitation, related to any environmental law or environmental matter, that are required for the execution, delivery or performance of this Guarantee or the taking of any action by the Guaranter contemplated under this Guarantee.

"Guarantee" means this guarantee, as amended, supplemented or restated from time to time.

"Guaranteed Obligations" means all of the obligations, liabilities and indebtedness of the Borrower and the Guarantor to the Secured Party, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency, including without limitation all present and future indebtedness, liabilities and obligations of the Borrower and the Guarantor to the Secured Party owing under, out of, in connection with or in respect of the Credit Agreement and the other Credit Documents to which the Borrower is a Party.

"Person" means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate or other judicial entity or any governmental body.

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"Proceedings" means any voluntary or involuntary receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature.

"Requirement of Law" means, as to any Person, any law, treaty, regulation, ordinance, decree, judgment, order or similar requirement made or issued under sovereign or statutory authority and applicable to or binding upon that Person, or to which that Person or any of its property is subject.

"Security" means any mortgage, charge, assignment, lien, pledge, security interest or other encumbrance, any guarantee, and any other arrangement designed to secure the payment or performance of any obligation, liability or indebtedness held by or in favour of the Secured Party, whether obtained from the Borrower or the Guarantor and whether obtained before, at the time of or after the execution and delivery of this Guarantee.



GUARANTEE

THIS GUARANTEE is made as of the 29th day of July, 2022

BY:

SLAWNER ORTHO LTEE., (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "Secured Party")

RECITALS

- A. Pathway Health Corp., as borrower (together with its successors and assigns, the "Borrower") is party to a credit agreement dated as of the date hereof among, *inter alios*, the Borrower, as borrower, the Guarantor, as a guarantor and the Secured Party, as lender (as amended, supplemented, restated or replaced from time to time the "Credit Agreement").
- B. The Guarantor has agreed to guarantee the payment by the Borrower of the Guaranteed Obligations.
- C. In this Guarantee, in addition to the definitions set out in the recitals hereto or any Section hereof, certain capitalized terms used herein shall have the meanings ascribed to them in Schedule "A" hereto.

NOW THEREFORE, in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with the Secured Party as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees to and for the benefit of the Secured Party the due and punctual payment of all Guaranteed Obligations. The guarantee contained herein is an absolute, unconditional, present and continuing guarantee of payment, and not of collection, is in no way conditioned or contingent upon any attempt to collect from or enforce payment by the Borrower or upon any other event, contingency or circumstance whatsoever. If, for any reason whatsoever, the Borrower shall fail or be unable to duly, punctually and fully pay any Guaranteed Obligations as and when the same shall become due and payable, the Guarantor shall forthwith pay, or cause to be paid, such Guaranteed Obligations to the Secured Party.

1.2 No Set off by Guarantor; Reinstatement

All amounts payable by the Guarantor under this Guarantee shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever except pursuant to any Requirement of Law. The Guarantee herein shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Secured Party as a result of any Proceedings of or affecting the Borrower or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. The Secured Party may concede or compromise any claim

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that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 1.2.

ARTICLE 2 ENFORCEMENT

2.1 Demand

Upon default in the payment of the Guaranteed Obligations or any part thereof, the Guarantor shall, on demand by or on behalf of the Secured Party, forthwith pay to the Secured Party all Guaranteed Obligations for which such demand was made. Any statement in writing of the Secured Party as to the amount of the Guaranteed Obligations and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

2.2 Right to Immediate Payment or Performance; Principal Debtor

The Secured Party shall not be bound to make any demand on or to seek or exhaust its recourse against the Borrower or any other Person or any Security held by it before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Guarantee, and the Guarantor hereby renounces all benefits of discussion and division. Any amounts which may not be recoverable from the Guarantor as guarantor under this Guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Secured Party by the Guarantor after demand therefor.

2.3 Subordination

All liabilities and indebtedness, present and future, absolute or contingent, joint or several, of the Borrower to the Guarantor are hereby postponed and subordinated to the payment and performance in full of the Guaranteed Obligations and all other amounts payable hereunder and unless otherwise agreed by the Secured Party, all monies received by the Guarantor in respect thereof shall be received in trust for the Secured Party and forthwith upon receipt shall be paid over to the Secured Party, the whole without in any way lessening or limiting the liability of the Guarantor under this Guarantee. The Guarantor shall not:

- claim, rank, prove or vote as a creditor in any Proceedings of or affecting the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations;
- (b) assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any Security) against the Borrower or any other guarantor or Person liable directly or as surety for all or any part of the Guaranteed Obligations; or
- (c) have any right of subrogation to the Secured Party or be otherwise entitled to claim the benefit of any Security now or hereafter held by the Secured Party in respect of the Guaranteed Obligations;

until the Secured Party has received full and final payment of all Guaranteed Obligations and all other amounts payable hereunder.

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ARTICLE 3 PROTECTION OF THE SECURED PARTY

3.1 Defects in Creation of Guaranteed Obligations

The Secured Party shall not be concerned to see or enquire into the capacity and powers of the Borrower or the Guarantors, or their directors, officers, employees or agents acting or purporting to act on their behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Borrower and the Guarantors in favour of the Secured Party shall be deemed to form part of the Guaranteed Obligations even though the Borrower and any of the Guarantors may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, fraudulently, defectively or informally effected or in excess of the capacity or powers of the Borrower or the Guarantors, or their directors, officers, employees or agents.

3.2 Liability Absolute

This Guarantee shall be a continuing guarantee and the liability of the Guarantor hereunder shall be absolute, unconditional and irrevocable and shall not be discharged, diminished or in any way affected by:

- (a) any amalgamation, merger, consolidation or reorganization of the Borrower or the Guarantors or any continuation of the Borrower or the Guarantors from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;
- (b) any change in the name, business, objects, capital structure, ownership, constating documents, by-laws or resolutions of the Borrower or the Guarantors, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Borrower or the Guarantors becomes the property of any other Person;
- (c) any lack of validity, enforceability or value of any Credit Document or any agreement or instrument relating to any Credit Document or to any Security therefor;
- (d) any change in the time, manner or place of payment of, or in any other term of any Credit Document or any amendment or waiver thereof, or any consent to departure from any Credit Document;
- (e) any taking, exchange, release or non-perfection of any Security, or any release or amendment or waiver of or consent to departure from any credit support or other quarantee for any Credit Document;
- (f) subject to any Requirement of Law, any manner of application of any Security or proceeds of realization thereof, or any manner of sale or other disposition of any collateral or any other assets of the Borrower or the Guarantors;
- (g) any amendment or modification of or supplement to or other change in any Credit Document or any other agreement or instrument;
- (h) any failure, omission or delay on the part of any Person to conform or comply with any term of any Credit Document or any other agreement or instrument;
- (i) to the extent as may be waived under Applicable Laws, the benefit of all principles or provisions of law, statutory or otherwise, which may be in conflict with the terms hereof;

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- (j) any Proceedings of or affecting the Borrower, the Guarantors or any other Person and any court orders made or action taken by the Borrower, the Guarantors or any other Person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in this Article 3 occurring with or without the consent of the Secured Party;
- (k) any defence, counterclaim or right of set-off available to the Borrower with respect to the Guaranteed Obligations arising from any event or circumstance set forth or contemplated in this Article 3;
- (I) the fact that the Borrower ceases to be liable for any reason whatsoever to the Secured Party in respect of all or any part of the Guaranteed Obligations for any reason arising from or relating to any event or circumstance set forth or contemplated in this Article 3 or the fact that a court determines that the liability of the Borrower to the Secured Party in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (otherwise than pursuant to the express terms of any Credit Document or the actual payment of those Guaranteed Obligations);
- (m) any termination by or release of any Guarantor or Persons, other than the Guarantor, in whole or in part of any of the Guaranteed Obligations; or
- (n) any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Borrower or any other Person in respect of the Guaranteed Obligations or the liability of the Guarantor other than the actual payment or performance thereof.

Without limiting the generality of the foregoing, the Guarantor agrees that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower or the Guarantors shall default under or fail to comply with the terms of any Loan Document and that notwithstanding the recovery hereunder for or in respect of any given default or failure to so comply by the Borrower or the Guarantors under any Loan Document, this Guarantee shall remain in force and effect and shall apply to each and every subsequent default. If (i) an event permitting the exercise of remedies under any Loan Document shall at any time have occurred and be continuing beyond any applicable cure period and (ii) such exercise, or any consequences thereof provided in such Loan Document shall at any time be prevented by reason of the pendency against the Borrower or the Guarantors of a Proceeding, the Guarantor agrees that, solely for purposes of this Guarantee and its obligations hereunder, the Loan Document shall be deemed to have been declared in default and all amounts thereunder shall be deemed to be due and payable, with all the attendant consequences as provided for in such agreement as if declaration of default and the consequence thereof had been accomplished in accordance with the terms thereof, and the Guarantor shall forthwith pay and perform the Guaranteed Obligations.

3.3 Dealings by the Secured Party

The Secured Party may from time to time in its absolute discretion, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

- (a) permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations, any Loan Document or any other agreement relating to any of the foregoing or demand payment of all or any Guaranteed Obligations;
- (b) enforce or take action under or abstain from enforcing or taking action under any Loan Document or any other guarantee of the Guaranteed Obligations;

- (c) receive, give up, subordinate, release or discharge any Security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any Security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any Security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any Security; or allow or abstain from allowing the Borrower or other Persons to deal with all or any part of such undertaking, property and assets;
- (d) renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Borrower or to any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (e) accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Borrower or any other guarantor or other Person liable directly or indirectly or as surety for all or any part of the Guaranteed Obligations;
- (f) in whole or in part prove or abstain from proving a claim of the Secured Party in any Proceedings of or affecting the Borrower or any other Person; and
- (g) agree with the Borrower, any other guarantor or any other Person to do anything described in Subsections (a) to (f) above;

whether or not any of the matters described in Subsections (a) to (g) above occur alone or in connection with one or more other such matters. No loss of or in respect of any Security for the Guaranteed Obligations or any part thereof, whether occasioned through the fault of the Secured Party or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder.

3.4 Waiver of Notice

To the extent permitted by Applicable Laws, the Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 3.1, 3.2 or 3.3 and all other notices whatsoever in respect of the Guaranteed Obligations. The Guarantor hereby acknowledges the terms of the Credit Documents and of all the provisions therein contained and consents to and approves the same.

3.5 Acknowledgment

The Guarantor acknowledges that it has received and will receive substantial direct and indirect benefits from the entering into of the Credit Documents by the Borrower and the arrangements contemplated therein and this Guarantee is made knowingly in contemplation of such benefits.

ARTICLE 4 AGREEMENTS, REPRESENTATIONS AND WARRANTIES OF GUARANTOR

4.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party as follows:

(a) Organization and Qualification. The Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with full right, power and authority under its corporate charter and, if applicable, by-laws and

under the laws of the jurisdiction of its incorporation to enter into this Guarantee and to perform its obligations hereunder;

- (b) Authorization and Enforceability. The Guarantor has taken all necessary corporate action to enter into and perform its obligations contained in and contemplated by this Guarantee. This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms:
- (c) No Conflict. Neither the execution and delivery of this Guarantee nor compliance with any of the terms and provisions hereof (i) contravenes any Requirement of Law applicable to the Guarantor or any of its respective properties or other assets, (ii) conflicts with, breaches or contravenes the provisions of the corporate charter or, if applicable, bylaws of the Guarantor or conflicts with, breaches, contravenes or constitutes a default under any Contractual Obligation of the Guarantor or (iii) results in the creation or imposition of any mortgage, charge, assignment, lien, security interest or other encumbrance upon any of the property or assets of the Guarantor;
- (d) Governmental Consent. No Governmental Consent is required to authorize, or is required in connection with the execution, delivery and performance of this Guarantee or the taking of any action by the Guarantor hereby contemplated, except any that have been obtained;
- (e) Litigation. Other than as disclosed in writing to the Secured Party, there are no actions, suits or proceedings at law or in equity by or before any Governmental Authority now pending or, to the best of the Guarantor's knowledge, threatened against or affecting the Guarantor or any of its properties or rights which would reasonably be expected to have a material adverse effect on the right or ability of the Guarantor to fulfill its obligations hereunder, or which questions the validity, binding effect or enforceability of this Guarantee or any action taken or to be taken by the Guarantor pursuant hereto or in connection with the transactions contemplated hereby; and
- (f) No Default or Amendment. Neither the Guarantor nor, to the best knowledge of the Guarantor, the Borrower or any Guarantor is in default of their respective obligations under this Guarantee or any Loan Document, respectively, and, to the best knowledge of the Guarantor, no event or condition has occurred or exists which with the lapse of time or the giving of notice would constitute a default of any of the Guarantor's obligations under this Guarantee or of the Borrower's or Guarantor's obligations under any Loan Document.

ARTICLE 5 MISCELLANEOUS

5.1 Expenses; Indemnity

The Guarantor shall pay on demand all reasonable out of pocket costs and expenses of the Secured Party (including, without limitation, the reasonable fees and expenses of counsel for the Secured Party) reasonably incurred in connection with the preparation and any enforcement of this Guarantee. The Guarantor shall indemnify and save the Secured Party harmless from and against any and all other losses, costs and expenses (which shall not include loss of profit or consequential damages, other than interest and fees on the amounts of credit advanced by the Secured Party to the Borrower, at the rate or rates applicable thereto in the Credit Facility Agreement) which may arise by virtue of any of the Guaranteed Obligations not being paid or performed in a punctual manner or any Loan Document or any other agreement relating to any of the foregoing being or becoming for any reason whatsoever in whole or in part void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable by the Secured

Party in accordance with its terms, or released, compromised or discharged by operation of any Requirement of Law or otherwise.

5.2 Amendment; Waiver

No amendment of this Guarantee shall be binding unless executed in writing by the Secured Party and the Guarantor. No waiver of any provision of this Guarantee shall be effective unless given in writing by the Secured Party and no such waiver shall constitute a waiver of any other provision nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided. No delay on the part of the Secured Party in the exercise of any right, power or remedy hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by the Secured Party of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of the Secured Party permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Guarantee.

5.3 Additional Security

This Guarantee shall be in addition to, and shall not be in any way prejudiced by nor shall this Guarantee prejudice (i) any other Security now or hereafter held by the Secured Party, and (ii) the endorsement by the Guarantor of any notes or other documents, and the rights of the Secured Party under this Guarantee shall not be merged in any such other Security or endorsement or any judgment obtained by the Secured Party on the Guaranteed Obligations or the Security.

5.4 Successors and Assigns; Assignment

This Guarantee shall be binding upon the Guarantor and its successors and permitted assigns, and enure to the benefit of the Secured Party and its successors and assigns. The Guarantor shall not assign any rights or obligations with respect to this Guarantee without the prior written consent of the Secured Party which consent may be unreasonably withheld.

5.5 Communication

Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or e-mail and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable e-mail address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a) If to the Secured Party, to:

Avonlea-Drewry Holdings Inc. P.O. Box 8 Caledon East Caledon, ON L7C 3L8

Attention:

David Dozzo, Director

E-mail:

ddozzo@capforminc.com

(b) If to the Guarantor, to:

Slawner Ortho Ltee. 16 Four Seasons Place, Suite 203A Toronto, Ontario M9B 6E5

Attention: Aura Balboa

E-mail: <u>aura.balboa@pathwayhealth.ca</u>

If any payment made by the Guarantor to the Secured Party becomes subject to any withholding or deduction with respect to taxes, the Guarantor shall also duly and punctually pay to the Secured Party such additional amount as may be necessary to ensure that the Secured Party receives an amount, after taking into account all applicable taxes, equal to the amount which would have been received by the Secured Party had such payment not been made subject to any withholding or deduction. In any such circumstance, the Guarantor shall also promptly remit to the Secured Party the relevant official receipts or other evidence satisfactory to the Secured Party, acting reasonably, evidencing payment to the appropriate taxing authority of each such tax by the Guarantor on behalf of the Secured Party. If, following the payment of such tax by the Guarantor to the appropriate taxing authority, the Secured Party is granted a credit against any taxes payable by it or a refund of taxes paid by it as a result of the payment of such tax by the Guarantor, the Secured Party shall, at the time of utilization of that credit or refund, credit the Guarantor with the amount of that credit or refund, provided the Secured Party, in its sole judgement, is satisfied that:

- (c) the retention by it of that credit will not be prejudiced thereby; and
- (d) the net financial result to the Secured Party of crediting the Guarantor with the amount of such credit or refund is no less favourable to the Secured Party than that which would have occurred under the provisions of this Guarantee had there been no obligation on the Guarantor to pay such tax to the appropriate taxing authority.

In the event the Guarantor is entitled to be credited with all or any portion of such credit or refund utilized by the Secured Party, the Secured Party shall deliver to the Guarantor a certificate prepared by it in good faith and signed by one of its officers setting forth the amount to be so credited to the Guarantor and the method of calculation thereof and such certificate shall be prima facie evidence, in the absence of manifest error, of the amount to be so credited to the Guarantor. "Taxes" as used herein includes, but is not limited to, any applicable withholding taxes, value added taxes, imports and duties but excludes income taxes.

The Secured Party shall, at the Guarantor's request and cost, file such documentation and do such commercially reasonable things as is necessary to obtain such credit or refund, but the Secured Party shall not be obligated to disclose any information to the Guarantor or any other Person concerning its income or taxes that is not otherwise publicly available.

5.6 General

- (a) References. As used herein, "hereto", "herein", "hereof", "hereby", "hereunder" and any similar expressions refer to this Guarantee, and not to any particular Article, Section or other portion hereof. Whenever in this Guarantee a particular Article, Section or other portion thereof is referred to, such reference pertains to the Article, Section or portion thereof contained herein unless otherwise indicated. In this Guarantee, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. The inclusion of headings herein is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Invalidity of Provisions. Each of the provisions contained in this Guarantee is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (c) Entire Agreement. This Guarantee, together with the other Credit Documents, constitutes the entire agreement between the parties pertaining to the subject matter of

- this Guarantee. There are no warranties, representations or agreements between the parties in connection with such subject matter except as specifically set forth or referred to in this Guarantee and the other Credit Documents.
- (d) Governing Law, Attornment. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.
- (e) Copy Received. The Guarantor acknowledges receipt of a copy of this Guarantee.
- (f) Time of Essence. Time shall be of the essence.

[Signature Page Follows]

IN WITNESS WHEREOF Slawner Ortho Ltee. has executed this Guarantee effective as of the day and year first above written.

SLAWNER ORTHO LTEE.

Per:

—Docusigned by: Awra Balboa

Name: Aura Balboa Title: President

[Signature page to the Guarantee by Slawner Ortho in respect of Credit Agreement] NATDOCS\64526735\V-1

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SCHEDULE "A" TO GUARANTEE

"Applicable Laws" means, in relation to any Person, transaction or event:

- i. all applicable common law and the laws of equity, and all applicable provisions of laws, statutes, rules, guidelines, policies and regulations of any Governmental Authority in effect from time to time; and
- ii. all judgments, orders, awards, decrees, official directives, writs and injunctions from time to time of any Governmental Authority in an action, proceeding or matter in which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banking institutions located in Toronto, Ontario are open for business.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Credit Agreement" has the meaning ascribed thereto in Recital A to this Guarantee.

"Credit Documents" has the meaning ascribed thereto in the Credit Agreement.

"Governmental Authority" means

- (a) any government, parliament or legislature, any regulatory or administrative authority, agency, commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances,
- (b) any Person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Governmental Consents" means all authorizations, registrations, consents, approvals, licences, exemptions, publications, filings, notices to and declarations of or with any Governmental Authority including, without limitation, related to any environmental law or environmental matter, that are required for the execution, delivery or performance of this Guarantee or the taking of any action by the Guarantor contemplated under this Guarantee.

"Guarantee" means this guarantee, as amended, supplemented or restated from time to time.

"Guaranteed Obligations" means all of the obligations, liabilities and indebtedness of the Borrower and the Guarantor to the Secured Party, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency, including without limitation all present and future indebtedness, liabilities and obligations of the Borrower and the Guarantor to the Secured Party owing under, out of, in connection with or in respect of the Credit Agreement and the other Credit Documents to which the Borrower is a Party.

"Person" means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate or other judicial entity or any governmental body.



"Proceedings" means any voluntary or involuntary receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature.

"Requirement of Law" means, as to any Person, any law, treaty, regulation, ordinance, decree, judgment, order or similar requirement made or issued under sovereign or statutory authority and applicable to or binding upon that Person, or to which that Person or any of its property is subject.

"Security" means any mortgage, charge, assignment, lien, pledge, security interest or other encumbrance, any guarantee, and any other arrangement designed to secure the payment or performance of any obligation, liability or indebtedness held by or in favour of the Secured Party, whether obtained from the Borrower or the Guarantor and whether obtained before, at the time of or after the execution and delivery of this Guarantee.



THIS IS EXHIBIT "H"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT (the "Security Agreement") is made as of the 27th day of May, 2022

BY:

PATHWAY HEALTH CORP., (together with its successors and assigns, the "**Debtor**")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "Secured Party")

A. OBLIGATIONS SECURED

1. The undersigned Debtor hereby enters into this Security Agreement with the Secured Party for valuable consideration and as security for the payment of all present and future indebtedness of the Debtor to the Secured Party and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, joint or several, of the Debtor to the Secured Party whether as principal or surety, including, without limiting the generality of the foregoing, pursuant to a secured interest bearing demand promissory grid note issued on the date hereof to the Secured Party by the Debtor, as may be amended from time to time (the "Promissory Note") (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). Insofar as it affects personal property located in Ontario, this Security Agreement is governed by the Personal Property Security Act (Ontario) (the "Act").

B. GRANT OF MORTGAGES, CHARGES AND SECURITY INTERESTS

- The Debtor hereby:
 - (a) mortgages and charges to and in favour of the Secured Party as and by way of a fixed and specific mortgage and charge, and grants to the Secured Party a security interest in, all its present and future equipment, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, devices, vehicles, tools and furniture now or hereafter owned or acquired;
 - (b) mortgages and charges to the Secured Party and grants to the Secured Party a security interest in all its present and future inventory, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service;
 - (c) assigns, transfers and sets over to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future accounts and intangibles, including, without limiting the generality of the foregoing, all its present and future book debts, accounts and other amounts receivable, contract rights and choses in action of every kind or nature including insurance rights arising from or out of the assets referred to in Sections 2(a) and 2(b) hereof, goodwill, chattel paper, instruments of title, investments, money and securities;

- (d) assigns, transfers and conveys to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future intellectual property (hereinafter referred to as the "Intellectual Property Collateral") (whether registered or unregistered) comprising without limitation all formulations, computer programs, application software, hardware/software maintenance support agreements and all documentation related thereto, licenses of software, copyrights, patents and inventions, trade-marks, trade names, business names, trade styles and other business identifiers, industrial designs, integrated circuit topographies, trade secrets and other confidential information and all know-how obtained, developed or used by the Debtor or contemplated at any time for use by the Debtor;
- (e) charges in favour of the Secured Party as and by way of a floating charge, and grants to the Secured Party a security interest in, its business and undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage, charge or security interest by Sections 2(a), 2(b), 2(c) and 2(d) hereof and the exceptions hereinafter contained);
- (f) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in the proceeds arising from any of the assets referred to in this Section 2; and
- (g) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in all additions to and replacements of the assets referred to in this Section 2.

For the purposes of this Security Agreement, the equipment, inventory, intangibles, Intellectual Property Collateral, undertaking, proceeds and all other property and assets of the Debtor referred to in this Section 2 are hereinafter collectively called the "Collateral".

C. LOCATION OF COLLATERAL

3. The Debtor hereby represents and warrants to the Secured Party that all Collateral material to the Debtor (including, without limitation, all of the Intellectual Property Collateral whatsoever) is presently at the following locations:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A Toronto, ON M9B 6E5

Attention:

Ken Yoon, Chief Executive Officer

E-mail:

ken.yoon@pathwayhealth.ca

- 4. The Collateral now situate in the Province of Ontario is on the date hereof primarily situate or located at the location set out in Section 3 hereof but may, with prior written notice to the Secured Party, from time to time be located at other premises of the Debtor or (in the case of the Collateral described in Section 2(b) above) any third party manufacturing or inventory storage facility in the Province of Ontario. Such Collateral may also be located at other places in Ontario or in Canada while in transit to and from such locations and premises and such Collateral may from time to time be situate or located at any other places in Ontario and Canada when on lease or consignment to any lessee or consignee from the Debtor.
- 5. Debtor further represents and warrants to the Secured Party, and so long as this Security Agreement remains in effect, shall be deemed to continuously represent and warrant to the Secured Party that:



- (a) it is a corporation incorporated and organized and validly existing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property in each jurisdiction where the failure to be so qualified would have a material adverse effect on the Debtor; and the execution, delivery and performance of this Security Agreement by the Debtor are within its corporate powers and have been duly authorized by all necessary corporate action of the Debtor; and
- (b) the execution, delivery and performance of the Obligations and the creation of the security interest or assignment hereunder of the Debtor's rights in the Collateral to the Secured Party will not conflict with or constitute a breach of the Debtor's Articles of Incorporation, as amended to date, or by-laws, nor will they result in a breach of or an event of default under any agreement to which the Debtor is party or by which it is bound.
- Debtor further represents and warrants to the Secured Party that on the date hereof:
 - (a) it has rights in the Collateral and other than permitted encumbrances, the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements of which the Debtor is aware, encumbrances or other adverse claims or interests, and subject to the fact that certain of the licenses and leases included in the Collateral may not be assignable or transferable, or may require consent to assignment or transfer, or may contain other restrictions on assignability or transferability;
 - (b) it has not granted any licenses in or of its Intellectual Property Collateral, other than in the ordinary course of its business; and
 - (c) each of the licenses granted in or of its Intellectual Property Collateral is non-exclusive.

D. LIMITED EXCEPTIONS TO GRANT OF CHARGE

The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Debtor, and whether falling within the general or particular description of the Collateral, is hereby and shall be excepted out of the mortgages, charges and security interests hereby or by any other instrument created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term, for the time being demised, as aforesaid, upon trust to assign and dispose of the same as any purchaser of such term shall direct.

E. AGREEMENTS OF THE DEBTOR

- 8. The Debtor and the Secured Party agree that they have not agreed to postpone the time for attachment of the security interests granted hereby with respect to the Debtor's presently existing Collateral and that such security interests shall attach to the Collateral acquired after the date hereof as soon as the Debtor has rights in such Collateral.
- 9. The Debtor agrees with the Secured Party that, until the Obligations have been satisfied or paid in full:
 - (a) it will not, without the prior written consent of the Secured Party:
 - (i) create, issue, transfer, or assign any new securities of the Debtor, whether debt or equity, but notwithstanding the foregoing, the Debtor may issue new securities, whether debt or equity, without consent of the Secured Party, provided that the

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- proceeds are used, at least in part, to satisfy and fully pay the Obligations outstanding;
- (ii) sell, transfer, assign, lease, license or otherwise dispose of the Collateral, or any interest therein, or attempt, offer or contract to do so, other than in the ordinary course of the Debtor's business and as would not have a material adverse effect on Debtor, its ability to pay the Obligations or the interests of the Secured Party hereunder;
- (iii) release, surrender or abandon possession of any material part of the Collateral;
- (iv) move or transfer any material part of the Collateral from the Province of Ontario or without prior written notice to the Secured Party; or
- (v) change its name without receiving written consent of the Secured Party.
- (b) unless otherwise agreed by, or stipulated pursuant to, the prior written consent or direction, as applicable, of the Secured Party, it will:
 - (i) hold the proceeds received from any direct or indirect dealing with the Collateral in trust for the Secured Party after either the security interests granted in this Security Agreement become enforceable or any of the Collateral is sold other than in the ordinary course of business of the Debtor and for the purpose of carrying on such business;
 - insure and keep insured all of the Collateral against loss or damage by fire and (ii) other insurable hazards for which such Collateral is commonly insured against in the Province of Ontario to the full insurable value thereof; the Debtor shall pay when due all premiums and other amounts payable for maintaining such insurance; the Debtor shall cause the insurance proceeds thereunder to be payable in case of loss to the Secured Party as mortgagee and loss payee and shall, if required, give to the Secured Party evidence of the payment of premiums and the assignment of such insurance to the Secured Party; should the Debtor fail to pay any premiums when due then the Secured Party may do so and the cost of such premiums shall be added to the Obligations and shall be secured by the security interests granted herein; the policy or policies of insurance required by this paragraph shall show the Secured Party as mortgagee and loss payee and shall contain a mortgage clause in form satisfactory to the Secured Party; all such policies of insurance shall neither permit nor provide for any amount of coinsurance by the Debtor;
 - (iii) keep the then existing Collateral in good condition and repair according to the nature and description thereof, and to not use the Collateral in violation of the provisions of this Security Agreement or any other agreement of the Debtor relating to the Collateral or any policy issued to the Debtor insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance, and the Secured Party may, whenever it deems necessary, either in person or by agent, enter upon the Debtor's property and inspect the Collateral and the reasonable cost of such inspection shall be payable on demand and added to the Obligations and the Secured Party may make repairs as it deems necessary, and the cost thereof shall be payable on demand and added to the Obligations;
 - (iv) set up and maintain accounting systems and books of account in accordance with generally accepted accounting principles and furnish to the Secured Party at any time upon request by the Secured Party all such information concerning the Debtor's affairs and business as the Secured Party may reasonably require;



- (v) materially comply with every covenant and undertaking heretofore or hereafter given by it to the Secured Party;
- (vi) materially comply with valid requirements of any governmental authority pertaining to the operation by the Debtor of its business;
- (vii) permit the Secured Party at any time and from time to time, after the security granted pursuant to this Security Agreement shall have become enforceable, to require any account debtor of the Debtor to make payment to the Secured Party of any or all amounts owing by the account debtor to the Debtor and the Secured Party may take control of any proceeds referred to in Section 2(f) hereof and may hold all amounts received from any account debtor and any proceeds as cash collateral as part of the Collateral and as security for the Obligations;
- (viii) pay or cause to be paid all taxes, rates and other impositions whatsoever already charged or hereafter to be charged by any authority on any of the Collateral as and when they shall generally fall due and, upon the request of the Secured Party, deliver to the Secured Party evidence of such payments;
- (ix) materially comply with all applicable laws, regulations and orders, including, without limitation, all public and employee health and safety provisions and all applicable federal, provincial, state or municipal environmental laws and all regulations or requirements thereunder relating in any way to the environment or the release of any substance into the environment;
- (x) defend the Collateral against the claims and demand of all other parties claiming the same or an interest therein and take all reasonable actions to keep the Collateral free from all encumbrances, other than permitted encumbrances;
- (xi) notify the Secured Party promptly of:
 - A. any material change in the information contained herein relating to the Debtor, including without limitation any change in the Debtor's registered office address, the Debtor's business or the Collateral;
 - B. the details of any significant acquisition or disposition of Collateral;
 - C. the details of any material complaints, violations, claims or litigation affecting the Debtor or the Collateral;
 - D. any material loss or damage to the Collateral;
 - E. any default by the Debtor in payment or performance of its Obligations with respect to the Collateral; and
 - F. the return to or repossession by the Debtor of the Collateral;
- (xii) do, execute, acknowledge and deliver such further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may from time to time be reasonably requested by the Secured Party of or with respect to the Collateral in order to give effect to this Security Agreement and to pay all costs and expenses (including reasonable and documented legal fees) of the Secured Party incurred with respect to searches and filings in connection therewith and with respect to the preparation, execution and filing of this Security Agreement and keeping the security interest granted hereunder perfected;

- (xiii) pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same may become due and payable;
- (xiv) prevent the Collateral from being or becoming an accession to other property not covered by this Security Agreement;
- (xv) carry on and conduct the business of the Debtor so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, financial statements supported by the books of account for the Debtors' business as well as accurate and complete records concerning the Collateral;
- (xvi) make available to the Secured Party from time to time promptly upon the request of the Secured Party true and complete copies of:
 - A. any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral,
 - B. all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same,
 - C. all financial statements prepared by or for Debtor regarding Debtor's business,
 - D. all policies and certificates of insurance relating to the Collateral, and
 - E. such information concerning Collateral, Debtor and Debtor's business and affairs as the Secured Party may reasonably request;
- (xvii) observe and perform its obligations under all material leases, licences, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances;
- (xviii) maintain its corporate existence and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets; and
- (xix) subject to the transportation and location of equipment outside of Ontario in the ordinary course of business, prior to the removal of any of the Collateral from the province in which it is or they are situated at the date of this Security Agreement or to leasehold property, effect such further registrations and obtain such other consents and give such other security as may be required or desirable to protect or preserve the security hereby created, and the Debtor shall forthwith notify the Secured Party of the intended removal and the action proposed to be taken.
- 10. The Debtor hereby agrees that it will at all times, both before and after default, do or cause to be done such additional things and execute and deliver or cause to be executed and delivered all such further acts and documents as the Secured Party may reasonably require for the better mortgaging, charging, transferring, assigning, confirming and granting of security interests in the present or future Collateral to the Secured Party.
- 11. Subject to compliance with the Debtor's covenants contained herein, the Debtor may, until the security granted pursuant to this Security Agreement shall have become enforceable, possess,



operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor.

F. DEFAULT

- 12. The Obligations shall, at the option of the Secured Party, become payable and the security granted pursuant to this Security Agreement shall become enforceable in each and every of the events following (each, an "Event of Default"):
 - (a) if the Debtor or any of its affiliates defaults in the observance or performance of any material agreement, convenant or undertaking given by the Debtor to the Secured Party in the Promissory Note, this Security Agreement, in any document executed in connection herewith, in any other future loan or credit facility agreement between the Debtor and the Secured Party, or in any document executed in connection therewith, other than as contemplated in Section 12(b) below;
 - (b) if the Debtor defaults in payment of any of the Obligations of the Debtor to the Secured Party when due;
 - (c) if the Debtor ceases or threatens to cease to carry on business or if the Debtor commits or threatens to commit any act of bankruptcy or if the Debtor becomes insolvent or makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets or if a bankruptcy petition is filed or presented against the Debtor;
 - (d) the transfer or disposition of any of the Collateral, other than in the regular course of business, by the Debtor, except as expressly permitted by this Security Agreement;
 - (e) if the Debtor shall seek relief or consents to the filing of a petition against it under any law which involves any compromise of any secured creditor's rights against the Debtor;
 - (f) if an execution or any other process of any court becomes enforceable against the Debtor or if a distress or analogous process is levied upon the property of the Debtor or any part thereof, provided such execution, court process, distress or analogous process is in response to an award or award(s) against the Debtor which in the aggregate exceed CDN\$250,000;
 - (g) if the Debtor shall permit any sum which has been admitted as due by the Debtor or is not disputed to be due by it and which forms or is capable of being made a charge upon any of the Collateral with equal priority to or senior to the charge created by this Security Agreement to remain unpaid for thirty (30) days after proceedings have been taken to enforce the same;
 - (h) if any material licences, permits or approvals required by any law, regulation or governmental policy or any governmental agency or commission for the operation by the Debtor of its business shall be withdrawn or cancelled;
 - (i) if any representation or warranty in the Promissory Note, inthis Security Agreement, in any other future loan or credit facility agreement between the Debtor and the Secured Party, or in any document executed in connection therewith, made by the Debtor or any of its



affiliates or officers to the Secured Party shall be false or inaccurate in any material respect;

- (j) if the Debtor is dissolved or the Debtor's existence is otherwise terminated or any action is taken by the Debtor to effect such termination or dissolution;
- (k) if any material portion of the Debtor's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity or if the Debtor is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of the Debtor's assets by any government agency;
- (I) if there is a material default or other failure to perform in any material agreement to which the Debtor is a party or by which the Debtor is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any indebtedness in an amount exceeding \$250,000; or
- (m) if any material misrepresentation, misstatement or omission existed at the time made in any warranty or representation set forth herein, in the Promissory Note, in this Security Agreement, in any other future loan or credit facility agreement between the Debtor and the Secured Party, or in any document executed in connection therewith.

provided, that, notwithstanding the foregoing, the Obligations shall not become payable and the security granted pursuant to this Security Agreement shall not become enforceable by reason only of the occurrence of an Event of Default (if such Event of Default is an Event of Default other than as a result of: (i) a failure to pay any Obligation of the Debtor to the Secured Party when due, as contemplated by paragraph (b) above, or (ii) if the Debtor ceases to carry on business or if the Debtor commits any act of bankruptcy or if the Debtor becomes insolvent or makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets or if a bankruptcy petition is filed or presented against the Debtor as contemplated by paragraph (c) above), and such Event of Default is remedied within thirty (30) business days from the date the Debtor became aware of such Event of Default or should reasonably have become aware of such Event of Default, or does not otherwise continue for at least thirty (30) business days from such date. Any event set forth above which pursuant to this section, the Debtor may remedy within the permitted thirty (30) business day period, shall not be considered to be an "Event of Default" unless such event goes unremedied for a period of twenty (20) consecutive business day, however, the Debtor hereby covenants to advise the Secured Party in writing immediately upon the occurrence of an event, set forth above regardless of any permitted remedy period.

13. This Security Agreement may be amended or modified, and any obligation, right or condition set forth herein may be waived, by an instrument in writing duly executed by the Debtor and the Secured Party.

G. REMEDIES OF THE SECURED PARTY

- 14. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by, without limitation:
 - (a) entry;
 - (b) the appointment by instrument in writing of a receiver or receivers of the Collateral or any part thereof (which receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Secured Party or not and the Secured Party



- may remove any receiver or receivers so appointed and appoint another or others in his or their stead);
- (c) proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof;
- (d) preserving, protecting and maintaining the Collateral and making such replacements and repairs and additions to the Collateral as the Secured Party deems advisable;
- (e) disposing of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
- (f) using, selling, assigning, leasing, licensing or sub-licensing any of the Collateral; or
- (g) any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity.

In addition, the Secured Party may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relating to the Debtor.

Any receiver or receivers so appointed shall have power to:

- (i) take possession of, to protect, to preserve and to use the Collateral or any part thereof;
- (ii) carry on the business of the Debtor (including, but not limited to, the taking or defending of any actions or legal proceedings, and the doing or refraining from doing all other things as to the receiver may seem necessary or desirable in connection with the business, operations and affairs of the Debtor);
- (iii) borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor;
- (iv) further charge the Collateral in priority to the security interests of this Security Agreement as security for money so borrowed; and
- (v) sell, lease, license or sub-license (to the extent permitted by the applicable license in the case of intellectual property or technology licensed from a third party), or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as the receiver shall determine.

The Secured Party shall not be responsible for any actions or errors of omission by the receiver or receivers in exercising any such powers.

In addition, the Secured Party may enter upon, use, occupy and possess the Collateral or any part thereof, free from all encumbrances, liens and charges, without hindrance, interruption or denial of the same by the Debtor or by any other person or persons save only a landlord pursuant to its rights of reversion under any lease of real property on expiry of its term, and may lease or sell the whole or any part or parts of the Collateral. Any sale hereunder may be made by public auction, by public tender or by private contract, with or without notice and with or without advertising and

without any other formality (except as required by law), all of which are hereby waived by the Debtor. Such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Secured Party in its sole discretion may seem advantageous. Such sale may take place whether or not the Secured Party has taken possession of the Collateral.

The Debtor agrees to pay to the Secured Party forthwith on demand all expenses incurred by the Secured Party in the preparation, perfection, administration and enforcement of this Security Agreement (including without limitation expenses incurred in considering and protecting or improving the Secured Party's position, or attempting to do so, whether before or after default), all amounts borrowed by the receiver from the Secured Party as hereinbefore provided and all costs, charges, expenses and fees (including, without limiting the generality of the foregoing, the reasonable and documented fees and expenses of any receiver and reasonable and documented legal fees on a solicitor and client basis) of or incurred by the Secured Party and by any receiver or receivers or agent or agents appointed by the Secured Party in connection with the recovery or enforcing of payment of any moneys owing hereunder, whether by realization, by taking possession or otherwise. All such sums, together with interest thereon at the rate applicable to the Obligations, shall form part of the Obligations and shall be secured by the security interests granted herein.

No remedy for the realization of the security interests granted herein or for the enforcement of the rights of the Secured Party shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

- 15. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by notifying all or any debtors of the security interest contemplated herein and may also direct such debtors to make all payments on the Collateral to the Secured Party. The Debtor acknowledges that any payments or other proceeds of the Collateral received by the Debtor from such debtors after notification of the security interest contemplated herein to such debtors shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.
- Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Debtor will not request or receive any money or other proceeds constituting income or interest from or interest on the Collateral and if the Debtor receives any such money or proceeds without any request by it, the Debtor will pay the same promptly to the Secured Party. So long as the security granted pursuant to this Security Agreement has not become enforceable or does not remain enforceable, the Debtor reserves the right to receive any money or other proceeds constituting income from or interest on Collateral and if the Secured Party receives any such money or proceeds prior to default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to Debtor.
- 17. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party shall at all times and from time to time have the right to change any appropriation as the Secured Party may see fit.

H. RIGHTS OF THE SECURED PARTY

18. The Secured Party may pay and satisfy the whole or any part of any liens, taxes, rates, charges or encumbrances now or hereafter existing in respect of any of the Collateral and such payments together with all costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations and shall be secured by the security interests granted herein. In the event of the Secured Party satisfying any such lien, charge or encumbrance,

it shall be entitled to all the equities and securities of the person or persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so.

- 19. The Debtor grants to the Secured Party the right to set off against any and all accounts, credits or balances maintained by it with the Secured Party, the aggregate amount of any of the Obligations.
- 20. The Secured Party, without exonerating in whole or in part the Debtor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with the Debtor and all other persons and securities as the Secured Party may see fit.
- 21. Nothing herein shall obligate the Secured Party to extend any credit to the Debtor.
- 22. The Secured Party may assign, transfer and deliver to any permitted transferee, any of the Obligations or any security or any documents or instruments held by the Secured Party in respect thereof provided that no such assignment, transfer or delivery shall release the Debtor from any of the Obligations; and thereafter the Secured Party shall be fully discharged from all responsibility with respect to the Obligations and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Secured Party under such security, documents or instruments but the Secured Party shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Debtor shall not assign any of its rights or obligations hereunder without the prior written consent of the Secured Party.

I. MISCELLANEOUS

- 23. No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may remedy any default by Debtor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 24. The security interest created hereby is intended to attach when this Security Agreement is executed by the Debtor and delivered to the Secured Party.
- 25. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- Upon payment by the Debtor or its successors or permitted assigns, and the fulfillment of all the Obligations and provided that the Secured Party is then under no obligation (conditional or otherwise) to make any further loan or extend any other type of credit to the Debtor, the Secured Party shall, upon request in writing by the Debtor, discharge this Security Agreement.
- 27. This Security Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario. For the purpose of legal proceedings, this Security Agreement shall be deemed to have been made in the said Province and to be performed therein and the courts of that Province shall have jurisdiction over all disputes which may arise under this Security Agreement. Each of the Debtor and the Secured Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts.



- 28. The headings in this Security Agreement are included for convenience of reference only, and shall not constitute a part of this Security Agreement for any other purpose.
- 29. This Security Agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party.
- 30. This Security Agreement and all its provisions shall enure to the benefit of the Secured Party, its successors and assigns, and, subject to the final sentence of Section 22, shall be binding on the Debtor, its successors and permitted assigns.
- Any demand, notice or other communication by the Secured Party in connection with this Security Agreement shall be subject to the notice provisions of the Promissory Note. Notwithstanding the foregoing, if the Act or any other statute requires a demand or notice to be given in a certain way or specifies the time at which the Debtor is deemed to have received a demand or notice then the Secured Party shall make the demand or notice in accordance with the particular statute and the demand or notice shall be deemed to have been received by the Debtor on the date or at the time specified by the particular statute.
- In construing this Security Agreement, terms herein shall have the same meaning as defined in the Act, unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.
- 33. This Security Agreement may be executed in any number of separate counterparts and all such signed counterparts constitute one and the same agreement. Delivery by facsimile, email, pdf or other electronic means of an originally executed signature page to this Security Agreement by a party is as effective as personal delivery of such signature page.

K. INDEMNIFICATION

The Debtor agrees to pay, and to save the Secured Party harmless from, any and all liabilities, 34. reasonable costs and expenses (including, without limitation, reasonable and documented legal fees and expenses): (i) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral, (ii) with respect to, or resulting from, any delay in complying with any law, rule, regulation or order of any court, arbitrator or governmental entity, jurisdiction or authority applicable to any of the Collateral or (iii) in connection with any of the transactions contemplated by this Security Agreement. In any suit, proceeding or action brought by the Secured Party under any accounts for any sum owing thereunder to the Debtor, or to enforce any provisions of any accounts, the Debtor will save, indemnify and keep the Secured Party harmless from and against all reasonable and documented expenses, losses or damages suffered by reason of any defense, setoff, counterclaim, recoupment or reduction or liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by the Debtor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from the Debtor.

[Signature Page Follows]

IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor and the Secured Party as of the date first written above.

DEBTOR:

PATHWAY HEALTH CORP.

By:

Name: Ken Yoon

Title: Chief Executive Officer

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

By:

Title:

Name: David Dozzo Director

SHARE PLEDGE AGREEMENT

THIS SHARE PLEDGE AGREEMENT (the "Agreement") is made as of the 27th day of May, 2022

BY:

PATHWAY HEALTH CORP., (together with its successors and assigns, the "Pledgor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (Ontario), as in force at the date of this Agreement, which Act including amendments thereto and any Act substituted therefor and amendments thereto is herein defined as the "PPSA".

2. SECURITY INTEREST AND CHARGE

- (a) As continuing security for the payment and performance of all debts, liabilities and obligations of Pledgor to the Secured Party (present and future, direct and indirect) (the "Indebtedness"), the Pledgor hereby grants a mortgage, pledge, charge and security interest to and in favour of the Secured Party in:
 - the shares described in Schedule A hereto represented by the share certificates described in Schedule A hereto, all after acquired shares held by the Pledgor in the capital of Pathway Health Services Corp., Pathway Wellness Corp., Pathway Healthcare Technologies Corp. and 1319923 Canada Ltd., together with any renewals thereof, substitutions therefor and additions thereto and all certificates and instruments evidencing or representing such securities;
 - (ii) any and all dividends, whether in cash, kind or stock, received or receivable upon or in respect of any Pledged Shares and all interest payments, money or other property payable or paid on account of any return or repayment of capital in respect of any Pledged Shares or otherwise distributed in respect thereof except as outlined in Section 2(d) and Section 2(e) below;
 - (iii) any and all other property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of, or in substitution for, or in addition to, or in exchange for, any of the foregoing;
 - (iv) any and all cash, securities and other proceeds of the foregoing and all rights and interest of the Pledgor in respect thereof or evidenced thereby including, without limitation, all money received from time to time by the Pledgor in connection with the sale of any of the Pledged Shares; and
 - any and all property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of the Pledged Shares;

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(collectively, the collateral described under subparagraphs 2(a)(i) to 2(a)(v) inclusive shall be hereinafter known as the "Pledged Shares")

- (b) The mortgages, pledges, charges and security interests granted hereunder are hereinafter collectively called the "Security Interests". The Pledgor warrants and acknowledges to and in favour of the Secured Party that:
 - (i) the parties intend the Security Interests hereby constituted in the Pledged Shares attaches upon execution and delivery hereof;
 - (ii) the parties intend the Security Interests created in any of the Pledgor's afteracquired Pledged Shares to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) Until Default (as defined herein), the Pledgor shall be entitled in good faith to exercise all voting power from time to time exercisable in respect of the Pledged Shares and give consents, waivers and ratifications in respect thereof. Immediately upon the occurrence and during the continuance of Default, all such right of the Pledgor to vote and give consents, waivers and ratifications shall cease and the Secured Party or its nominee shall be entitled to exercise all such voting rights and to give all consents, waivers and ratifications.
- (d) The Pledgor hereby agrees and undertakes to deliver to and deposit with, or cause to be delivered to and deposited with, the Secured Party's solicitors all certificates (duly endorsed in blank or accompanied by an executed stock transfer power of attorney) representing any of the Pledged Shares that the Pledgor may from time to time hereafter acquire or become entitled to or any share certificates which are issued as a result of reclassification, conversion or otherwise. The Pledgor hereby irrevocably authorizes and directs its solicitors to deliver to the Secured Party any such share certificates representing Pledged Shares.

3. REPRESENTATIONS AND WARRANTIES OF THE PLEDGOR

The Pledgor hereby represents and warrants to the Secured Party that:

- (a) the Pledged Shares are owned by the Pledgor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor and those shown on Schedule A, attached;
- (b) the Pledgor has full power and authority to execute, deliver and perform all of its obligations under this Agreement;
- (c) this Agreement when duly executed and delivered by the Pledgor will constitute a legal, valid and binding obligation of the Pledgor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other laws of general application affecting creditors' rights and by rules of equity governing enforceability by specific performance;
- (d) there is no provision in any agreement to which the Pledgor is a party, nor to the knowledge of the Pledgor is there any statute, rule or regulation, or any judgment, decree or order of any court, binding on the Pledgor which would be contravened by the execution and delivery of this Agreement;



- (e) there is no litigation, proceeding or dispute pending, or to the knowledge of the Pledgor threatened, against or affecting the Pledgor or the Pledged Shares, the adverse determination of which might impair the Pledgor's ability to perform its obligations hereunder; and
- (f) the Pledged Shares are or shall be located at the offices of the Secured Party and held pursuant to the terms of this Agreement.

4. COVENANTS OF THE PLEDGOR

The Pledgor hereby covenants with the Secured Party that:

- (a) the Pledgor owns and will maintain the Pledged Shares free of Encumbrances (save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor) and will defend title to the Pledged Shares for the benefit of the Secured Party against the claims and demands of all persons;
- (b) the Pledgor will immediately give notice to the Secured Party of:
 - (i) the details of any claims or litigation materially affecting the Pledgor or Pledged Shares; and
 - (ii) any change of its name, or the location of its chief executive office;
- (c) the Pledgor will observe the requirements of any regulatory or governmental authority with respect to the Pledged Shares; and
- (d) the Secured Party may pay or satisfy any Encumbrance created in respect of the Pledged Shares, or any sum necessary to be paid to clear title to such Pledged Shares, and the Pledgor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Pledgor on any portion of the Indebtedness.

5. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Pledgor fails to pay the Indebtedness when due;
- (b) if the Pledgor defaults in the observance or performance of any material agreement or undertaking given by the Pledgor to the Secured Party in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith;
- (c) any representation or warranty made in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith, proves to have been or to have become false or materially misleading;
- (d) the Pledgor becomes insolvent or makes an assignment or proposal for the benefit of its creditors, or a Bankruptcy Petition or Receiving Order is filed or made against the Pledgor, or a Receiver of the Pledgor or any part of its property is appointed, or the Pledgor commits or demonstrates an intention to commit any act of bankruptcy, or the Pledgor otherwise becomes subject to the provisions of the Bankruptcy and Insolvency Act (Canada) or any other legislation for the benefit of its creditors; and



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(e) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Pledgor, or a secured party takes possession of any of the Pledgor's property.

6. REMEDIES

On Default:

- (a) the Secured Party may sell the same by public or private sale at such price and upon such terms as the Secured Party in its sole discretion may determine and the proceeds of such sale less all costs and expenses of the Secured Party (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) the Secured Party has the right to enforce this Agreement by any method provided for in this Agreement and as permitted by law, and to dispose of the Pledged Shares by any method permitted by law, including a private sale, disposal by lease or deferred payment;
- (c) the Secured Party may appoint, but shall not be obligated to appoint, any person or persons to be a Receiver of any Pledged Shares, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a Receiver-Manager;
- (d) the Secured Party or the Receiver, if appointed, will have the power:
 - (i) to take possession of any Pledged Shares and for that purpose to take any proceedings, in the name of the Pledgor or otherwise;
 - (ii) to sell or lease the Pledged Shares by public auction, tender or private sale on such terms and conditions as the Receiver shall determine and to deliver to the Purchaser thereof sufficient title documents, transfers and deeds for the same;
 - (iii) to make any arrangement or compromise which it may think expedient in the interest of the Secured Party;
 - (iv) to hold as additional security any increase or profits resulting from the Pledged Shares; and
 - (v) to exercise all rights that the Secured Party has under this Agreement or otherwise at law.
- (e) the Pledgor hereby appoints each Receiver appointed by the Secured Party to be its attorney to effect the sale or lease or other disposition of the Pledged Shares and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Pledgor; and
- (f) any Receiver will be deemed to be the agent of the Pledgor, and the Pledgor will be solely responsible for his acts or defaults and for his remuneration and expenses, and the Secured Party will not be in any way responsible for any misconduct or negligence on the part of any Receiver.

7. POWER OF ATTORNEY

The Pledgor irrevocably authorizes and appoints the Secured Party as its attorney and agent to

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transfer the Pledged Shares or any part thereof into its own name or that of its nominee(s) in the event of Default so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof.

8. ACCELERATION

In the event of Default, the Secured Party, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable.

9. NOTICE

Any notice or demand required or permitted to be made or given by the Secured Party to the Pledgor shall be subject to the notice provisions of the Promissory Note.

10. COSTS AND EXPENSES

The Pledgor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it (including, but without restricting the generality of the foregoing, reasonable and documented legal fees as between a solicitor and his own client on a full indemnity basis), in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of Pledged Shares and in enforcing or collecting the Indebtedness and all such costs, disposition and charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of Pledged Shares and shall be secured hereby.

11. MISCELLANEOUS

- (a) The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Pledgor, sureties and others and with the Pledged Shares and other security as the Secured Party may see fit without prejudice to the Secured Party's right to hold and realize the Security Interest.
- (b) All rights, remedies and powers of the Secured Party hereunder and under any other securities or agreements now or hereafter delivered to the Secured Party by the Pledgor are cumulative and in addition to any other rights or remedies. The enforcement of any one or more remedies by the Secured Party shall not be deemed to be an election of remedies. No judgment recovered by the Secured Party against the Pledgor or any other persons shall merge or in any manner affect the securities or agreements now or hereafter delivered to the Secured Party or the Secured Party right to interest as provided herein.
- (c) This Agreement shall enure to the benefit of and be binding upon the parties, their respective successors and assigns.
- (d) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by the Secured Party.
- (e) The Pledgor further agrees to execute and deliver to the Secured Party such further assurances and conveyances and supplemental deeds as may be necessary to properly carry out the intention of this Agreement, as determined by the Secured Party, acting reasonably or as may be required by the Secured Party from time to time.
- (f) After Default, the Secured Party may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any



monies received by it from the Pledgor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness.

12. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate. If more than one person executes this Agreement, their obligations under this Agreement are joint and several.
- (c) This Agreement will be interpreted in accordance with the laws of the Province of Ontario. The Pledgor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of the Province of Ontario or in any court of competent jurisdiction, as the Secured Party may elect. The Pledgor hereby attorns to the same.

13. DELIVERY

This Agreement may be delivered in PDF or other electronic form which Agreement when so delivered shall be valid and binding as if delivered in original form. The Pledgor shall forthwith deliver an original of the signed copy of this Agreement which was so delivered.

14. GOVERNING LAW

This Agreement shall be governed by the laws of the Province of Ontario.

15. COPY OF AGREEMENT

The Pledgor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

[Signature Page Follows]



IN WITNESS WHEREOF this Agreement has been executed by the Pledgor and the Secured Party as of the date first written above.

PLEDGOR:

PATHWAY HEALTH CORP.

By:

Name: Ken Yoon

Title: Chief Executive Officer

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

Ву:

David Donno 2003236959664FA Name: David Dozzo

Title: Director

SCHEDULE A

PLEDGED SECURITIES

Issuer	Holder	Number and Class of Shares	Share Certificate No.
Pathway Health Services Corp.	Pathway Health Corp.		
Pathway Wellness Products Corp.	Pathway Health Corp.	100 Common	C-2
Pathway Healthcare Technologies Corp.	Pathway Health Corp.	100 Common	C-2
13199223 Canada Ltd.	Pathway Health Corp.	50,000 Common	C-1

THIS IS EXHIBIT "I"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT (the "Security Agreement") is made as of the 27th day of May, 2022

BY:

PATHWAY HEALTH SERVICES CORP., (together with its successors and assigns, the "Guarantor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "Secured Party")

A. OBLIGATIONS SECURED

1. The undersigned Guarantor hereby enters into this Security Agreement with the Secured Party for valuable consideration and as security for the payment of all present and future indebtedness of the Guarantor to the Secured Party and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, joint or several, of the Guarantor to the Secured Party whether as principal or surety, including, without limiting the generality of the foregoing, pursuant to a guarantee executed on the date hereof in favor of the Secured Party by the Guarantor, as may be amended from time to time (the "Guarantee") (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). Insofar as it affects personal property located in Ontario, this Security Agreement is governed by the Personal Property Security Act (Ontario) (the "Act").

B. GRANT OF MORTGAGES, CHARGES AND SECURITY INTERESTS

- 2. The Guarantor hereby:
 - (a) mortgages and charges to and in favour of the Secured Party as and by way of a fixed and specific mortgage and charge, and grants to the Secured Party a security interest in, all its present and future equipment, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, devices, vehicles, tools and furniture now or hereafter owned or acquired;
 - (b) mortgages and charges to the Secured Party and grants to the Secured Party a security interest in all its present and future inventory, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service;
 - (c) assigns, transfers and sets over to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future accounts and intangibles, including, without limiting the generality of the foregoing, all its present and future book debts, accounts and other amounts receivable, contract rights and choses in action of every kind or nature including insurance rights arising from or out of the assets referred to in Sections 2(a) and 2(b) hereof, goodwill, chattel paper, instruments of title, investments, money and securities;
 - (d) assigns, transfers and conveys to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future intellectual

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property (hereinafter referred to as the "Intellectual Property Collateral") (whether registered or unregistered) comprising without limitation all formulations, computer programs, application software, hardware/software maintenance support agreements and all documentation related thereto, licenses of software, copyrights, patents and inventions, trade-marks, trade names, business names, trade styles and other business identifiers, industrial designs, integrated circuit topographies, trade secrets and other confidential information and all know-how obtained, developed or used by the Guarantor or contemplated at any time for use by the Guarantor;

- charges in favour of the Secured Party as and by way of a floating charge, and grants to the Secured Party a security interest in, its business and undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage, charge or security interest by Sections 2(a), 2(b), 2(c) and 2(d) hereof and the exceptions hereinafter contained);
- (f) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in the proceeds arising from any of the assets referred to in this Section 2; and
- (g) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in all additions to and replacements of the assets referred to in this Section 2.

For the purposes of this Security Agreement, the equipment, inventory, intangibles, Intellectual Property Collateral, undertaking, proceeds and all other property and assets of the Guarantor referred to in this Section 2 are hereinafter collectively called the "Collateral".

C. LOCATION OF COLLATERAL

3. The Guarantor hereby represents and warrants to the Secured Party that all Collateral material to the Guarantor (including, without limitation, all of the Intellectual Property Collateral whatsoever) is presently at the following locations:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A Toronto, ON M9B 6E5

Attention:

Ken Yoon, Chief Executive Officer

E-mail:

ken.yoon@pathwayhealth.ca

- 4. The Collateral now situate in the Province of Ontario is on the date hereof primarily situate or located at the location set out in Section 3 hereof but may, with prior written notice to the Secured Party, from time to time be located at other premises of the Guarantor or (in the case of the Collateral described in Section 2(b) above) any third party manufacturing or inventory storage facility in the Province of Ontario. Such Collateral may also be located at other places in Ontario or in Canada while in transit to and from such locations and premises and such Collateral may from time to time be situate or located at any other places in Ontario and Canada when on lease or consignment to any lessee or consignee from the Guarantor.
- 5. Guarantor further represents and warrants to the Secured Party, and so long as this Security Agreement remains in effect, shall be deemed to continuously represent and warrant to the Secured Party that:
 - (a) it is a corporation incorporated and organized and validly existing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and



to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property in each jurisdiction where the failure to be so qualified would have a material adverse effect on the Guarantor; and the execution, delivery and performance of this Security Agreement by the Guarantor are within its corporate powers and have been duly authorized by all necessary corporate action of the Guarantor; and

- (b) the execution, delivery and performance of the Obligations and the creation of the security interest or assignment hereunder of the Guarantor's rights in the Collateral to the Secured Party will not conflict with or constitute a breach of the Guarantor's Articles of Incorporation, as amended to date, or by-laws, nor will they result in a breach of or an event of default under any agreement to which the Guarantor is party or by which it is bound.
- 6. Guarantor further represents and warrants to the Secured Party that on the date hereof:
 - (a) it has rights in the Collateral and other than permitted encumbrances, the Collateral is genuine and owned by the Guarantor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements of which the Guarantor is aware, encumbrances or other adverse claims or interests, and subject to the fact that certain of the licenses and leases included in the Collateral may not be assignable or transferable, or may require consent to assignment or transfer, or may contain other restrictions on assignability or transferability;
 - (b) it has not granted any licenses in or of its Intellectual Property Collateral, other than in the ordinary course of its business; and
 - (c) each of the licenses granted in or of its Intellectual Property Collateral is non-exclusive.

D. LIMITED EXCEPTIONS TO GRANT OF CHARGE

7. The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Guarantor, and whether falling within the general or particular description of the Collateral, is hereby and shall be excepted out of the mortgages, charges and security interests hereby or by any other instrument created, but the Guarantor shall stand possessed of the reversion of one day remaining in the Guarantor in respect of any such term, for the time being demised, as aforesaid, upon trust to assign and dispose of the same as any purchaser of such term shall direct.

E. AGREEMENTS OF THE GUARANTOR

- 8. The Guarantor and the Secured Party agree that they have not agreed to postpone the time for attachment of the security interests granted hereby with respect to the Guarantor's presently existing Collateral and that such security interests shall attach to the Collateral acquired after the date hereof as soon as the Guarantor has rights in such Collateral.
- 9. The Guarantor agrees with the Secured Party that, until the Obligations have been satisfied or paid in full:
 - (a) it will not, without the prior written consent of the Secured Party:
 - (i) create, issue, transfer, or assign any new securities of the Guarantor, whether debt or equity;
 - (ii) sell, transfer, assign, lease, license or otherwise dispose of the Collateral, or any interest therein, or attempt, offer or contract to do so, other than in the ordinary



course of the Guarantor's business and as would not have a material adverse effect on Guarantor, its ability to pay the Obligations or the interests of the Secured Party hereunder;

- (iii) release, surrender or abandon possession of any material part of the Collateral;
- (iv) move or transfer any material part of the Collateral from the Province of Ontario or without prior written notice to the Secured Party; or
- (v) change its name without receiving written consent of the Secured Party.
- (b) unless otherwise agreed by, or stipulated pursuant to, the prior written consent or direction, as applicable, of the Secured Party, it will:
 - (i) hold the proceeds received from any direct or indirect dealing with the Collateral in trust for the Secured Party after either the security interests granted in this Security Agreement become enforceable or any of the Collateral is sold other than in the ordinary course of business of the Guarantor and for the purpose of carrying on such business:
 - insure and keep insured all of the Collateral against loss or damage by fire and (ii) other insurable hazards for which such Collateral is commonly insured against in the Province of Ontario to the full insurable value thereof; the Guarantor shall pay when due all premiums and other amounts payable for maintaining such insurance; the Guarantor shall cause the insurance proceeds thereunder to be payable in case of loss to the Secured Party as mortgagee and loss payee and shall, if required, give to the Secured Party evidence of the payment of premiums and the assignment of such insurance to the Secured Party; should the Guarantor fail to pay any premiums when due then the Secured Party may do so and the cost of such premiums shall be added to the Obligations and shall be secured by the security interests granted herein; the policy or policies of insurance required by this paragraph shall show the Secured Party as mortgagee and loss payee and shall contain a mortgage clause in form satisfactory to the Secured Party, all such policies of insurance shall neither permit nor provide for any amount of coinsurance by the Guarantor;
 - (iii) keep the then existing Collateral in good condition and repair according to the nature and description thereof, and to not use the Collateral in violation of the provisions of this Security Agreement or any other agreement of the Guarantor relating to the Collateral or any policy issued to the Guarantor insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance, and the Secured Party may, whenever it deems necessary, either in person or by agent, enter upon the Guarantor's property and inspect the Collateral and the reasonable cost of such inspection shall be payable on demand and added to the Obligations and the Secured Party may make repairs as it deems necessary, and the cost thereof shall be payable on demand and added to the Obligations;
 - (iv) set up and maintain accounting systems and books of account in accordance with generally accepted accounting principles and furnish to the Secured Party at any time upon request by the Secured Party all such information concerning the Guarantor's affairs and business as the Secured Party may reasonably require;
 - (v) materially comply with every covenant and undertaking heretofore or hereafter given by it to the Secured Party;



- (vi) materially comply with valid requirements of any governmental authority pertaining to the operation by the Guarantor of its business;
- (vii) permit the Secured Party at any time and from time to time, after the security granted pursuant to this Security Agreement shall have become enforceable, to require any account debtor of the Guarantor to make payment to the Secured Party of any or all amounts owing by the account debtor to the Guarantor and the Secured Party may take control of any proceeds referred to in Section 2(f) hereof and may hold all amounts received from any account debtor and any proceeds as cash collateral as part of the Collateral and as security for the Obligations;
- (viii) pay or cause to be paid all taxes, rates and other impositions whatsoever already charged or hereafter to be charged by any authority on any of the Collateral as and when they shall generally fall due and, upon the request of the Secured Party, deliver to the Secured Party evidence of such payments;
- (ix) materially comply with all applicable laws, regulations and orders, including, without limitation, all public and employee health and safety provisions and all applicable federal, provincial, state or municipal environmental laws and all regulations or requirements thereunder relating in any way to the environment or the release of any substance into the environment;
- (x) defend the Collateral against the claims and demand of all other parties claiming the same or an interest therein and take all reasonable actions to keep the Collateral free from all encumbrances, other than permitted encumbrances;
- (xi) notify the Secured Party promptly of:
 - A. any material change in the information contained herein relating to the Guarantor, including without limitation any change in the Guarantor's registered office address, the Guarantor's business or the Collateral;
 - B. the details of any significant acquisition or disposition of Collateral;
 - C. the details of any material complaints, violations, claims or litigation affecting the Guarantor or the Collateral;
 - D. any material loss or damage to the Collateral;
 - E. any default by the Guarantor in payment or performance of its Obligations with respect to the Collateral; and
 - F. the return to or repossession by the Guarantor of the Collateral;
- (xii) do, execute, acknowledge and deliver such further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may from time to time be reasonably requested by the Secured Party of or with respect to the Collateral in order to give effect to this Security Agreement and to pay all costs and expenses (including reasonable and documented legal fees) of the Secured Party incurred with respect to searches and filings in connection therewith and with respect to the preparation, execution and filing of this Security Agreement and keeping the security interest granted hereunder perfected;
- (xiii) pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Guarantor or the Collateral as and when the same may become due and payable;

- (xiv) prevent the Collateral from being or becoming an accession to other property not covered by this Security Agreement;
- (xv) carry on and conduct the business of the Guarantor so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, financial statements supported by the books of account for the Guarantors' business as well as accurate and complete records concerning the Collateral;
- (xvi) make available to the Secured Party from time to time promptly upon the request of the Secured Party true and complete copies of:
 - A. any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral,
 - B. all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same,
 - C. all financial statements prepared by or for Guarantor regarding Guarantor's business.
 - D. all policies and certificates of insurance relating to the Collateral, and
 - E. such information concerning Collateral, Guarantor and Guarantor's business and affairs as the Secured Party may reasonably request;
- (xvii) observe and perform its obligations under all material leases, licences, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances;
- (xviii) maintain its corporate existence and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets; and
- (xix) subject to the transportation and location of equipment outside of Ontario in the ordinary course of business, prior to the removal of any of the Collateral from the province in which it is or they are situated at the date of this Security Agreement or to leasehold property, effect such further registrations and obtain such other consents and give such other security as may be required or desirable to protect or preserve the security hereby created, and the Guarantor shall forthwith notify the Secured Party of the intended removal and the action proposed to be taken.
- 10. The Guarantor hereby agrees that it will at all times, both before and after default, do or cause to be done such additional things and execute and deliver or cause to be executed and delivered all such further acts and documents as the Secured Party may reasonably require for the better mortgaging, charging, transferring, assigning, confirming and granting of security interests in the present or future Collateral to the Secured Party.
- 11. Subject to compliance with the Guarantor's covenants contained herein, the Guarantor may, until the security granted pursuant to this Security Agreement shall have become enforceable, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Guarantor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the

Guarantor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Guarantor.

F. DEFAULT

- The Obligations shall, at the option of the Secured Party, become payable and the security granted pursuant to this Security Agreement shall become enforceable in each and every of the events following (each, an "Event of Default"):
 - (a) if the Guarantor defaults in the observance or performance of any material agreement or undertaking given by the Guarantor to the Secured Party in the Guarantee, this Security Agreement, or in any document executed in connection herewith, other than as contemplated in Section 12(b) below;
 - (b) if the Guarantor defaults in payment of any of the Obligations of the Guarantor to the Secured Party when due;
 - (c) if the Guarantor ceases or threatens to cease to carry on business or if the Guarantor commits or threatens to commit any act of bankruptcy or if the Guarantor becomes insolvent or makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets or if a bankruptcy petition is filed or presented against the Guarantor;
 - the transfer or disposition of any of the Collateral, other than in the regular course of business, by the Guarantor, except as expressly permitted by this Security Agreement;
 - (e) if the Guarantor shall seek relief or consents to the filing of a petition against it under any law which involves any compromise of any secured creditor's rights against the Guarantor;
 - if an execution or any other process of any court becomes enforceable against the Guarantor or if a distress or analogous process is levied upon the property of the Guarantor or any part thereof, provided such execution, court process, distress or analogous process is in response to an award or award(s) against the Guarantor which in the aggregate exceed CDN\$250,000;
 - (g) if the Guarantor shall permit any sum which has been admitted as due by the Guarantor or is not disputed to be due by it and which forms or is capable of being made a charge upon any of the Collateral with equal priority to or senior to the charge created by this Security Agreement to remain unpaid for thirty (30) days after proceedings have been taken to enforce the same;
 - (h) if any material licences, permits or approvals required by any law, regulation or governmental policy or any governmental agency or commission for the operation by the Guarantor of its business shall be withdrawn or cancelled;
 - if any representation or warranty in the Guarantee, in this Security Agreement or in any document executed in connection therewith, made by the Guarantor or any of its affiliates or officers to the Secured Party shall be false or inaccurate in any material respect;
 - if the Guarantor is dissolved or the Guarantor's existence is otherwise terminated or any action is taken by the Guarantor to effect such termination or dissolution;
 - (k) if any material portion of the Guarantor's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity or if the Guarantor is enjoined, restrained, or in any way

prevented by court order from continuing to conduct all or any material part of its affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of the Guarantor's assets by any government agency;

- (I) if there is a material default or other failure to perform in any material agreement to which the Guarantor is a party or by which the Guarantor is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any indebtedness in an amount exceeding \$250,000; or
- (m) if any material misrepresentation, misstatement or omission existed at the time made in any warranty or representation set forth herein, in the Guarantee, in this Security Agreement or in any document executed in connection therewith,

provided, that, notwithstanding the foregoing, the Obligations shall not become payable and the security granted pursuant to this Security Agreement shall not become enforceable by reason only of the occurrence of an Event of Default (if such Event of Default is an Event of Default other than as a result of: (i) a failure to pay any Obligation of the Guarantor to the Secured Party when due, as contemplated by paragraph (b) above, or (ii) if the Guarantor ceases to carry on business or if the Guarantor commits any act of bankruptcy or if the Guarantor becomes insolvent or makes an assignment or proposal in bankruptcy or makes a bulk sale of its assets or if a bankruptcy petition is filed or presented against the Guarantor as contemplated by paragraph (c) above), and such Event of Default is remedied within thirty (30) business days from the date the Guarantor became aware of such Event of Default or should reasonably have become aware of such Event of Default, or does not otherwise continue for at least thirty (30) business days from such date. Any event set forth above which pursuant to this section, the Guarantor may remedy within the permitted thirty (30) business day period, shall not be considered to be an "Event of Default" unless such event goes unremedied for a period of twenty (20) consecutive business days, however, the Guarantor hereby covenants to advise the Secured Party in writing immediately upon the occurrence of an event, set forth above regardless of any permitted remedy period.

13. This Security Agreement may be amended or modified, and any obligation, right or condition set forth herein may be waived, by an instrument in writing duly executed by the Guarantor and the Secured Party.

G. REMEDIES OF THE SECURED PARTY

- 14. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by, without limitation:
 - (a) entry;
 - (b) the appointment by instrument in writing of a receiver or receivers of the Collateral or any part thereof (which receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Secured Party or not and the Secured Party may remove any receiver or receivers so appointed and appoint another or others in his or their stead);
 - (c) proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof;
 - (d) preserving, protecting and maintaining the Collateral and making such replacements and repairs and additions to the Collateral as the Secured Party deems advisable;
 - (e) disposing of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms

as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Guarantor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;

- (f) using, selling, assigning, leasing, licensing or sub-licensing any of the Collateral; or
- (g) any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity.

In addition, the Secured Party may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relating to the Guarantor.

Any receiver or receivers so appointed shall have power to:

- (i) take possession of, to protect, to preserve and to use the Collateral or any part thereof;
- carry on the business of the Guarantor (including, but not limited to, the taking or defending of any actions or legal proceedings, and the doing or refraining from doing all other things as to the receiver may seem necessary or desirable in connection with the business, operations and affairs of the Guarantor);
- (iii) borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Guarantor;
- (iv) further charge the Collateral in priority to the security interests of this Security Agreement as security for money so borrowed; and
- (v) sell, lease, license or sub-license (to the extent permitted by the applicable license in the case of intellectual property or technology licensed from a third party), or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as the receiver shall determine.

The Secured Party shall not be responsible for any actions or errors of omission by the receiver or receivers in exercising any such powers.

In addition, the Secured Party may enter upon, use, occupy and possess the Collateral or any part thereof, free from all encumbrances, liens and charges, without hindrance, interruption or denial of the same by the Guarantor or by any other person or persons save only a landlord pursuant to its rights of reversion under any lease of real property on expiry of its term, and may lease or sell the whole or any part or parts of the Collateral. Any sale hereunder may be made by public auction, by public tender or by private contract, with or without notice and with or without advertising and without any other formality (except as required by law), all of which are hereby waived by the Guarantor. Such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Secured Party in its sole discretion may seem advantageous. Such sale may take place whether or not the Secured Party has taken possession of the Collateral.

The Guarantor agrees to pay to the Secured Party forthwith on demand all expenses incurred by the Secured Party in the preparation, perfection, administration and enforcement of this Security Agreement (including without limitation expenses incurred in considering and protecting or improving the Secured Party's position, or attempting to do so, whether before or after default), all amounts borrowed by the receiver from the Secured Party as hereinbefore provided and all costs, charges, expenses and fees (including, without limiting the generality of the foregoing, the fees and

expenses of any reasonable and documented receiver and reasonable and documented legal fees on a solicitor and client basis) of or incurred by the Secured Party and by any receiver or receivers or agent or agents appointed by the Secured Party in connection with the recovery or enforcing of payment of any moneys owing hereunder, whether by realization, by taking possession or otherwise. All such sums, together with interest thereon at the rate applicable to the Obligations, shall form part of the Obligations and shall be secured by the security interests granted herein.

No remedy for the realization of the security interests granted herein or for the enforcement of the rights of the Secured Party shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

- 15. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by notifying all or any debtors of the security interest contemplated herein and may also direct such debtors to make all payments on the Collateral to the Secured Party. The Guarantor acknowledges that any payments or other proceeds of the Collateral received by the Guarantor from such debtors after notification of the security interest contemplated herein to such debtors shall be received and held by the Guarantor in trust for the Secured Party and shall be turned over to the Secured Party upon request.
- 16. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Guarantor will not request or receive any money or other proceeds constituting income or interest from or interest on the Collateral and if the Guarantor receives any such money or proceeds without any request by it, the Guarantor will pay the same promptly to the Secured Party. So long as the security granted pursuant to this Security Agreement has not become enforceable or does not remain enforceable, the Guarantor reserves the right to receive any money or other proceeds constituting income from or interest on Collateral and if the Secured Party receives any such money or proceeds prior to default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to Guarantor.
- 17. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party shall at all times and from time to time have the right to change any appropriation as the Secured Party may see fit.

H. RIGHTS OF THE SECURED PARTY

- 18. The Secured Party may pay and satisfy the whole or any part of any liens, taxes, rates, charges or encumbrances now or hereafter existing in respect of any of the Collateral and such payments together with all costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations and shall be secured by the security interests granted herein. In the event of the Secured Party satisfying any such lien, charge or encumbrance, it shall be entitled to all the equities and securities of the person or persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so.
- 19. The Guarantor grants to the Secured Party the right to set off against any and all accounts, credits or balances maintained by it with the Secured Party, the aggregate amount of any of the Obligations.
- 20. The Secured Party, without exonerating in whole or in part the Guarantor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from



- perfecting securities of, may accept compositions from, and may otherwise deal with the Guarantor and all other persons and securities as the Secured Party may see fit.
- 21. Nothing herein shall obligate the Secured Party to extend any credit to the Guarantor.
- 22. The Secured Party may assign, transfer and deliver to any permitted transferee, any of the Obligations or any security or any documents or instruments held by the Secured Party in respect thereof provided that no such assignment, transfer or delivery shall release the Guarantor from any of the Obligations; and thereafter the Secured Party shall be fully discharged from all responsibility with respect to the Obligations and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Secured Party under such security, documents or instruments but the Secured Party shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Guarantor shall not assign any of its rights or obligations hereunder without the prior written consent of the Secured Party.

I. MISCELLANEOUS

- 23. No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may remedy any default by Guarantor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Guarantor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 24. The security interest created hereby is intended to attach when this Security Agreement is executed by the Guarantor and delivered to the Secured Party.
- 25. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 26. Upon payment by the Guarantor or its successors or permitted assigns, and the fulfillment of all the Obligations and provided that the Secured Party is then under no obligation (conditional or otherwise) to make any further loan or extend any other type of credit to the Guarantor, the Secured Party shall, upon request in writing by the Guarantor, discharge this Security Agreement.
- 27. This Security Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario. For the purpose of legal proceedings, this Security Agreement shall be deemed to have been made in the said Province and to be performed therein and the courts of that Province shall have jurisdiction over all disputes which may arise under this Security Agreement. Each of the Guarantor and the Secured Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts.
- 28. The headings in this Security Agreement are included for convenience of reference only, and shall not constitute a part of this Security Agreement for any other purpose.
- 29. This Security Agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party.
- 30. This Security Agreement and all its provisions shall enure to the benefit of the Secured Party, its successors and assigns, and, subject to the final sentence of Section 22, shall be binding on the Guarantor, its successors and permitted assigns.



- Any demand, notice or other communication by the Secured Party in connection with this Security Agreement shall be subject to the notice provisions of the Guarantee. Notwithstanding the foregoing, if the Act or any other statute requires a demand or notice to be given in a certain way or specifies the time at which the Guarantor is deemed to have received a demand or notice then the Secured Party shall make the demand or notice in accordance with the particular statute and the demand or notice shall be deemed to have been received by the Guarantor on the date or at the time specified by the particular statute.
- 32. In construing this Security Agreement, terms herein shall have the same meaning as defined in the Act, unless the context otherwise requires. The word "Guarantor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Guarantor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Guarantor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Guarantor, including, without limiting the generality of the foregoing, the death of any or all of the partners.
- 33. This Security Agreement may be executed in any number of separate counterparts and all such signed counterparts constitute one and the same agreement. Delivery by facsimile, email, pdf or other electronic means of an originally executed signature page to this Security Agreement by a party is as effective as personal delivery of such signature page.

K. INDEMNIFICATION

The Guarantor agrees to pay, and to save the Secured Party harmless from, any and all liabilities, 34. reasonable costs and expenses (including, without limitation, reasonable and documented legal fees and expenses): (i) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral, (ii) with respect to, or resulting from, any delay in complying with any law, rule, regulation or order of any court, arbitrator or governmental entity, jurisdiction or authority applicable to any of the Collateral or (iii) in connection with any of the transactions contemplated by this Security Agreement. In any suit, proceeding or action brought by the Secured Party under any accounts for any sum owing thereunder to the Guarantor, or to enforce any provisions of any accounts, the Guarantor will save, indemnify and keep the Secured Party harmless from and against all reasonable and documents expenses, losses or damages suffered by reason of any defense, setoff, counterclaim, recoupment or reduction or liability whatsoever of the account Guarantor or obligor thereunder, arising out of a breach by the Guarantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account Guarantor or obligor or its successors from the Guarantor.

[Signature Page Follows]



IN WITNESS WHEREOF this Security Agreement has been executed by the Guarantor and the Secured Party as of the date first written above.

GUARANTOR:

PATHWAY HEALTH SERVICES CORP.

By:

Name: Ken Yoon

Title: Chief Executive Officer

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

By:

Title:

Name: David Dozzo Director

SHARE PLEDGE AGREEMENT

THIS SHARE PLEDGE AGREEMENT (the "Agreement") is made as of the 29th day of July, 2022

BY:

PATHWAY HEALTH SERVICES CORP., (together with its successors and assigns, the "Pledgor")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

1. **DEFINITIONS**

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (Ontario), as in force at the date of this Agreement, which Act including amendments thereto and any Act substituted therefor and amendments thereto is herein defined as the "PPSA".

2. SECURITY INTEREST AND CHARGE

- (a) As continuing security for the payment and performance of all debts, liabilities and obligations of Pledgor to the Secured Party (present and future, direct and indirect) (the "Indebtedness"), the Pledgor hereby grants a mortgage, pledge, charge and security interest to and in favour of the Secured Party in:
 - (i) the shares described in Schedule A hereto represented by the share certificates described in Schedule A hereto, all after acquired shares held by the Pledgor in the capital of 10030712 Manitoba Ltd., 2563367 Ontario Limited and Slawner Ortho Ltee., together with any renewals thereof, substitutions therefor and additions thereto and all certificates and instruments evidencing or representing such securities;
 - (ii) any and all dividends, whether in cash, kind or stock, received or receivable upon or in respect of any Pledged Shares and all interest payments, money or other property payable or paid on account of any return or repayment of capital in respect of any Pledged Shares or otherwise distributed in respect thereof except as outlined in Section 2(d) and Section 2(e) below;
 - (iii) any and all other property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of, or in substitution for, or in addition to, or in exchange for, any of the foregoing;
 - (iv) any and all cash, securities and other proceeds of the foregoing and all rights and interest of the Pledgor in respect thereof or evidenced thereby including, without limitation, all money received from time to time by the Pledgor in connection with the sale of any of the Pledged Shares; and
 - any and all property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of the Pledged Shares;

(collectively, the collateral described under subparagraphs 2(a)(i) to 2(a)(v) inclusive shall be hereinafter known as the "Pledged Shares")

- (b) The mortgages, pledges, charges and security interests granted hereunder are hereinafter collectively called the "Security Interests". The Pledgor warrants and acknowledges to and in favour of the Secured Party that:
 - (i) the parties intend the Security Interests hereby constituted in the Pledged Shares attaches upon execution and delivery hereof;
 - (ii) the parties intend the Security Interests created in any of the Pledgor's afteracquired Pledged Shares to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) Until Default (as defined herein), the Pledgor shall be entitled in good faith to exercise all voting power from time to time exercisable in respect of the Pledged Shares and give consents, waivers and ratifications in respect thereof. Immediately upon the occurrence and during the continuance of Default, all such right of the Pledgor to vote and give consents, waivers and ratifications shall cease and the Secured Party or its nominee shall be entitled to exercise all such voting rights and to give all consents, waivers and ratifications.
- (d) The Pledgor hereby agrees and undertakes to deliver to and deposit with, or cause to be delivered to and deposited with, the Secured Party's solicitors all certificates (duly endorsed in blank or accompanied by an executed stock transfer power of attorney) representing any of the Pledged Shares that the Pledgor may from time to time hereafter acquire or become entitled to or any share certificates which are issued as a result of reclassification, conversion or otherwise. The Pledgor hereby irrevocably authorizes and directs its solicitors to deliver to the Secured Party any such share certificates representing Pledged Shares.

3. REPRESENTATIONS AND WARRANTIES OF THE PLEDGOR

The Pledgor hereby represents and warrants to the Secured Party that:

- (a) the Pledged Shares are owned by the Pledgor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor and those shown on Schedule A, attached;
- (b) the Pledgor has full power and authority to execute, deliver and perform all of its obligations under this Agreement;
- this Agreement when duly executed and delivered by the Pledgor will constitute a legal, valid and binding obligation of the Pledgor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other laws of general application affecting creditors' rights and by rules of equity governing enforceability by specific performance;
- (d) there is no provision in any agreement to which the Pledgor is a party, nor to the knowledge of the Pledgor is there any statute, rule or regulation, or any judgment, decree or order of any court, binding on the Pledgor which would be contravened by the execution and delivery of this Agreement;

- (e) there is no litigation, proceeding or dispute pending, or to the knowledge of the Pledgor threatened, against or affecting the Pledgor or the Pledged Shares, the adverse determination of which might impair the Pledgor's ability to perform its obligations hereunder; and
- (f) the Pledged Shares are or shall be located at the offices of the Secured Party and held pursuant to the terms of this Agreement.

4. COVENANTS OF THE PLEDGOR

The Pledgor hereby covenants with the Secured Party that:

- (a) the Pledgor owns and will maintain the Pledged Shares free of Encumbrances (save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor) and will defend title to the Pledged Shares for the benefit of the Secured Party against the claims and demands of all persons;
- (b) the Pledgor will immediately give notice to the Secured Party of:
 - (i) the details of any claims or litigation materially affecting the Pledgor or Pledged Shares; and
 - (ii) any change of its name, or the location of its chief executive office;
- (c) the Pledgor will observe the requirements of any regulatory or governmental authority with respect to the Pledged Shares; and
- (d) the Secured Party may pay or satisfy any Encumbrance created in respect of the Pledged Shares, or any sum necessary to be paid to clear title to such Pledged Shares, and the Pledgor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Pledgor on any portion of the Indebtedness.

5. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Pledgor fails to pay the Indebtedness when due;
- (b) if the Pledgor defaults in the observance or performance of any material agreement or undertaking given by the Pledgor to the Secured Party in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith;
- (c) any representation or warranty made in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith, proves to have been or to have become false or materially misleading;
- (d) the Pledgor becomes insolvent or makes an assignment or proposal for the benefit of its creditors, or a Bankruptcy Petition or Receiving Order is filed or made against the Pledgor, or a Receiver of the Pledgor or any part of its property is appointed, or the Pledgor commits or demonstrates an intention to commit any act of bankruptcy, or the Pledgor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada) or any other legislation for the benefit of its creditors; and

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(e) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Pledgor, or a secured party takes possession of any of the Pledgor's property.

6. REMEDIES

On Default:

- the Secured Party may sell the same by public or private sale at such price and upon such terms as the Secured Party in its sole discretion may determine and the proceeds of such sale less all costs and expenses of the Secured Party (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) the Secured Party has the right to enforce this Agreement by any method provided for in this Agreement and as permitted by law, and to dispose of the Pledged Shares by any method permitted by law, including a private sale, disposal by lease or deferred payment;
- (c) the Secured Party may appoint, but shall not be obligated to appoint, any person or persons to be a Receiver of any Pledged Shares, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a Receiver-Manager;
- (d) the Secured Party or the Receiver, if appointed, will have the power:
 - (i) to take possession of any Pledged Shares and for that purpose to take any proceedings, in the name of the Pledgor or otherwise;
 - (ii) to sell or lease the Pledged Shares by public auction, tender or private sale on such terms and conditions as the Receiver shall determine and to deliver to the Purchaser thereof sufficient title documents, transfers and deeds for the same;
 - (iii) to make any arrangement or compromise which it may think expedient in the interest of the Secured Party;
 - (iv) to hold as additional security any increase or profits resulting from the Pledged Shares: and
 - (v) to exercise all rights that the Secured Party has under this Agreement or otherwise
- (e) the Pledgor hereby appoints each Receiver appointed by the Secured Party to be its attorney to effect the sale or lease or other disposition of the Pledged Shares and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Pledgor; and
- (f) any Receiver will be deemed to be the agent of the Pledgor, and the Pledgor will be solely responsible for his acts or defaults and for his remuneration and expenses, and the Secured Party will not be in any way responsible for any misconduct or negligence on the part of any Receiver.

7. POWER OF ATTORNEY

The Pledgor irrevocably authorizes and appoints the Secured Party as its attorney and agent to

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transfer the Pledged Shares or any part thereof into its own name or that of its nominee(s) in the event of Default so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof.

8. ACCELERATION

In the event of Default, the Secured Party, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable.

9. NOTICE

Any notice or demand required or permitted to be made or given by the Secured Party to the Pledgor shall be subject to the notice provisions of the credit agreement among, *inter alios*, Pathway Health Corp., as borrower, the Pledgor, as a guarantor and the Secured Party, as lender, as amended, supplemented, restated or replaced from time to time.

10. COSTS AND EXPENSES

The Pledgor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it (including, but without restricting the generality of the foregoing, reasonable and documented legal fees as between a solicitor and his own client on a full indemnity basis), in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of Pledged Shares and in enforcing or collecting the Indebtedness and all such costs, disposition and charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of Pledged Shares and shall be secured hereby.

11. MISCELLANEOUS

- (a) The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Pledgor, sureties and others and with the Pledged Shares and other security as the Secured Party may see fit without prejudice to the Secured Party's right to hold and realize the Security Interest.
- (b) All rights, remedies and powers of the Secured Party hereunder and under any other securities or agreements now or hereafter delivered to the Secured Party by the Pledgor are cumulative and in addition to any other rights or remedies. The enforcement of any one or more remedies by the Secured Party shall not be deemed to be an election of remedies. No judgment recovered by the Secured Party against the Pledgor or any other persons shall merge or in any manner affect the securities or agreements now or hereafter delivered to the Secured Party or the Secured Party right to interest as provided herein.
- (c) This Agreement shall enure to the benefit of and be binding upon the parties, their respective successors and assigns.
- (d) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by the Secured Party.
- (e) The Pledgor further agrees to execute and deliver to the Secured Party such further assurances and conveyances and supplemental deeds as may be necessary to properly carry out the intention of this Agreement, as determined by the Secured Party, acting reasonably or as may be required by the Secured Party from time to time.

(f) After Default, the Secured Party may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Pledgor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness.

12. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate. If more than one person executes this Agreement, their obligations under this Agreement are joint and several.
- (c) This Agreement will be interpreted in accordance with the laws of the Province of Ontario. The Pledgor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of the Province of Ontario or in any court of competent jurisdiction, as the Secured Party may elect. The Pledgor hereby attorns to the same.

13. DELIVERY

This Agreement may be delivered in PDF or other electronic form which Agreement when so delivered shall be valid and binding as if delivered in original form. The Pledgor shall forthwith deliver an original of the signed copy of this Agreement which was so delivered.

14. GOVERNING LAW

This Agreement shall be governed by the laws of the Province of Ontario.

15. COPY OF AGREEMENT

The Pledgor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

[Signature Page Follows]

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IN WITNESS WHEREOF this Agreement has been executed by the Pledgor and the Secured Party as of the date first written above.

PLEDGOR:

PATHWAY HEALTH SERVICES CORP.

By:

Name: Ken Yoon

Title:

Chief Executive Officer

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

Title: Director

SCHEDULE A

PLEDGED SECURITIES

Issuer	Holder	Number and Class of Shares	Share Certificate No.
10030712 Manitoba Ltd.	Pathway Health Services Corp.	51 Common	C4
2563367 Ontario Limited	Pathway Health Services Corp.	50 Common	C4
Slawner Ortho Ltee.	Pathway Health Services Corp.	100 Class A Shares	A-003

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THIS IS EXHIBIT "J"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

SHARE PLEDGE AGREEMENT

THIS SHARE PLEDGE AGREEMENT (the "Agreement") is made as of the 29th day of July, 2022

BY:

PATHWAY HEALTHCARE TECHNOLOGIES CORP., (together with its successors and assigns, the "**Pledgor**")

IN FAVOUR OF:

AVONLEA-DREWRY HOLDINGS INC. (together with its successors and assigns, the "**Secured Party**")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (Ontario), as in force at the date of this Agreement, which Act including amendments thereto and any Act substituted therefor and amendments thereto is herein defined as the "PPSA".

2. SECURITY INTEREST AND CHARGE

- (a) As continuing security for the payment and performance of all debts, liabilities and obligations of Pledgor to the Secured Party (present and future, direct and indirect) (the "Indebtedness"), the Pledgor hereby grants a mortgage, pledge, charge and security interest to and in favour of the Secured Party in:
 - (i) the shares described in Schedule A hereto represented by the share certificates described in Schedule A hereto, all after acquired shares held by the Pledgor in the capital of 1964433 Alberta Ltd., together with any renewals thereof, substitutions therefor and additions thereto and all certificates and instruments evidencing or representing such securities;
 - (ii) any and all dividends, whether in cash, kind or stock, received or receivable upon or in respect of any Pledged Shares and all interest payments, money or other property payable or paid on account of any return or repayment of capital in respect of any Pledged Shares or otherwise distributed in respect thereof except as outlined in Section 2(d) and Section 2(e) below;
 - (iii) any and all other property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of, or in substitution for, or in addition to, or in exchange for, any of the foregoing;
 - (iv) any and all cash, securities and other proceeds of the foregoing and all rights and interest of the Pledgor in respect thereof or evidenced thereby including, without limitation, all money received from time to time by the Pledgor in connection with the sale of any of the Pledged Shares; and
 - (v) any and all property that may at any time be received or receivable by or otherwise distributed to the Pledgor in respect of the Pledged Shares;

(collectively, the collateral described under subparagraphs 2(a)(i) to 2(a)(v) inclusive shall



be hereinafter known as the "Pledged Shares")

- (b) The mortgages, pledges, charges and security interests granted hereunder are hereinafter collectively called the "**Security Interests**". The Pledgor warrants and acknowledges to and in favour of the Secured Party that:
 - (i) the parties intend the Security Interests hereby constituted in the Pledged Shares attaches upon execution and delivery hereof;
 - (ii) the parties intend the Security Interests created in any of the Pledgor's afteracquired Pledged Shares to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) Until Default (as defined herein), the Pledgor shall be entitled in good faith to exercise all voting power from time to time exercisable in respect of the Pledged Shares and give consents, waivers and ratifications in respect thereof. Immediately upon the occurrence and during the continuance of Default, all such right of the Pledgor to vote and give consents, waivers and ratifications shall cease and the Secured Party or its nominee shall be entitled to exercise all such voting rights and to give all consents, waivers and ratifications.
- (d) The Pledgor hereby agrees and undertakes to deliver to and deposit with, or cause to be delivered to and deposited with, the Secured Party's solicitors all certificates (duly endorsed in blank or accompanied by an executed stock transfer power of attorney) representing any of the Pledged Shares that the Pledgor may from time to time hereafter acquire or become entitled to or any share certificates which are issued as a result of reclassification, conversion or otherwise. The Pledgor hereby irrevocably authorizes and directs its solicitors to deliver to the Secured Party any such share certificates representing Pledged Shares.

3. REPRESENTATIONS AND WARRANTIES OF THE PLEDGOR

The Pledgor hereby represents and warrants to the Secured Party that:

- the Pledged Shares are owned by the Pledgor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor and those shown on Schedule A, attached;
- (b) the Pledgor has full power and authority to execute, deliver and perform all of its obligations under this Agreement;
- (c) this Agreement when duly executed and delivered by the Pledgor will constitute a legal, valid and binding obligation of the Pledgor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other laws of general application affecting creditors' rights and by rules of equity governing enforceability by specific performance;
- (d) there is no provision in any agreement to which the Pledgor is a party, nor to the knowledge of the Pledgor is there any statute, rule or regulation, or any judgment, decree or order of any court, binding on the Pledgor which would be contravened by the execution and delivery of this Agreement;
- (e) there is no litigation, proceeding or dispute pending, or to the knowledge of the Pledgor

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threatened, against or affecting the Pledgor or the Pledged Shares, the adverse determination of which might impair the Pledgor's ability to perform its obligations hereunder; and

(f) the Pledged Shares are or shall be located at the offices of the Secured Party and held pursuant to the terms of this Agreement.

4. COVENANTS OF THE PLEDGOR

The Pledgor hereby covenants with the Secured Party that:

- (a) the Pledgor owns and will maintain the Pledged Shares free of Encumbrances (save for those Encumbrances agreed to in writing between the Secured Party and the Pledgor) and will defend title to the Pledged Shares for the benefit of the Secured Party against the claims and demands of all persons;
- (b) the Pledgor will immediately give notice to the Secured Party of:
 - (i) the details of any claims or litigation materially affecting the Pledgor or Pledged Shares; and
 - (ii) any change of its name, or the location of its chief executive office;
- (c) the Pledgor will observe the requirements of any regulatory or governmental authority with respect to the Pledged Shares; and
- (d) the Secured Party may pay or satisfy any Encumbrance created in respect of the Pledged Shares, or any sum necessary to be paid to clear title to such Pledged Shares, and the Pledgor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Pledgor on any portion of the Indebtedness.

5. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Pledgor fails to pay the Indebtedness when due;
- (b) if the Pledgor defaults in the observance or performance of any material agreement or undertaking given by the Pledgor to the Secured Party in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith;
- (c) any representation or warranty made in this Agreement, in any document executed in connection herewith, in any future loan or credit facility agreement between the Pledgor and the Secured Party, or in any document executed in connection therewith, proves to have been or to have become false or materially misleading;
- (d) the Pledgor becomes insolvent or makes an assignment or proposal for the benefit of its creditors, or a Bankruptcy Petition or Receiving Order is filed or made against the Pledgor, or a Receiver of the Pledgor or any part of its property is appointed, or the Pledgor commits or demonstrates an intention to commit any act of bankruptcy, or the Pledgor otherwise becomes subject to the provisions of the Bankruptcy and Insolvency Act (Canada) or any other legislation for the benefit of its creditors; and

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(e) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Pledgor, or a secured party takes possession of any of the Pledgor's property.

6. REMEDIES

On Default:

- the Secured Party may sell the same by public or private sale at such price and upon such terms as the Secured Party in its sole discretion may determine and the proceeds of such sale less all costs and expenses of the Secured Party (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) the Secured Party has the right to enforce this Agreement by any method provided for in this Agreement and as permitted by law, and to dispose of the Pledged Shares by any method permitted by law, including a private sale, disposal by lease or deferred payment;
- (c) the Secured Party may appoint, but shall not be obligated to appoint, any person or persons to be a Receiver of any Pledged Shares, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a Receiver-Manager;
- (d) the Secured Party or the Receiver, if appointed, will have the power:
 - (i) to take possession of any Pledged Shares and for that purpose to take any proceedings, in the name of the Pledgor or otherwise;
 - (ii) to sell or lease the Pledged Shares by public auction, tender or private sale on such terms and conditions as the Receiver shall determine and to deliver to the Purchaser thereof sufficient title documents, transfers and deeds for the same;
 - (iii) to make any arrangement or compromise which it may think expedient in the interest of the Secured Party;
 - (iv) to hold as additional security any increase or profits resulting from the Pledged Shares; and
 - (v) to exercise all rights that the Secured Party has under this Agreement or otherwise at law.
- (e) the Pledgor hereby appoints each Receiver appointed by the Secured Party to be its attorney to effect the sale or lease or other disposition of the Pledged Shares and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Pledgor; and
- (f) any Receiver will be deemed to be the agent of the Pledgor, and the Pledgor will be solely responsible for his acts or defaults and for his remuneration and expenses, and the Secured Party will not be in any way responsible for any misconduct or negligence on the part of any Receiver.

7. POWER OF ATTORNEY

The Pledgor irrevocably authorizes and appoints the Secured Party as its attorney and agent to

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transfer the Pledged Shares or any part thereof into its own name or that of its nominee(s) in the event of Default so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof.

8. ACCELERATION

In the event of Default, the Secured Party, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable.

9. NOTICE

Any notice or demand required or permitted to be made or given by the Secured Party to the Pledgor shall be subject to the notice provisions of the credit agreement among, *inter alios*, Pathway Health Corp., as borrower, the Pledgor, as a guarantor and the Secured Party, as lender, as amended, supplemented, restated or replaced from time to time.

10. COSTS AND EXPENSES

The Pledgor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it (including, but without restricting the generality of the foregoing, reasonable and documented legal fees as between a solicitor and his own client on a full indemnity basis), in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of Pledged Shares and in enforcing or collecting the Indebtedness and all such costs, disposition and charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of Pledged Shares and shall be secured hereby.

11. MISCELLANEOUS

- (a) The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Pledgor, sureties and others and with the Pledged Shares and other security as the Secured Party may see fit without prejudice to the Secured Party's right to hold and realize the Security Interest.
- (b) All rights, remedies and powers of the Secured Party hereunder and under any other securities or agreements now or hereafter delivered to the Secured Party by the Pledgor are cumulative and in addition to any other rights or remedies. The enforcement of any one or more remedies by the Secured Party shall not be deemed to be an election of remedies. No judgment recovered by the Secured Party against the Pledgor or any other persons shall merge or in any manner affect the securities or agreements now or hereafter delivered to the Secured Party or the Secured Party right to interest as provided herein.
- (c) This Agreement shall enure to the benefit of and be binding upon the parties, their respective successors and assigns.
- (d) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by the Secured Party.
- (e) The Pledgor further agrees to execute and deliver to the Secured Party such further assurances and conveyances and supplemental deeds as may be necessary to properly carry out the intention of this Agreement, as determined by the Secured Party, acting reasonably or as may be required by the Secured Party from time to time.

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(f) After Default, the Secured Party may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Pledgor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness.

12. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate. If more than one person executes this Agreement, their obligations under this Agreement are joint and several.
- (c) This Agreement will be interpreted in accordance with the laws of the Province of Ontario. The Pledgor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of the Province of Ontario or in any court of competent jurisdiction, as the Secured Party may elect. The Pledgor hereby attorns to the same.

13. DELIVERY

This Agreement may be delivered in PDF or other electronic form which Agreement when so delivered shall be valid and binding as if delivered in original form. The Pledgor shall forthwith deliver an original of the signed copy of this Agreement which was so delivered.

14. GOVERNING LAW

This Agreement shall be governed by the laws of the Province of Ontario.

15. COPY OF AGREEMENT

The Pledgor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

[Signature Page Follows]

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IN WITNESS WHEREOF this Agreement has been executed by the Pledgor and the Secured Party as of the date first written above.

PLEDGOR:

PATHWAY HEALTHCARE TECHNOLOGIES CORP.

By:

Name: Michael Steele President and CEO Title:

SECURED PARTY

AVONLEA-DREWRY HOLDINGS INC.

By:

Title:

Director

SCHEDULE A

PLEDGED SECURITIES

Issuer	Holder	Number and Class of Shares	Share Certificate No.			
1964433 Alberta Ltd.	Pathway Healthcare Technologies Corp.	1,515,126 Class A Voting	A-31			

THIS IS EXHIBIT "K"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

Government of Alberta ■

Personal Property Registry Search Results Report

Page 1 of 3

Search ID #: Z16437714

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW EDMONTON, AB T5J 3H1 Party Code: 50073881 Phone #: 780 429 5969

Reference #:

Search ID #: Z16437714

Date of Search: 2023-Aug-09

Time of Search: 08:19:54

Business Debtor Search For:

PATHWAY HEALTH CORP

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Government of Alberta ■

Personal Property Registry Search Results Report

Page 2 of 3

Search ID #: Z16437714

Business Debtor Search For:

PATHWAY HEALTH CORP

Search ID #: Z16437714

Date of Search: 2023-Aug-09

Time of Search: 08:19:54

Registration Number: 23020717584

Registration Date: 2023-Feb-07

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Feb-07 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

<u>Status</u> **Block** Current

1

PATHWAY HEALTH CORP. 16 FOUR SEASONS PLACE, SUITE 203A ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Status Block Current

1

HEAL GLOBAL HOLDINGS CORP. 12TH FLOOR, 850 - 2 STREET SW CALGARY, AB T2P 0R8 Email: steeleconsult@aol.com

Collateral: General

Status Description Block Current All present and after-acquired personal property of the debtor. 1

Government of Alberta ■

Personal Property Registry Search Results Report

Page 3 of 3

Search ID #: Z16437714

Business Debtor Search For:

PATHWAY HEALTH CORP

Search ID #: Z16437714

Date of Search: 2023-Aug-09

Time of Search: 08:19:54

Registration Number: 23020717625

Registration Date: 2023-Feb-07

Registration Type: LAND CHARGE

Registration Status: Current Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

<u>Status</u> Current

1

PATHWAY HEALTH CORP. 16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Block

1

Status Current

HEAL GLOBAL HOLDINGS CORP. 12TH FLOOR, 850 - 2 STREET SW CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Result Complete



Personal Property Registry Search Results Report

Page 1 of 3

Search ID #: Z16437719

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW EDMONTON, AB T5J 3H1 Party Code: 50073881 Phone #: 780 429 5969

Reference #:

Search ID #: Z16437719

Date of Search: 2023-Aug-09

Time of Search: 08:20:15

Business Debtor Search For:

PATHWAY HEALTH SERVICES CORP

Inexact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Government of Alberta ■

Personal Property Registry Search Results Report

Page 2 of 3

Search ID #: Z16437719

Business Debtor Search For:

PATHWAY HEALTH SERVICES CORP

Search ID #: Z16437719

Date of Search: 2023-Aug-09

Time of Search: 08:20:15

Registration Number: 23020717584

Registration Date: 2023-Feb-07

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Feb-07 23:59:59

Inexact Match on:

Debtor

No: 1

Debtor(s)

<u>Status</u> **Block** Current

1

PATHWAY HEALTH CORP. 16 FOUR SEASONS PLACE, SUITE 203A ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Status Block Current

1

HEAL GLOBAL HOLDINGS CORP. 12TH FLOOR, 850 - 2 STREET SW CALGARY, AB T2P 0R8 Email: steeleconsult@aol.com

Collateral: General

Status Description **Block** All present and after-acquired personal property of the debtor. Current



Government of Alberta

Personal Property Registry Search Results Report

Page 3 of 3

Search ID #: Z16437719

Business Debtor Search For:

PATHWAY HEALTH SERVICES CORP

Search ID #: Z16437719

Date of Search: 2023-Aug-09

Time of Search: 08:20:15

Registration Number: 23020717625

Registration Date: 2023-Feb-07

Registration Type: LAND CHARGE

Registration Status: Current Registration Term: Infinity

Inexact Match on:

Debtor

No: 1

Debtor(s)

Block

Status Current

Status

Current

1

PATHWAY HEALTH CORP. 16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Block

HEAL GLOBAL HOLDINGS CORP.

12TH FLOOR, 850 - 2 STREET SW

CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Result Complete



Personal Property Registry Search Results Report

Page 1 of 3

Search ID #: Z16437724

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW EDMONTON, AB T5J 3H1 Party Code: 50073881 Phone #: 780 429 5969

Reference #:

Search ID #: Z16437724

Date of Search: 2023-Aug-09

Time of Search: 08:20:39

Business Debtor Search For:

PATHWAY HEALTHCARE TECHNOLOGIES CORP

Inexact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Government of Alberta ■

Personal Property Registry Search Results Report

Page 2 of 3

Search ID #: Z16437724

Business Debtor Search For:

PATHWAY HEALTHCARE TECHNOLOGIES CORP

Search ID #: Z16437724

Date of Search: 2023-Aug-09

Time of Search: 08:20:39

Registration Number: 23020717584

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Feb-07

Registration Status: Current

Expiry Date: 2028-Feb-07 23:59:59

Inexact Match on:

Debtor

No: 1

Debtor(s)

<u>Status</u> **Block** Current

1

PATHWAY HEALTH CORP. 16 FOUR SEASONS PLACE, SUITE 203A

ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Status Block Current

1

HEAL GLOBAL HOLDINGS CORP. 12TH FLOOR, 850 - 2 STREET SW

CALGARY, AB T2P 0R8

Email: steeleconsult@aol.com

Collateral: General

Status Description Block Current 1

All present and after-acquired personal property of the debtor.

Government of Alberta

Personal Property Registry Search Results Report

Page 3 of 3

Search ID #: Z16437724

Business Debtor Search For:

PATHWAY HEALTHCARE TECHNOLOGIES CORP

Search ID #: Z16437724

Date of Search: 2023-Aug-09

Time of Search: 08:20:39

Registration Number: 23020717625

Registration Date: 2023-Feb-07

Registration Type: LAND CHARGE

Registration Status: Current

Registration Term: Infinity

Inexact Match on:

Debtor

No: 1

Debtor(s)

Status Block Current

1

PATHWAY HEALTH CORP. 16 FOUR SEASONS PLACE, SUITE 203A ETOBICOKE, ON M9B 6E5

Secured Party / Parties

Status Block Current

1

HEAL GLOBAL HOLDINGS CORP. 12TH FLOOR, 850 - 2 STREET SW CALGARY, AB T2P 0R8 Email: steeleconsult@aol.com

Result Complete

THIS IS EXHIBIT "L"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor UNLESS PERMITTED UNDER SECURITIES LEGISLATION IN CANADA, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF THE ISSUANCE OF THIS SECURITY.

SECURED CONVERTIBLE PROMISSORY GRID NOTE

Calgary, Alberta February 3, 2023

FOR VALUE RECEIVED, **PATHWAY HEALTH CORP.**, a corporation existing under the laws of the Province of Alberta ("**Pathway**" or the "**Borrower**") promises to pay to the order of **HEAL GLOBAL HOLDINGS CORP.**, a corporation existing under the laws of the Province of Alberta or its permitted assigns ("**HEAL**" or the "**Lender**"), the aggregate principal sum of all Advances (as defined herein) equal to the greater of:

- a) five hundred thousand Canadian Dollars (Cdn.\$500,000); and
- b) the amount of the principal balance from time to time owing by the Borrower to the Lender as recorded by or on behalf of the Lender on the grid attached hereto as Schedule "A" and any further grids attached hereto, all of which grids form part of this Note up to a maximum of Cdn.\$1,250,000,

(in the case of a) and b), the "Principal Amount"), together with accrued and unpaid interest thereon, and other fees and expenses from the applicable date of advance through and including the date on which such interest and all fees and expenses are paid in full, at the rate provided in Section 5 below (the Principal Amount, accrued and unpaid interest thereon and any other fees and expenses being collectively referred to herein as the "Indebtedness"), subject to the terms and conditions of this Note, as the same may be amended from time to time.

- 1. **Definitions**. In this Note, including the recitals and the Schedules hereto and in all notices given pursuant to this Note, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:
 - "ABCA" means the *Business Corporations Act* (Alberta), including the regulations promulgated thereunder, as the same may be amended from time to time.
 - "Accounts Payable" means all accounts payable, notes payable, trade payables, bonus payable and other amounts, due, owing or accruing by the Borrower.
 - "Accounts Receivable" means all accounts receivable, notes receivable, trade receivables, rights to receive payment, book debts and other amounts, due, owing or accruing due to the Borrower.
 - "Additional Security" means the security agreements and other documents required to be provided to the Lender pursuant to Section 11, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing.



"ADH Credit Facility" means the credit agreement entered into among the Borrower, as borrower, certain subsidiaries of the Borrower, as guarantors, and Avonlea-Drewry Holdings Inc., as lender pursuant to which the lender advanced \$3.5 million to the Borrower, on a secured, non-convertible basis.

"Advance" means each disbursement made by the Lender to the Borrower under this Note.

"Affiliate" means an affiliate as defined in the ABCA.

"Amount Due and Payable" has the meaning ascribed thereto in Section 6.

"Applicable Law" means, in relation to any person, transaction or event:

- (a) all applicable provisions of the common law and all statutes, rules and regulations of any Governmental Authority in effect from time to time having force of law; and
- (b) all judgments, orders, awards, decrees, official directives, writs and injunctions all having force of law from time to time in effect of any Governmental Authority in an action, proceeding or matter in which the person is a party or by which it or its property is bound or having application to the transaction or event.

"Borrower" means Pathway Health Corp., a corporation incorporated under the laws of the Province of Alberta.

"Business Day" means a day of the year, other than a Saturday, Sunday or statutory holiday, on which banking institutions are open for business in Calgary, Alberta.

"Canadian Dollars", "Cdn.\$" or "\$" mean lawful money of Canada.

"Collateral" means all property, assets and undertaking of the Borrower at any time in which a security interest is granted to the Lender, together with all proceeds of the foregoing.

"Common Shares" means the common shares in the capital of the Borrower.

"Conversion Price" means in respect of the Principal Amount \$0.05 per Common Share and in respect of any accrued but unpaid interest, the Market Price at the time of such conversion in accordance with the rules and policies of the TSXV.

"Conversion Shares" has the meaning ascribed thereto in Section 6.

"Creditor Proceedings" means any dissolution, winding up, total or partial liquidation, plan of arrangement, receivership, insolvency, proposal, bankruptcy or compromise under Insolvency Legislation, or the arrangement provisions of any applicable corporate law, or a general assignment for the benefit of creditors or similar proceedings offered with respect to the Borrower, or its properties or liabilities; provided however that the Pathway Transaction and any related transactions thereto will not constitute a Creditor Proceeding for the purposes of this Note.

"Default Rate" has the meaning ascribed there in Section 5.

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"Distribution" means any amount paid to or on behalf of the shareholders, directors, officers or employees of the Borrower or any Affiliate of the Borrower, and whether any of the foregoing is made, paid or satisfied in or for cash, property or both; provided that salaries and commissions paid to employees of the Borrower in the ordinary course of business shall not be considered to be Distributions.

"Effective Time" shall have the meaning set forth in the Pathway Definitive Agreement.

"Event of Default" means any of the events or circumstances specified in Section 16.

"Extended Maturity Date Period" has the meaning ascribed thereto in Section 6.

"GSA" means the general security agreement entered into between the Borrower and the Lender concurrently with the issuance of this Note and which secures the Obligations.

"Governmental Authority" means Canada, any province or territory thereof, as applicable, any municipal or other political subdivision of any such province or territory, and any agency, department, commission, board, bureau or instrumentality of any of them and judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Indebtedness" has the meaning ascribed thereto on the face page of this Note.

"Insolvency Legislation" means legislation in any applicable jurisdiction relating to Creditor Proceedings, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any applicable corporate legislation.

"Lender" means HEAL Global Holdings Corp. and its successors and assigns, as lender under this Note.

"Lien" means any mortgage, charge, security agreement, security interest, assignment, pledge, lien, builders' lien or other encumbrance of whatsoever kind or nature, regardless of form and whether consensual or arising by law (statutory or otherwise), that secures the payment of any indebtedness or liability or the observance or performance of any obligation.

"Market Price" has the meaning ascribed thereto in the TSXV Corporate Finance Manual, policy 1.1.

"Material Adverse Effect" means any matter, event or circumstance, other than with respect to the Pathway Transaction or any transactions related thereto, relating to the Borrower which could in the reasonable opinion of the Lender, if not remedied, have a material adverse effect on: (i) its business, financial condition, operations, property, assets or undertaking, (ii) its ability to repay any Indebtedness under, or perform any other obligations in accordance with, this Note or any of the Security to which it is a party, (iii) the validity or enforceability of this Note or the Security to which it is a party, (iv) the rights and remedies of the Lender, or (v) the priority ranking of any Liens granted to the Lender pursuant to the Security.

"Maturity Date" has the meaning ascribed thereto in Section 2.

"Note" means this secured convertible promissory grid note, together with all schedules, appendices and exhibits attached to it.

"Note Documents" means this Note, the Security and the certificate evidencing the issuance of the Warrants, substantially in the form attached hereto as Schedule "D".

"Obligations" means, at any time and from time to time, all Indebtedness, liabilities and obligations, whether direct or indirect, absolute or contingent, matured or unmatured, owing to the Lender in respect of the Note Documents or otherwise payable pursuant to this Note, including without limitation, all principal, interest, fees, indemnities, costs and expenses relating to any of the foregoing.

"Outside Date" has means June 30, 2023.

"Pathway LOI" means the letter of intent entered into between the Borrower, the Lender and The Newly Institute Inc. dated December 16, 2022, as amended from time-to-time.

"Pathway Transaction" means the transaction substantially as set forth in the Pathway LOI.

"Pathway Definitive Agreement" means the definitive agreement in relation to the Pathway Transaction that is to be entered into among Pathway, HEAL and The Newly Institute Inc., and, if entered into, the definitive agreement in relation to the Pathway Transaction entered into among Pathway, HEAL and The Newly Institute Inc.

"Pathway Third-Party Loan" means the senior secured \$3.5 million line of credit that is expected to be offered to the Borrower by an arms-length third party in connection with the Pathway Transaction and, if offered and entered into, the senior secured \$3.5 million line of credit entered into between the Borrower and such arms-length third party.

"Permitted Indebtedness" means, without duplication:

- (a) trade payables of the Borrower (other than indebtedness for borrowed money) incurred in the ordinary course of business, provided that such indebtedness is or would be classified as a current liability on the Borrower's financial statements;
- (b) all Indebtedness of the Borrower to the Lender under this Note or under or secured by any Security;
- (c) capital lease obligations and indebtedness secured by purchase money liens;
- (d) the ADH Credit Facility;
- (e) the Pathway Third-Party Loan, so long as any security granted by the Borrower to the lender under such Pathway Third-Party Loan is satisfactory to the Lender;
- (f) indebtedness of 10030712 Manitoba Ltd., a 51% owned subsidiary of Pathway, in respect of leasehold improvement loans;

- (g) Canada Emergency Business Account loans of each of 2563367 Ontario Ltd. (dba Silver Medical Group Centre for Pain Care) and 9393 1681 Quebec Inc. (dba Slawner Ortho Lteé), subsidiaries of Pathway;
- (h) all indebtedness secured by Permitted Liens; and
- (i) such other indebtedness of the Borrower which the Lender has consented to in writing.

"Permitted Liens" means, as at any particular time, any of the following encumbrances on the Collateral:

- (a) Statutory Liens in respect of any amount which is not at the time overdue, or which may be overdue but the validity of which are then being contested in good faith;
- (b) undetermined or inchoate Liens incidental to operations arising in the ordinary course of business which relate to obligations (i) not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same, or (ii) are then being contested in good faith;
- (c) liens arising out of judgments, awards or claims filed which are then being contested in good faith;
- (d) security given to a public utility or any Governmental Authority to secure obligations incurred in the ordinary course of business and not at the time overdue;
- (e) easements, rights-of-way, servitudes or other similar rights in and (including rights-of-way and servitudes for railways, sewers, drains, pipelines, gas and water mains, electric light and power, telephone, telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which either alone or in the aggregate do not materially detract from the value of land or materially impair its use;
- (f) Liens arising in connection with the construction or improvement of land or arising out of the furnishing of materials or supplies therefor, provided that any such Lien secures moneys not at the time overdue (or if overdue, are then being contested in good faith), notice of such Lien has not been given to the Lender, and such Lien has not been registered against title to such land;
- (g) Liens securing Permitted Indebtedness; and
- (h) all such other claims and encumbrances as are specifically disclosed by notice in writing to the Lender to the extent that the Lender, by specific notice in writing to the Borrower, advises the Borrower that the Lender agrees to accept such claims and encumbrances as Permitted Liens for the purposes of this Note;

provided that the use of the term "Permitted Liens" to describe such Liens means that they are permitted to exist and shall not be interpreted as meaning that such Liens are entitled to priority over the Security.

"person" means any individual, corporation, company, partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.

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"Principal Amount" has the meaning ascribed thereto on the face page of this Note.

"Security" means the GSA, the guarantees, security agreements and other documents required to be provided to the Lender pursuant to Section 11, any amendments or supplements from time to time thereto, any other documents, instruments or agreements held from time to time by the Lender securing or intended to secure payment and performance of the Obligations, and the Liens constituted by any of the foregoing and, for certainty shall include any Additional Security.

"Statutory Lien" means a Lien in respect of any property or assets of any person created by or arising pursuant to any applicable legislation in favour of any person (such as but not limited to a Governmental Authority), including in respect of obligations to deduct and remit taxes, duties, assessments, employee source deductions and goods and services taxes pursuant to Applicable Law.

"TSXV" means the TSX Venture Exchange.

"Warrants" means Common Share purchase warrants issued to the Lender in connection with this Note which are exercisable for Common Shares at a price of \$0.05 per share for a period of 12-months from the date of issuance.

- 2. Loan. A loan of up to an aggregate amount of Cdn.\$1,2500,000 is being made available to be Borrower by the Lender. The Borrower may, with the prior approval of the Lender (other then when an Event of Default has occurred and is continuing), borrow amounts from the Lender on the terms as set out in this Note according to the following schedule:
 - (a) On the date hereof, Cdn.\$500,000;
 - (b) On or after February 15, 2023, Cdn.\$500,000; and
 - (c) On or after March 15, 2023, Cdn.\$250,000,

which the Lender shall advance to the Borrower in reliance upon the representations and warranties contained herein and subject to the terms and conditions of this Note. Notwithstanding the forgoing, the Lender may provide Advances hereunder at such times and from time to time, in such amounts as determined by the Lender, or may refuse to make any Advance for any reason whatsoever, in its sole and unfettered discretion.

- 3. Advances. As a condition precedent to the Lender making an Advance to the Borrower:
 - (a) no Event of Default shall have occurred and be continuing or would arise immediately after giving effect to or as a result of such extension of credit; and
 - (b) the representations and warranties of the Borrower in Section 12 shall be true and correct as of the date of such Advance,

and the Lender, in it sole and unfettered discretion, may require evidence of the above by way of affidavit, officer's certification or otherwise prior to making an Advance.

4. **Repayment**. Payment of all Indebtedness owing under this Note shall be made on or before the earlier of: (i) the Outside Date; (ii) that date on which the Pathway LOI is terminated (other than



by reason of the entering into of the Pathway Definitive Agreement) or expires in accordance with its terms; and (iii) that date on which the Pathway Definitive Agreement is terminated in accordance with its terms (in each case, the "Maturity Date"). Payment of Principal Amount, any fees and the interest due on this Note shall be payable at the instructions set forth on Schedule "B", or at such other place as may be designated by Lender, by written notice to the Borrower. Interest on this Note shall accrue and be paid in accordance with Section 5. All payments under this Note shall be made in lawful money of Canada in immediately available funds.

Subject to Section 5, in the event that the Maturity Date occurs due to, or in connection with, the occurrence of an Event of Default, the Lender shall have the option (but not the obligation), at its sole discretion, to:

- (a) avail itself of the remedies as provided for in Section 17 and in the Note Documents; or
- (b) subject to the prior approval of the TSXV, extend the Maturity Date of the Note to the last day of the Extended Maturity Date Period, during which time the Note will accrue interest at the Default Rate.
- 5. **Interest.** The Principal Amount shall bear interest on the terms and conditions set forth herein, from the date hereof. While outstanding, the Principal Amount shall bear interest at the rate of fifteen percent (15%) per annum, calculated monthly and compounded annually, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year.

In the event that: (i) all Indebtedness is not repaid on or before the Maturity Date, or (ii) there occurs an Event of Default on, before or in connection with the Maturity Date, interest will be deemed to accrue from the issuance date of the Note at a rate of 24% per annum, calculated monthly and compounded annually, on the basis of the actual number of days elapsed in a three hundred and sixty-five (365) day year (the "**Default Rate**") and added to the Indebtedness.

The theory of deemed reinvestment shall not apply to the calculation of interest or payment of fees or other amounts hereunder, notwithstanding anything contained in this Note now or hereafter granted to or taken by the Lender and all interest and fees payable by the Borrower to the Lender shall accrue from day to day and be computed as described herein in accordance with the "nominal rate" method of interest calculation.

The Borrower hereby waives, to the fullest extent it may do so under Applicable Law, any provisions of Applicable Law, including specifically the *Interest Act* (Canada) and any analogous provincial legislation which may be inconsistent with this Note

Notwithstanding any provision of this Note, the parties intend that the interest rate and fees on this Note will never exceed the maximum rate permitted by Applicable Law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at, but not in excess of, the highest rate recoverable under Applicable Law.

6. Conversion. All or any portion of the outstanding Indebtedness owing to the Lender under this Note, is convertible into Common Shares at any time and from time-to-time on or before the Maturity Date at the Conversion Price, subject only to the rules and policies of the TSXV regarding the conversion price applicable to accrued but unpaid interest. In addition, in the event



that this Note is not fully repaid on the Maturity Date and the Note has not otherwise been converted, the Lender shall, subject to the prior approval of the TSXV, have the option to extend the Maturity Date for a period of up to 24 months (the "Extended Maturity Date Period"), during which time the Note shall accrue interest at the Default Rate. For greater certainty, no conversion of the Note shall occur following the Effective Time.

The conversion of all or any portion of the Indebtedness (the aggregate amount of such Indebtedness so converted hereinafter referred to as the "Amount Due and Payable") into Common Shares (the "Conversion Shares") at the Conversion Price shall be subject to the following.

- (a) The Lender shall effect the conversion of the Note by delivering to the Borrower a written notice of its intention to convert all or a portion of the Amount Due and Payable pursuant to Section 18 (each, a "Notice of Conversion"), specifying therein (i) the Amount Due and Payable of this Note to be converted and the date on which such conversion shall be effected (such date, the "Conversion Date"); and (ii) the name and delivery instructions for each person to whom the Conversion Shares are to be issued upon conversion, it being agreed that no Conversion Shares shall be issued in the name of HEAL unless HEAL has satisfied Pathway of compliance with Applicable Laws (including in regard to restrictions in the ABCA relating to a subsidiary corporation holding shares of its parent corporation). If no Conversion Date is specified in a Notice of Conversion, the Conversion Date shall be the date that such Notice of Conversion is deemed delivered pursuant to 18;
- (b) If the Borrower at any time subdivides or consolidates the Common Shares issuable upon conversion, the Lender shall thereafter be entitled on conversion to receive the shares to which it was before such subdivision or consolidation entitled, as subdivided or consolidated, and the conversion rate of the Indebtedness shall be adjusted accordingly. Any such adjustment shall become effective on the date and at the time that such subdivision or consolidation becomes effective. The provisions of this Section shall similarly apply to successive subdivisions and consolidations;
- (c) In case of:
 - (i) any reclassification or change of the type or class of shares issuable upon conversion;
 - (ii) any consolidation, merger or amalgamation of the Borrower with or into another corporation or corporations;
 - (iii) the sale of the properties and assets of the Borrower substantially as an entirety to any other corporation or corporations followed by a winding-up of the Borrower or a distribution of its assets to the shareholders; or
 - (iv) the sale of the properties and assets of the Borrower substantially as an entirety to another person or persons in exchange for securities in or of such other person or persons or any affiliate thereof;

the Lender shall have the right thereafter to convert this Note (or any portion thereof) into the kind and amount of shares or other securities and property (or the applicable portion thereof) receivable on such reclassification, change, consolidation, merger, amalgamation or sale that the Lender would have been entitled to receive thereupon had the Lender been the registered holder of the number of shares into which this Note might have been converted immediately prior thereto. The provisions of this Section shall similarly apply to successive reclassifications and changes of shares and to successive consolidations, mergers, amalgamations and sales.

- (d) Upon issuance of the Conversion Shares, the Lender shall surrender this Note to the Borrower marked "paid in full" and upon such surrender the Borrower shall forthwith issue and deliver to the Lender, certificate(s) evidencing the Conversion Shares, and, if only a portion of this Note was converted, the Borrower shall, in addition, forthwith issue and deliver to the Lender a new Note evidencing the remaining Amount Due and Payable.
- (e) Upon the conversion or payment of all of the Amount Due and Payable under this Note through the issuance of Conversion Shares in respect of any conversion (or successive conversions) or otherwise, this Note shall terminate and the Borrower shall be released and discharged by the Lender from all of the Borrower's obligations and agreements under the Note Documents; provided that the Borrower shall not be released and discharged if any other Note has been issued to which the Security applies. Further, the Lender shall execute and deliver all such documents as the Borrower may reasonably request to effect such release, discharge and reconveyance of the Security.
- (f) In the event that a final order of the Court is issued pursuant to subsection 193(4) of the ABCA, in form and substance satisfactory to each Party, acting reasonably, approving the Pathway Transaction, as such order may be amended by the Court (with the consent of each of the Parties, acting reasonably), the Lender agrees to convert the entire Amount Due and Payable into Conversion Shares at the Conversion Price immediately prior to the Effective Time failing which the entire Amount Due and Payable shall automatically convert into Conversion Shares at the Conversion Price without any further action of the Lender or the Borrower.
- 7. **Reporting Requirements**. The Borrower shall cause to be prepared and delivered to the Lender, in form and substance satisfactory to the Lender, the following:
 - (a) no later than three (3) Business Days after the end of each calendar week, a report describing all Accounts Payable and the Accounts Receivable, and the aging thereof; and
 - (b) no later than the 25th day after the end of each calendar month, internally prepared monthly financial statements on a consolidated basis.
- 8. **Expenses**. The Borrower shall pay all reasonable and documented attorneys' fees and court costs incurred by Lender in enforcing and collecting this Note. Each party shall bear their own costs and expenses incurred to document the Note, while the Borrower shall bear the costs and expenses related to required regulatory or other filings to protect Lender's security interest and any amendments, modifications or supplements to the Note. Amounts due under this provision, together with the principal and interest and amounts due shall form part of the Obligations.



- 9. **Prepayment**. This Note may be prepaid, in whole or in part, without penalty:
 - (a) upon no less than three Business Days' notice to the Lender prior to the Maturity Date; and
 - (b) upon no less than 10 Business days' notice during the Extended Maturity Date Period.
- 10. **Setoff**. The Obligations owning under this Note shall be paid without setoff or counterclaim, except as expressly set forth herein, and free and clear of and exempt from, and without deduction for or on account of, any present or future taxes, levies, imposts, duties, deductions, withholdings or other charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government or any political subdivision or taxing authority thereof.
- 11. **Security**. Payment of all Indebtedness and Obligations owing to Lender under this Note are secured by the Security and any Additional Security. The Lender shall have the right to request Additional Security from time-to-time at its sole discretion. The Borrower shall do, at the Borrower's sole cost and expense, all such commercially reasonable acts, execute all such instruments and provide such further assurances as the Lender may reasonably request to ensure that the priority of the Liens created by all of the Security executed and delivered to the Lender as contemplated hereby is duly protected and perfected by registration, filing or recordation of such Security or a caution, caveat, security notice or other appropriate instrument at all offices where necessary or of material advantage to the protection or perfection thereof; and to cooperate with the Lender and Lender's counsel in renewing or refiling any registration, filing or recordation required hereby from time to time in order to preserve, protect and maintain the priority of such Liens.
- Warrants. In connection with the transaction contemplated herein, the Borrower agrees to issue to the Lender 25,000,000 Warrants in the form attached hereto as Schedule "D", such Warrants which shall be "Detachable Warrants" as such term is defined in the policy 4.1 of the TSXV Corporate Finance Manual, and such Warrants shall be issued to the Lender at the time of each Advance, in proportion to the amount of the Advance as compared to the aggregate Principal Amount available to the Borrower hereunder.
- 13. **Representation and Warranties**. In addition to the representations and warranties set forth in the other Note Documents, which are expressly incorporated by reference into this Note and form an integral part hereof, the Borrower represents and warrants to the Lender as follows:
 - (a) the Borrower is duly organized, validly existing and in good standing in its jurisdiction of formation. The Borrower has all requisite power and authority to execute and deliver the Note Documents and to perform the obligations hereunder;
 - (b) the execution, delivery and performance by the Borrower of the Note Documents has been duly authorized by all necessary organizational action and will not (a) contravene the terms of the Borrower's organizational documents, (b) violate any applicable and material law or (c) any other agreements of the Borrower which could result a Material Adverse Effect;
 - (c) this Note has been duly executed by the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable against it in accordance with its terms,



- except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles;
- (d) the execution, delivery and performance by the Borrower of the Note Documents does not require any governmental action, license, consent or approval of or notice to or filing with any Governmental Authority which has not been obtained and do not and will not contravene any provision of Applicable Law or any governmental action applicable to it or any of its assets, subject only to the filing of requisite forms under applicable securities laws and TSXV approval;
- (e) except as otherwise previously disclosed to the Lender, the Borrower is not in material breach or material default of, 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 under any material agreement or instrument by which it or any of its properties, assets or undertakings are bound, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (f) except as otherwise previously disclosed to the Lender, there are no material actions, suits or proceedings pending or threatened against it at law or in equity by or before any Governmental Authority, domestic or foreign, or before any arbitrator of any kind, and it is not in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any Governmental Authority, domestic or foreign, or any arbitrator of any kind, except in each case to the extent it would not reasonably be expected to have a Material Adverse Effect;
- (g) all financial information submitted to the Lender fairly reflect, as of the dates thereof, the consolidated financial condition of the Borrower and the results of its operations for the periods covered thereby, have been prepared in accordance with generally accepted accounting principles and, from the date of the latest such financial information submitted to the Lender, there has been no material adverse change in the consolidated financial condition of the Borrower or its properties, assets, condition or undertaking which has not been disclosed in writing to the Lender;
- (h) other than as disclosed to the Lender in writing, the Borrower has filed all tax returns which were required to be filed, has paid or made provision for payment of all taxes which are due and payable, and has provided adequate reserves for the payment of any taxes the payment of which is being contested in good faith;
- (i) the Borrower has in full force and effect such policies of insurance in such amounts issued by insurers of recognized standing insuring its properties and operations, including business interruption insurance and replacement cost insurance, and providing such coverage as would be maintained by a prudent operator engaged in the same or similar business where its properties and operations are located;
- (j) the Borrower is in material compliance with all Applicable Laws;
- (k) subject to the assumptions and qualifications made by the Borrower and provided to the Lender in writing, the projections and other related data provided to the Lender by the

- Borrower, to the best of the knowledge of the Borrower, fairly and properly reflect the interests and projections of the Borrower therein and thereto as of the date thereof;
- (I) except as otherwise disclosed to the Lender, no event or circumstance has occurred which constitutes, or which with the giving of notice, lapse of time or both would constitute, an Event of Default; and
- (m) to the knowledge of the Borrower, there is no fact that the Borrower has not disclosed to the Lender in writing, or of which the Lender is not otherwise aware, that could reasonably be expected to have a Material Adverse Effect.
- 14. **General Covenants**. In addition to covenants set forth elsewhere in this Note and in the other Note Documents, which are expressly incorporated by reference into this Note and form an integral part hereof, the Borrower covenants and agrees with the Lender that, so long as any Obligations remain outstanding and unpaid, the Borrower shall:
 - (a) Pay and Perform Obligations: duly and punctually pay all principal, interest, fees and other amounts payable hereunder on the dates, times and places, and in the manner specified herein or therein, and observe and comply with all other terms and conditions of the Note Documents;
 - (b) Use of Proceeds: use the proceeds advanced by the Lender under the Note solely for those purposes set forth in Schedule "C" attached hereto, except where the Borrower has received the prior written consent of the Lender to deviate from such purposes.
 - (c) Maintain Existence: maintain and preserve its existence and status in its jurisdiction of organization and make all filings and registrations in each other jurisdiction necessary or advisable in connection therewith, except to the extent failure to make such filings would not have a Material Adverse Effect, or where the Borrower has received the prior written consent of the Lender to carry out such action;
 - (d) Conduct Business: conduct its business in a proper and efficient manner, and maintain its property and assets in good repair and condition, subject to ordinary wear and tear;
 - (e) Pathway Transaction: use commercially reasonable efforts to effect the Pathway Transaction in accordance with the Pathway Definitive Agreement prior to the Outside Date;
 - (f) Pay Remittances: duly remit as and when due all employee pension contributions and/or other benefits (including workers' compensation premiums, employer health tax premiums, Canada Pension Plan contributions, Employment Insurance Commission premiums), and statutory remittances (including income tax, goods and services tax, or where applicable, provincial sales tax or harmonized sales tax);
 - (g) Provide Access: permit any representatives of the Lender to enter upon and inspect its assets, books and records, and discuss with its senior management its business, financial condition and operations, from time to time upon reasonable notice and conditions of confidentiality and during normal business hours;



- (h) Maintain Security: ensure that the Security granted to the Lender remains legal, valid, binding and enforceable in accordance with the terms thereof, subject to general principles of equity and laws affecting creditors' rights generally;
- (i) Security Registrations: co-operate with the Lender so as to permit the Lender to forthwith register, file and record the Security (or notices, financing statements or other registrations, including amending registrations) in all proper offices where such registration, filing or recording may be necessary or of material advantage to perfect or protect the Liens constituted thereby, and ensure that such Security ranks in priority to any other Liens granted by it other than Permitted Liens;
- (j) Give Notice: promptly give written notice to the Lender of:
 - (i) any Event of Default of which it becomes aware, using reasonable diligence,
 - (ii) any damage to or destruction of any assets which might give rise to a claim for insurance monies in excess of \$100,000,
 - (iii) any litigation, arbitration or other proceeding commenced or threatened against or affecting it which would reasonably be expected to have a Material Adverse Effect,
 - (iv) any Lien of which it becomes aware that has been registered, filed or recorded against the interests of it in any Collateral which is not a Permitted Lien; and
 - (v) any other change (financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of it that has or would reasonably be expected to have a Material Adverse Effect,
 - and from time to time provide the Lender with all information requested by the Lender concerning the status of any of the foregoing; and
- (k) Provide Other Documents: use reasonable efforts to provide the Lender from time to time with such other documents, security, opinions, consents, acknowledgments and agreements as are requested by the Lender and are necessary to implement this Note and the Security, and any other Note Document.
- 15. **Negative Covenants**. Without the prior written consent of the Lender or in connection with the Pathway Transaction, the Borrower hereby covenants and agrees that it shall not:
 - (a) Incur Debt: create, incur, assume or permit to exist any debt, other than Permitted Indebtedness;
 - (b) Financial Assistance: provide financial assistance, guarantees, investments, additional management remuneration (in excess of salary and bonuses paid to employees in the ordinary course of business), dividends or any other employee loans to any persons including Affiliates except for (i) those approved by the Lender, (ii) those provided to Affiliates in respect of acquisitions and projects in the ordinary course of business;



- (c) Negative Pledge: create, incur, permit or suffer to exist any Liens upon or with respect to any Collateral, other than Permitted Liens;
- (d) Material Changes: liquidate or dissolve, cease to carry on business as now being conducted by it, complete any transaction whereby all or substantially all of its property and assets would become the property of any other person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, or amend in any material respect its Constating Documents;
- (e) Limit Activities: make any material change in the nature of its business nor take any action that is inconsistent with past practices, or that is not taken in the ordinary course of the normal day-to-day operations of its business, until such time as the Obligations are repaid in full, or with the written consent of the Lender, including any change which would effect the ability of the Lender to convert the Obligations into Conversion Shares;
- (f) Restrictions on Dispositions: directly or indirectly sell, lease, assign, transfer, convey or otherwise dispose of any of its assets greater than \$100,000;
- (g) Distributions: declare, pay or make any Distributions or payments on subordinated debt when an Event of Default has occurred and is continuing or would reasonably be expected to occur as a result of making such Distribution; and
- (h) Change of Control: permit a change of control or ownership.
- 16. **Events of Default**. In addition to Events of Default set forth in the other Note Documents and which are applicable to the Borrower, which are expressly incorporated by reference into this Note and form an integral part hereof, the occurrence of any one or more of the following events, other than in connection with the Pathway Transaction, after the expiry of any applicable cure period set out below, shall constitute an "**Event of Default**" under this Note:
 - (a) if the Borrower or any of its Affiliates defaults in the observance or performance of any material agreement, covenant or undertaking given by the Borrower to the Lender in any Note Document or in any document executed in connection herewith, in any other future loan or credit facility agreement between the Lender and the Borrower, or in any document executed in connection therewith;
 - (b) if the Borrower defaults in payment of any of the Obligations of the Borrower to the Lender when due;
 - the transfer or disposition of any of the Collateral, other than in the regular course of business, by the Borrower, except as expressly permitted by the Note Documents;
 - if any material licences, permits or approvals required by any law, regulation or governmental policy or any governmental agency or commission for the operation by the Borrower of its business shall be withdrawn or cancelled;
 - (e) if any representation or warranty in any Note Document, in any other future loan or credit facility agreement between the Borrower and the Lender, or in any document executed in connection therewith, made by the Borrower or any of its Affiliates to the Lender shall be false or inaccurate in any material respect;



- (f) if there is a material default or other failure to perform in any material agreement to which the Borrower is a party or by which the Borrower is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any indebtedness in an amount exceeding \$50,000;
- (g) if any material misrepresentation, misstatement or omission existed at the time made in any warranty or representation set forth herein, or in any other Note Document, in any other future loan or credit facility agreement between the Borrower and the Lender, or in any document executed in connection therewith
- (h) if the Borrower shall:
 - (i) become insolvent, or generally not pay its debts or meet its liabilities as the same become due, or suspend or threaten to suspend the conduct of its business, or admit in writing its inability to pay its debts generally, or declare any general moratorium on payment of its indebtedness or interest thereon, or propose a compromise or arrangement between it and any of its creditors,
 - (ii) make an assignment of its property for the general benefit of its creditors, whether or not under the *Bankruptcy and Insolvency Act* (Canada), or make a proposal (or file a notice of its intention to do so), whether or not under such Act,
 - (iii) institute any Creditor Proceedings seeking to adjudicate it an insolvent, or seeking compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation,
 - (iv) apply for the appointment of, or the taking of possession by, a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property, or
 - (v) take any overt action to approve, consent to or authorize any of the actions described in this paragraph (h) or in paragraph (i) below;
- (i) if any petition shall be filed, application be made or other proceeding be instituted by a third party against it:
 - (i) seeking to adjudicate it an insolvent, or a declaration that an act of bankruptcy has occurred,
 - (ii) seeking a receiving order against it, including under the *Bankruptcy and Insolvency Act* (Canada),
 - (iii) seeking liquidation, dissolution, winding-up, reorganization, administration, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any Insolvency Legislation, or

 (iv) seeking the entry of an order for relief or the appointment of a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its property,

and such petition, application or proceeding shall continue undismissed, or unstayed and in effect, for a period of 15 Business Days after the institution thereof, provided that if an order, decree or judgment which is not stayed has been granted (whether or not entered or subject to appeal) against it thereunder in the interim, such grace period shall cease to apply;

- (including by way of execution, attachment, garnishment or distraint) or any Lien thereon shall be enforced, or such property shall become subject to any receivership, or any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of \$100,000 shall exist or such property, or any receiver, sheriff, civil enforcement agent or other person shall become lawfully entitled to seize or distrain upon any such property under the *Civil Enforcement Act* (Alberta), the *Workers' Compensation Act* (Alberta), the *Personal Property Security Act* (Alberta) or any other Applicable Law whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, receivership, charging order or equitable execution, or other seizure or right, shall continue in effect and not released or discharged for more than 15 Business Days;
- (k) if one or more judgments for the payment of money in the aggregate in excess of \$100,000 from time to time, and not substantially covered by insurance, shall become enforceable against it and it shall not have (i) provided for its discharge in accordance with its terms within 15 Business Days from the date of entry thereof, or (ii) procured a stay of execution thereof within 15 Business Days from the date of entry thereof and within such period, or such longer period during which execution of such judgment shall have been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal;
- (I) if it denies, to any material extent, its obligations under the Note or claims the Note to be invalid or withdrawn in whole or in part; or any of the Note or any material provision becomes unlawful or is changed by virtue of legislation or by a court, statutory board or commission;
- (m) if the Security is not enforceable or if it shall dispute or deny any liability or obligation under the Security;
- (n) if the Pathway LOI is terminated (other than by reason of entering into the Pathway Definitive Agreement) or expires, if the Pathway Definitive Agreement is terminated, or if the Pathway Transaction does not close on or before the Outside Date; or
- (o) if a Material Adverse Effect has occurred.
- 17. **Remedies**. Upon the occurrence of any Event of Default: (a) all indebtedness, liabilities and obligations of the Borrower under this Note shall at the Lender's option and without notice become immediately due and payable without presentment, demand, protest or notice of

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dishonor, all of which are hereby expressly waived by the Borrower; and (b) the Lender shall have all rights, powers and remedies available under the Note Documents, or accorded by Applicable Law, including the right to resort to any or all Collateral for any Obligations subject hereto and to exercise any or all of the rights of a beneficiary or secured party pursuant to all Applicable Law. All rights, powers and remedies of the Lender may be exercised at any time by the Lender and from time to time after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.

18. **Notices.** Any demand, notice or other communication in connection with this Note shall be in writing and shall be personally delivered, mailed by registered mail or sent by email, to the address or email address of the addressee set out below or to such other coordinates as the relevant party may from time to time designate to the other party in such manner.

In the case of the Borrower:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

Attention: Ken Yoon, Chief Executive Officer

E-mail: ken.yoon@pathwayhealth.ca

In the case of the Lender:

HEAL Global Holdings Corp. 12th Floor Banker's Court 850, 2 Street SW Calgary, AB T2P 0R8

Attention: Mr. Michael Steele, Chief Executive Officer

E-mail: steeleconsult@aol.com

With a copy to (which shall not constitute legal notice):

Dentons Canada LLP 12th Floor Banker's Court 850, 2 Street SW Calgary, AB T2P 0R8

Attention: James O'Sullivan

E-mail: james.osullivan@dentons.com

Any communication which is personally delivered shall be deemed to have been validly and effectively given on the date of such delivery if such date is a business day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of delivery. Any communication which is mailed shall be deemed to have been validly and effectively given on the

fifth business day following the date of mailing provided that, in the event of an interruption in postal services before such fifth business day, such communication shall be given by one of the other means. Any communication which is transmitted by email shall be deemed to have been validly and effectively given on the date of transmission if such date is a business day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of transmission.

- 19. Waiver. Borrower hereby waives demand, notice, presentment, protest and notice of dishonor.
- 20. **Severability**. Any provision of this Note or the Security which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Note fail to provide for any relevant matter, the validity, legality or enforceability of this note shall not hereby be affected
- 21. **Further Assurances**. The Borrower shall, at the request of the Lender do all such further acts and execute and deliver all such further documents as may, in the reasonable opinion of the Lender, be necessary or desirable in order to fully perform and carry out the purpose and intent of the Note Documents.
- 22. **Time of the Essence**. Time shall be of the essence in the Note Documents.
- 23. **Governing Law**. This Note shall be governed by and construed under the laws of the Province of Alberta, as applied to agreements among Alberta residents, made and to be performed entirely within the Province of Alberta, without giving effect to conflicts of laws principles.
- 24. Indemnification. The Borrower shall indemnify the Lender against all suits, actions, proceedings, claims, losses, expenses (including reasonable fees, charges and disbursements of counsel), damages and liabilities that the Lender may sustain or incur as a consequence of any misrepresentation contained in any writing from the Borrower delivered to the Lender in connection with this Note, or from any default in the observance or performance of any material agreement, covenant or undertaking given by the Borrower to the Lender in the Note Documents.
- 25. **Modification; Waiver**. Any term of this Note may be amended or waived only with the written consent of Borrower and Lender and the prior approval of the TSXV. Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them.
- 26. **Assignment**. So long as no Event of Default has occurred and is continuing, this Note may not be transferred or assigned by Lender to any person other than ADH without Borrower's prior written consent provided ADH executes and delivers a counterpart to this Note pursuant to which it agrees to be bound by the terms hereof. No such assignment shall relieve the Lender of its obligations hereunder. Interest and principal shall be paid solely to Lender or such permitted assign. Such payment shall constitute full discharge of Borrower's obligation to pay such interest and principal. Borrower may not at any time assign any of its rights or its obligations under this Note.

[Signature Page Follows]

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IN WITNESS WHEREOF, Borrower has caused this Note to be issued as of the date first set forth above.

PATHWAY HEALTH CORP.

Name: Ken Yoon

Title: Chief Executive Officer

HEAL GLOBAL HOLDINGS CORP.

Michael Stule

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Name: Michael Steele

Title: Chief Executive Officer

SCHEDULE "A"

GRID TO SECURED CONVERTIBLE GRID PROMISSORY NOTE

						 		 		 	_
Notation Made by:	Dentons	Dentons	Dentons	Dentons							
Balance of Interest Unpaid	TBD	TBD	TBD	TBD							
Amount of Interest Paid		*	:1*	- F							
Balance of Principal Unpaid	\$150,000	\$500,000	\$1,000,000	\$1,250,000					re		
Principal Paid or Prepaid		*	·								
Indebtedness to which Interest applies	\$150,000	\$500,000	\$1,000,000	\$1,250,000							
Principal Amount of Advance	\$150,000	\$350,000	\$500,000	\$250,000							
Date	February 6, 2023	February 9, 2023	February 17, 2023	March28, 2023							



SCHEDULE "B"

PAYMENT INSTRUCTIONS

Beneficiary: Dentons Canada LLP

Address: 850 2nd Street SW, Calgary AB T2P 0R8

Beneficiary Bank: Bank of Montreal

Bank Address: 595 8th Avenue SW, Calgary AB T2P 1G1

Swift Code: BOFMCAM2

Bank Code: 001

Branch / Transit: 25159-001

Account Number: 1037-813

Memo reference: 592347-000001



SCHEDULE "C"

USE OF PROCEEDS

DOF / 2023	Initial date	February	March	Total
Working capital (including aging payables)	277,000	173,000	50,000	500,000
Transaction costs and professional fees (audit, legal, other professional fees)	148,000	125,000	85,000	358,000
Growth/ Expansion/ Integration Projects				
- IRP Clinics (BC)		30,000		30,000
- Growth in existing clinics		117,000	50,000	167,000
- Medical cannabis /ecommerce project	75,000	55,000	65,000	195,000
TOTAL	\$ 500,000	\$ 500,000	\$ 250,000	\$1,250,000



SCHEDULE "D"

FORM OF WARRANT



THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE [ullet], 2023.

THE WARRANTS REPRESENTED BY THIS CERTIFICATE WILL BE VOID AND OF NO VALUE UNLESS EXERCISED BY 5:00 P.M. (CALGARY TIME), ON FEBRUARY [●], 2024 OR SUCH EARLIER DATE AS PROVIDED HEREIN, AFTER WHICH TIME THE WARRANTS EVIDENCED HEREBY SHALL BE NULL AND VOID AND OF NO FURTHER FORCE AND EFFECT.

Number of Warrants: 25,000,000 Issue Date: February [●], 2023

Certificate No: W-1 Expiry Date: February [●], 2024

WARRANT CERTIFICATE

PATHWAY HEALTH CORP.

For value received pursuant to the Pathway Note and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HEAL Global Holdings Corp. ("HEAL"), 12th Floor Banker's Court, 850, 2 Street SW Calgary, AB T2P 0R8 (HEAL, and any transferee from time to time pursuant to a transfer made in accordance with the terms hereof, the "Holder") is the registered holder of that number of warrants (the "Warrants") of Pathway Health Corp. ("Pathway" or the "Corporation") as set forth above.

- 1. Glossary. Unless otherwise defined herein, the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):
 - (a) "1933 Act" has the meaning ascribed thereto in Section 14;
 - (b) "Affiliate" means an affiliate as defined in the Business Corporations Act (Alberta);
 - (c) "Business Day" means any day other than a Saturday or Sunday or a day that is a statutory or civic holiday or day on which banking institutions are closed in the City of Calgary, Alberta;
 - (d) "Capital Reorganization" has the meaning ascribed thereto in Section 10(d);
 - (e) "Corporation" has the meaning ascribed thereto on the face page of this Warrant certificate;
 - (f) "Current Market Price" means, at any date, the weighted average sale price per Share (or any other security in respect of which a determination of Current Market Price is being made) on the principal stock exchange or over-the-counter market on which the Shares (or any other security in respect of which a determination of Current Market Price is being made) are listed or posted for trading, or such other stock exchange on which the Shares (or any other security in respect of which a determination of Current Market Price is being made) may then be listed, during the 20



consecutive Trading Days prior to the date on which the Current Market Price must be determined; provided that the weighted average sale price will be determined by dividing the aggregate sale price of all Shares (or any other security in respect of which a determination of Current Market Price is being made) sold on such exchange or market, as the case may be, during such 20 consecutive Trading Days by the total number of Shares (or any other security in respect of which a determination of Current Market Price is being made) so sold; and provided further that if the Shares (or any other security in respect of which a determination of Current Market Price is being made) are not then listed on any stock exchange or over-the-counter market, then the Current Market Price will be determined by an independent third party valuator selected by the directors of the Corporation, acting reasonably and in good faith, such valuator to be a nationally recognized investment banking firm having appropriate valuation experience and who is independent of both parties and their respective Affiliates, which determination shall be conclusive (absent manifest error); and provided further that if the Shares (or any other security in respect of which a determination of Current Market Price is being made) are listed on more than one stock exchange or quotation system, the Current Market Price shall be calculated based on the stock exchange or quotation system on which the volume of transactions for the Shares (or any other security in respect of which a determination of Current Market Price is being made) was the highest during such 20 consecutive Trading Days;

- "Equity Shares" means the Shares and shares of any other class or series of the Corporation which may from time to time be authorized for issue if by their terms such shares confer on the holders hereof the right to participate in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of the Corporation beyond a fixed sum or a fixed sum plus accrued dividends;
- (h) "Exemption" has the meaning ascribed thereto in Section 14;
- (i) "Exercise Price" means CAD \$0.05 per Share as may be adjusted pursuant to Section 10, Section 11 and (or) Section 12;
- (i) "Expiry Date" means February [●], 2024;
- (k) "Expiry Time" means 5:00 pm (Calgary time) on the Expiry Date;
- (1) "Holder" has the meaning ascribed thereto on the face page of this Warrant certificate;
- (m) "Issue Date" means February [●], 2023;
- (n) "Pathway Note" means the Secured Convertible Promissory Grid Note dated February 3, 2023 issued by Pathway as borrower to HEAL as lender thereunder;
- (o) "Register" has the meaning ascribed thereto in Section 5;
- (p) "Reporting Jurisdictions" has the meaning ascribed thereto in Section 17(c);
- (q) "Rights Offering" has the meaning ascribed thereto in Section 10(b);
- (r) "Rights Period" has the meaning ascribed thereto in Section 10(b);
- (s) "Share" has the meaning ascribed thereto in Section 2;
- (t) "Share Reorganization" has the meaning ascribed thereto in Section 10(a);
- (u) "Special Distribution" has the meaning ascribed thereto in Section 10(c);



- (v) "successor corporation" has the meaning ascribed thereto in Section 12(a);
- (w) "Trading Day" means a day on which the TSXV is open for trading;
- (x) "TSXV" means the TSX Venture Exchange; and
- (y) "Warrants" has the meaning ascribed thereto on the face page of this Warrant certificate.
- 2. Warrants. Each Warrant shall entitle the Holder to purchase one common share in the capital of the Corporation as constituted on the Issue Date (each, a "Share") at the Exercise Price at any time prior to the Expiry Time.
- 3. **Transferable.** All or any portion of the Warrants represented by this Warrant certificate may be transferred upon written notice by the Holder to the Corporation in the form attached as Schedule "C" hereto duly completed and executed. Transfer of the Warrants shall be subject to the receipt of such documentation from the Holder and the transferee(s) as may be required by applicable laws, including securities laws and stock exchange rules.
- 4. Warrants Exercise Procedure. The Warrants represented by this Warrant certificate may be exercised by the Holder in whole or in part at any time prior to the Expiry Time by surrendering the original of this Warrant certificate at the offices of the Corporation set out in subsection 20(g) hereof together with a subscription form in the form attached as Schedule "A" hereto duly completed and executed, such additional documents as may be contemplated thereby, and a certified cheque, bank draft or money order in lawful money of Canada payable to or to the order of the Corporation or by wire transfer as directed by the Corporation, subject to the cashless exercise provisions of this Warrant certificate.
- 5. Register of Warrantholders. The Corporation shall cause a register (the "Register") to be kept in which shall be entered the name and address of the Holder of the Warrants and the number of Warrants held. The Corporation may treat the registered holder of any certificate representing Warrants as the absolute owner of the Warrants represented thereby for all purposes, and the Corporation shall not be affected by any notice or knowledge to the contrary except where the Corporation is required to take notice by statute or by order of a court of competent jurisdiction.
- 6. **Partial Exercise**. The Holder may subscribe for and purchase less than the full number of Shares entitled to be subscribed for and purchased hereunder. In the event that the Holder subscribes for and purchases less than the full number of Shares entitled to be subscribed for and purchased under this Warrant certificate prior to the Expiry Time, the Corporation shall issue a new Warrant certificate to the Holder in substantially the same form as this Warrant certificate with appropriate changes to reflect the unexercised balance of the Warrants.
- 7. **Cashless Exercise**. The Holder may, in lieu of delivering cash to exercise such Warrants, elect to receive such number of Shares as is equal to quotient obtained by the following formula:

$$X = \underline{Y (A-B)}$$

where

X = the number of Shares to be issued to the Holder upon exercise of Warrants pursuant to this Section 7:

Y = the number of Warrants being exercised;

A = the Current Market Price; and

B = the Exercise Price (as adjusted to the date of such calculation).

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- 8. **Delivery of Shares**. Within three Business Days of receipt by the Corporation of this Warrant certificate in accordance with, and the documents and payment noted in, Section 4, the Corporation will deliver a certificate(s) representing the Shares subscribed for and purchased by the Holder hereunder, and a replacement Warrant certificate, if any.
- 9. **No Rights of Shareholders**. Nothing contained in this Warrant certificate shall be construed as conferring upon the Holder any right or interest whatsoever as a holder of Shares of the Corporation or any other right or interest except as herein expressly provided.
- 10. Adjustment to Exercise Price. The Exercise Price in effect at any time the Warrants remain outstanding is subject to adjustment from time to time in the events and in the manner provided as follows:
 - (a) **Share Reorganizations**—If and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation:
 - (i) fixes a record date for the issue of, or issues, Shares or securities exchangeable or exercisable for or convertible into Shares to all or substantially all the holders of all or substantially all of the outstanding Shares as a stock dividend, or
 - (ii) fixes a record date for the distribution to, or makes a distribution to, the holders of all or substantially all of the outstanding Shares payable in Shares or securities exchangeable or exercisable for or convertible into Shares, or
 - (iii) subdivides, re-divides or changes its outstanding Shares into a greater number of Shares, or reduces, combines or consolidates its outstanding Shares into a smaller number of Shares,

(each such event a "Share Reorganization"), then, in each such event, the Exercise Price will be adjusted effective immediately on the earlier of the effective date or record date for the happening of a Share Reorganization, as the case may be, by multiplying the Exercise Price in effect immediately prior to such effective date or record date by a fraction, the numerator of which is the number of Shares outstanding on such effective date or record date, as the case may be, before giving effect to such Share Reorganization and the denominator of which is the number of Shares outstanding immediately after giving effect to such Share Reorganization (including, in the case where securities exchangeable or exercisable for or convertible into Shares are distributed, the number of Shares that would have been outstanding had all such securities been exchanged, exercised or converted into Shares on such effective date or record date).

To the extent that any adjustment in the Exercise Price occurs pursuant to this Section 10(a)(i) or Section 10(a)(ii) as a result of the fixing by the Corporation of a record date in respect of a stock dividend or distribution specified in such sections, the Exercise Price shall be readjusted immediately after the expiry of any relevant exchange, exercise or conversion right to the Exercise Price which would then be in effect based upon the number of Shares actually issued and remaining issuable after such expiry. To the extent the Holder has not exercised its right to subscribe for and purchase Shares on or prior to the record date of such stock dividend or distribution or the effective date of a subdivision or consolidation or reduction, combination or consolidation, as the case may be, then upon the exercise of such right thereafter, the Holder shall be entitled to receive and shall accept in lieu of the number of Shares then subscribed for and purchased by the Holder, at the Exercise Price determined in accordance with this Section 10(a), the aggregate number of Shares that the Holder would have been entitled to receive as a result of such Share Reorganization if, on such record date or effective date, as the case may be, the Holder had been the holder of record of the number of Shares so subscribed for and purchased.

(b) **Rights Offerings**—If and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation fixes a record date for the issue or distribution of rights, options or warrants to the



holders of all or substantially all of its outstanding Shares under which such holders are entitled to subscribe for or purchase Shares or securities exchangeable or exercisable for or convertible into Shares, where:

- (i) the right to subscribe for or purchase Shares, or the right to exchange securities for or convert securities into Shares, expires not more than 90 days after the record date of such issuance (the period from the record date to such date of expiry, the "Rights Period"), and
- (ii) the subscription or purchase price per Share during the Rights Period (or, in the case of securities exchangeable or exercisable for or convertible into Shares, the exchange, exercise or conversion price per Share) is less than 95% percent of the Current Market Price of the Shares on the record date,

(each such event a "Rights Offering"), then the Exercise Price will be adjusted effective immediately after the record date for such Rights Offering to a price determined by multiplying the Exercise Price in effect on such record date by a fraction:

- (i) the numerator of which is the aggregate of:
 - (A) the number of Shares outstanding as of the record date for the Rights Offering; and
 - (B) a number determined by dividing either:
 - (1) where the event giving rise to the application of this Section 10(b) was the issue or distribution of rights, options or warrants to the holders of Shares under which such holders are entitled to subscribe for or purchase additional Shares, the product of the maximum number of Shares so offered and the subscription or purchase price per Share at which such Shares are offered, or
 - (2) where the event giving rise to the application of this Section 10(b) was the issue or distribution of rights, options or warrants to the holders of Shares under which such holders are entitled to subscribe for or purchase securities exchangeable or exercisable for or convertible into Shares, the product of the exchange, exercise or conversion price per security of the securities so offered and the maximum number of Shares for or into which the securities so offered pursuant to the Rights Offering may be exchanged, exercised or converted, as the case may be,

by the Current Market Price of the Shares as of the record date for the Rights Offering; and

(ii) the denominator of which shall be the aggregate of the number of Shares outstanding on such record date and including the number of Shares offered pursuant to the Rights Offering (including, in the case of the issue or distribution of securities exchangeable or exercisable for or convertible into Shares, the number of Shares for or into which such securities may be exchanged, exercised or converted).

Any Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation will be deemed not to be outstanding for the purpose of any such computation.



If by the terms of the rights, options or warrants referred to in this Section 10, there is more than one subscription, purchase, conversion, exercise or exchange price per Share, the aggregate price of the total number of additional Shares offered for subscription or purchase, or the aggregate conversion, exercise or exchange price of the convertible securities exchangeable so offered, will be calculated for purposes of the adjustment on the basis of (a) the lowest subscription, purchase, conversion, exercise or exchange price per Share, as the case may be, if such price is applicable to all Shares which are subject to the rights, options or warrants, and (b) the average subscription, purchase, conversion, exercise or exchange price per Share, as the case may be, if the applicable price is determined by reference to the number of Shares acquired.

To the extent that any adjustment in the Exercise Price occurs pursuant to this Section 10 as a result of the fixing by the Corporation of a record date for the distribution of rights, options or warrants referred to in this Section 10, the Exercise Price will be readjusted immediately after the expiration of any relevant exchange, conversion or exercise right to the Exercise Price which would then be in effect based upon the number of Shares actually issued and remaining issuable after such expiration, and will be further readjusted in such manner upon expiration of any further such right. To the extent that such Rights Offering is not ultimately so made, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed.

- (c) Special Distributions—If and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation fixes a record date for the issue or the distribution to the holders of all or substantially all its Shares of:
 - (i) shares of the Corporation of any class other than Shares;
 - (ii) rights, options or warrants to acquire shares of any class of the Corporation or securities exchangeable for or convertible into shares of any class of the Corporation or property or other assets of the Corporation;
 - (iii) evidence of indebtedness of the Corporation; or
 - (iv) any property or other assets of the Corporation,

and if such issue or distribution does not constitute a Share Reorganization or a Rights Offering (any of such event, other than a Share Reorganization or a Rights Offering, a "Special Distribution"), the Exercise Price will be adjusted effective immediately after such record date to a price determined by multiplying the Exercise Price in effect on such record date by a fraction:

- (i) the numerator of which is:
 - (A) the product of the number of Shares outstanding on such record date and the Current Market Price of the Shares on such record date; less
 - (B) the aggregate fair market value (as determined by action of the directors of the Corporation, and subject to the approval of any stock exchange on which the Shares may then be listed, where required) to the holders of the Shares of such securities, indebtedness or property or other assets so issued or distributed in the Special Distribution; and
- (ii) the denominator of which is the number of Shares outstanding on such record date multiplied by the Current Market Price of the Shares on such record date.

Any Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation will be deemed not to be outstanding for the purpose of any such computation. To the

extent that such Special Distribution is not ultimately so made, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed.

- (d) Adjustment to Exercisable Securities based on Capital Reorganizations—If and whenever at any time after the date hereof and prior to the Expiry Date there is:
 - (i) a reclassification or redesignation of the Shares outstanding at any time or change of the Shares into other shares or other securities or that results in the Shares ceasing to exist or any other capital reorganization, including an arrangement;
 - (ii) a consolidation, amalgamation or merger of the Corporation with or into any other corporation or other entity (other than a consolidation, amalgamation or merger which does not result in any reclassification or redesignation of the outstanding Shares or a change of the Shares into other shares); or
 - (iii) a transfer of the undertaking, property, or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity;

(each such event, a "Capital Reorganization"), the Warrants shall remain outstanding and the Holder, upon exercising any of the Warrants after the effective date of such Capital Reorganization, will be entitled to receive in lieu of the number of Shares to which such Holder was theretofore entitled upon such exercise, the aggregate number of shares or other securities or other property (including cash) which such Holder would have been entitled to receive as a result of such Capital Reorganization if, on the effective date thereof, the Holder had been the registered holder of the number of Shares to which such Holder was theretofore entitled upon exercise of such Warrants. If necessary, as a result of any Capital Reorganization, appropriate adjustments will be made in the application of the provisions set forth in this Section 10 with respect to the rights and interests thereafter of the Holder such that the provisions set forth in this Section 10 will thereafter be applicable in a like manner to any shares, other securities or other property thereafter deliverable upon the exercise hereof.

- (e) Adjustment to Exercisable Shares on Certain Events—If at any time after the date hereof and prior to the Expiry Date any adjustment in the Exercise Price shall occur as a result of:
 - (i) an event referred to in Section 10(a);
 - (ii) the fixing by the Corporation of a record date for a Rights Offering referred to in Section 10(b); or
 - (iii) the fixing by the Corporation of a record date for a Special Distribution referred to in Section 10(c) if such event constitutes the issue or distribution of Equity Shares, or securities exchangeable for or convertible into Equity Shares at an exchange or conversion price per Equity Share less than the Current Market Price on such record date or rights, options or warrants to acquire Equity Shares at an exercise, exchange or conversion price per Equity Share less than the Current Market Price on such record date,

then, the number of Shares issuable upon the subsequent exercise of any of the Warrants shall be simultaneously adjusted by multiplying the number of Shares issuable upon the exercise of a Warrant immediately prior to such adjustment by a fraction which shall be the reciprocal of the applicable fraction employed in the adjustment of the Exercise Price pursuant to Section 10(a), Section 10(b) or Section 10(c), as applicable. To the extent any adjustment in subscription rights occurs pursuant to this Section 10(e) as a result of a distribution of exchangeable, exercisable or convertible securities referred to in Section 10(a) or as a result of the fixing by the Corporation of a record date for the distribution of rights, options or warrants referred to in Section 10(b), the



number of Shares issuable upon exercise of a Warrant shall be readjusted immediately after the expiration of any relevant exchange, exercise or conversion right to the number of Shares which would be issuable based upon the number of Shares actually issued and remaining issuable immediately after such expiration, and shall be further readjusted in such manner upon expiration of any further such right. To the extent that any adjustment in subscription rights occurs pursuant to this Section 10(e) as a result of the fixing by the Corporation of a record date for the distribution of exchangeable, exercisable or convertible securities or rights, options or warrants referred to in Section 10(c), the number of Shares issuable upon exercise of a Warrant shall be readjusted immediately after the expiration of any relevant exchange, exercise or conversion right to the number which would be issuable pursuant to this Section 10(e) if the fair market value of such securities or such rights, options or warrants had been determined for purposes of the adjustment pursuant to this Section 10(e) on the basis of the number of Shares issued and remaining issuable immediately after such expiration, and shall be further readjusted in such manner upon expiration of any further such right.

- 11. Rules Regarding Calculation of Adjustment of Exercise Price. The following rules shall apply to the calculation of adjustment of the Exercise Price:
 - (a) If more than one subsection of Section 10 is applicable to a single event, the subsection shall be applied that produces the largest adjustment and no single event shall cause an adjustment under more than one subsection of Section 10 so as to result in duplication.
 - (b) The adjustments provided for in Section 10 are cumulative and will apply to successive subdivisions, consolidations, dividends, distributions and other events resulting in any adjustment under the provisions of such section and will, in the case of adjustments to the Exercise Price, be computed to the nearest one-tenth of one cent and will be made successively whenever an event referred to therein occurs, subject to the following subsections of this Section 11.
 - (c) If at any time a dispute arises with respect to adjustments provided for in Section 10, such dispute will be conclusively determined by the auditors of the Corporation or if they are unable or unwilling to act, by such other independent firm of chartered accountants as may be selected by action of the directors of the Corporation and any such determination, where required, will be binding upon the Corporation, the Holder and shareholders of the Corporation, absent manifest error. The Corporation will provide such auditors or accountants with access to all necessary records of the Corporation.
 - (d) In case the Corporation after the date hereof takes any action affecting the Shares, other than action described in Section 10, which would reasonably be expected to materially affect the rights of the Holder, the Exercise Price will be adjusted in such manner, if any, and at such time, by action of the directors of the Corporation, acting reasonably, but subject in all cases to the approval of any stock exchange on which the Shares may then be listed, where required, and any necessary regulatory approval.
 - (e) If the Corporation sets a record date to determine the holders of the Shares for the purpose of entitling them to receive any dividend or distribution or sets a record date to take any other action and, thereafter and before the distribution to such shareholders of any such dividend or distribution or the taking of any other action, decides not to pay or deliver such dividend or distribution or take such other action, then no adjustment in the Exercise Price will be required by reason of the setting of such record date.
 - (f) In the absence of a resolution of the directors of the Corporation fixing a record date for a Special Distribution or Rights Offering, the Corporation will, for the purposes of this Warrant certificate, be deemed to have fixed as the record date therefor the date on which the Special Distribution or Rights Offering is effected.

- (g) As a condition precedent to the taking of any action which would require any adjustment to this Warrant certificate, including the Exercise Price, the Corporation shall take such corporate action as may be necessary in order that the Corporation will have unissued and reserved in its authorized capital, and may validly and legally issue as fully paid and non-assessable, such shares or other securities which the Holder is then entitled to receive on the full exercise thereof in accordance with the provisions hereof.
- (h) The Corporation will from time to time, immediately after the occurrence of any event which requires an adjustment or readjustment as provided in Section 10, forthwith give notice to the Holder specifying the event requiring such adjustment or readjustment and the results thereof, including the resulting Exercise Price.
- (i) The Corporation covenants to and in favour of the Holder that, so long as this Warrant certificate remains outstanding, it will give notice to the Holder of its intention to fix a record date for any event referred to in Section 10 and, in each case, such notice shall specify the particulars of such event and the record date and the effective date for such event; provided that the Corporation is only required to specify in such notice such particulars of such event as have been fixed and determined on the date on which such notice is given. Such notice shall be given not less than 21 days (or such fewer number of days as the Holder may accept) prior to each such applicable record date or effective date.

12. Consolidation and Amalgamation.

- In the case of the Corporation entering into a transaction whereby all or substantially all of its (a) undertaking, property and assets would become the property of any other corporation and/or its securities exchanged for the securities of another corporation (herein called a "successor corporation") whether by way of reorganization, reconstruction, consolidation, amalgamation, merger, transfer, sale, disposition or otherwise, the successor corporation shall be bound by all of the provisions hereof including the due and punctual performance of all covenants of the Corporation, and forthwith following the occurrence of such event the successor corporation resulting from such reorganization, reconstruction, consolidation, amalgamation, merger, transfer, sale, disposition or otherwise (if not the Corporation) shall expressly assume, by supplemental certificate satisfactory in form to the Holder, acting reasonably, and executed and delivered to the Holder, the due and punctual performance and observance of this Warrant certificate to be performed and observed by the Corporation and the securities and the terms set forth in this Warrant certificate will be a valid and binding obligation of the successor corporation entitling the Holder, as against the successor corporation, to all the rights of the Holder under this Warrant certificate.
- (b) Whenever the conditions of Section 12(a) shall have been duly observed and performed the successor corporation shall possess, and from time to time may exercise, each and every right and power of the Corporation under this Warrant certificate in the name of the Corporation or otherwise and any act or proceeding by any provision hereof required to be done or performed by any director or officer of the Corporation may be done and performed with like force and effect by the directors or officers of the successor corporation.
- 13. Warrants for Fractions of Shares. To the extent that the Holder is entitled to receive on the exercise or partial exercise hereof a fraction of a Share, such right may be exercised in respect of such fraction only in combination with another Warrant which in the aggregate entitle the Holder to receive a whole number of Shares.
- 14. **Legending of Shares.** The Warrants have been, and Shares issued upon exercise of the Warrants will be, issued pursuant to an exemption from the prospectus requirements of applicable securities law set forth in National Instrument 45-106 *Prospectus Exemptions* (an "**Exemption**"). The Shares issued upon exercise of the Warrants may, to the extent required pursuant to the applicable Exemption, be subject to restrictions on resale and transferability contained in applicable securities laws and the certificate or certificates representing such Shares shall, to the extent required, be impressed with a legend in the following form:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE ______, 2023.

WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL THE DATE THAT IS FOUR MONTHS AND A DAY AFTER JUNE _____, 2023.

The Warrants and the Shares issuable upon exercise hereof have not been registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state of the United States. Accordingly, the Warrants and the Shares issuable upon exercise hereof may not be offered or sold, directly or indirectly, in the United States except pursuant to registration under the 1933 Act and the applicable securities laws of all applicable states or available exemption therefrom. The Warrants may not be exercised by or on behalf of a U.S. person or person in the United States unless the Warrants and the Shares issuable upon exercise of the Warrants have been registered under the 1933 Act and the applicable securities legislation of any such state or an exemption from such registration requirements is available. "United States" and "U.S. person" are as defined by Regulation S under the 1933 Act.

The Holder hereby agrees and consents by acceptance hereof that all certificates representing Shares acquired upon exercise of the Warrants by, or for the account or benefit of, U.S. persons or persons in the United States shall have the following legend:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON EXCHANGES IN CANADA.

provided that, if the Shares are being sold under clause (B) above, the legend set forth above may be removed by providing a declaration to the Corporation and its registrar and transfer agent in the form attached hereto as Schedule "B" or such other evidence of exemption as the Corporation or its registrar and transfer agent may from time to time prescribe (which may include an opinion satisfactory to the Corporation and its registrar and transfer agent), to the effect that the sale of the Shares is being made in compliance with Rule 904 of Regulation S under the 1933 Act; provided further that, if any of the Shares are being sold pursuant to Rule 144 of the 1933 Act and in compliance with any applicable state securities laws, the legend may be removed by delivery to the Corporation's registrar and transfer agent of an opinion satisfactory to the Corporation and its registrar and transfer agent to the effect that the legend is no longer required under applicable requirements of the 1933 Act or state securities laws.

- 15. Change; Waiver. Subject to the receipt of any necessary approval of the TSXV, the provisions of these Warrants may from time to time be amended, modified or waived, if such amendment, modification or waiver is in writing and consented to in writing by the Corporation and the Holder.
- 16. **No Obligation to Purchase.** Nothing herein contained or done pursuant hereto shall obligate the Holder to exercise Warrants or the Corporation to issue any Shares except those Shares in respect of which the Holder shall have exercised its right to purchase in the manner provided hereunder.

17. Covenants.

- (a) The Corporation covenants that (i) so long as any Shares evidenced hereby remain outstanding, it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of Shares to satisfy the right of purchase provided for herein should the Holder determine to exercise its rights in respect of all the Shares available for purchase and issuance under outstanding Warrants, and (ii) all Shares issued upon the due exercise of the Holder's right to purchase pursuant to the provisions hereof, shall be issued as fully paid and non-assessable common shares in the capital of the Corporation and, in respect of the Corporation, free of all liens, charges and encumbrances.
- (b) The Corporation shall use commercially reasonable efforts to preserve and maintain its corporate existence.
- (c) The Corporation shall use commercially reasonable efforts to maintain the listing of its Shares on the TSXV or such other recognized stock exchange and its status as a reporting issuer not in default or the equivalent under the securities legislation of each of the jurisdictions in which it is a reporting issuer or the equivalent as of the date hereof (the "Reporting Jurisdictions") up to and including the Expiry Date, provided the foregoing shall not, in any manner, preclude the Corporation from pursuing or completing a transaction that would result in the delisting of the Shares from the TSXV or ceasing to be a reporting issuer or the equivalent in each of the Reporting Jurisdictions where the board of directors of the Corporation, acting in good faith and in accordance with applicable laws, determines that such a transaction is in the best interests of the Corporation.
- (d) If, in the opinion of counsel for the Corporation, any prospectus or other filing is required to be filed with or any permission is required to be obtained from any securities regulatory body or any other step is required under any federal or provincial law before any Shares which the Holder is entitled to purchase pursuant to the Warrant may properly and legally be issued upon exercise thereof, the Corporation covenants that it will use commercially reasonable efforts to take such action.

18. Representations and Warranties.

The Corporation hereby represents and warrants to the Holder as follows:

- (a) the Corporation is duly authorized and has the corporate power and authority to create and issue this Warrant certificate and the Shares issuable upon the exercise hereof and perform its obligations hereunder, and this Warrant certificate represents a valid, legal and binding obligation of the Corporation enforceable in accordance with its terms except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles;
- (b) the Corporation has applied to the TSXV to list the Shares issuable upon the exercise of the Warrants, subject to TSXV approval in respect thereof.



19. Lost Certificate. If this Warrant certificate is stolen, lost, mutilated or destroyed, the Corporation may, on such terms as it may in its discretion impose, issue and countersign a new Warrant certificate of like denomination, tenor and date as the Warrant certificate so stolen, lost, mutilated or destroyed.

20. General.

- (a) The headings in this Warrant certificate are for reference only and do not constitute terms of the Warrant certificate.
- (b) Whenever the singular or masculine is used in this Warrant certificate the same shall be deemed to include the plural or the feminine or the body corporate as the context may require.
- (c) This Warrant certificate shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- (d) Time shall be of the essence of this Warrant certificate.
- (e) This Warrant shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, without reference to its principles governing the choice or conflict of laws. The Corporation and the Holder hereby irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta, with respect to any dispute related to or arising from this Warrant certificate.
- (f) All references herein to monetary amounts are references to lawful money of Canada.
- (g) All notices or other communications to be given to the Holder by the Corporation under this Warrant certificate shall be delivered by hand, courier, ordinary prepaid mail, facsimile or electronic mail; and, if delivered by hand, shall be deemed to have been given on the delivery date, if delivered by ordinary prepaid mail shall be deemed to have been given on the fifth day following the delivery date and, if sent by facsimile or electronic mail, on the date of transmission if sent before 5:00 p.m. (Calgary time) on a Business Day or, if such day is not a Business Day, on the first Business Day following the date of transmission.

Notices to the Holder shall be addressed to the address of the Holder set out in this Warrant certificate.

Notices to the Corporation shall be addressed to:

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

Attention: Ken Yoon, Chief Executive Officer

E-mail: ken.yoon@pathwayhealth.ca

Each of the Corporation and the Holder may change its address for service by notice in writing to the other of them specifying its new address for service under this Warrant certificate.

[REMAINDER OF PAGE INTENTIONALLY BLANK – EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF the Corporation has caused this Warrant certificate to be signed by its duly authorized officer effective as of the Issue Date.
PATHWAY HEALTH CORP.
By: Authorized Signatory

SCHEDULE "A"

WARRANT CERTIFICATE SUBSCRIPTION FORM

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

ETODICOKE, ON M9B 6E3						
Attn: Chief Executive Officer						
Dear Sirs/Mesda	mes:					
"Corporation")	hereby subscribes for common shares (the "Shares") of Pathway Health Corupon the exercise of the corresponding number of Warrants referred to in the Warrant certaccording to the terms and conditions thereof as follows (please check <u>ONE</u> applicable box):					
	This Subscription Form is accompanied by a certified cheque or bank draft payable to or to the order of the Corporation or by wire transfer as directed by the Corporation for the whole amount of the exercise price of the Shares.					
	The Warrants are being exercised pursuant to the cashless exercise provisions set forth in Section 7 of the Warrant certificate.					
In connection with the exercise of the Warrants as set forth herein, the undersigned represents as follows (please check the ONE box applicable):						
1.	The undersigned (i) at the time of exercise is not a U.S. person, (ii) at the time of exercise is not within the United States, (iii) is not exercising any of the Warrants represented by this Warrant certificate for the account or benefit of any U.S. person or person within the United States, and (iv) did not execute or deliver this Subscription Form in the United States.					
<u>2</u> .	The undersigned has delivered to the Corporation a written opinion of U.S. counsel reasonably satisfactory to the Corporation to the effect that the Shares to be delivered upon exercise hereof are exempt from registration under the 1933 Act and the securities laws of all applicable states of the United States.					
"1933 Act" means the United States Securities Act of 1933, as amended. "U.S. person" and "United States" are as defined by Regulation S under the 1933 Act.						
Certificates representing Shares issued upon exercise of the Warrants hereto will not be registered or delivered to an address in the United States unless Box 2 is checked and the requirements in connection therewith have been satisfied.						
Certificates representing Shares issued upon exercise of Warrants hereto pursuant to Box 2 above will bear a U.S. restrictive legend.						
If any Warrants represented by this Warrant certificate are not being exercised, a new Warrant certificate evidencing the Warrants that remain outstanding will be issued and delivered with the Share certificate(s).						

PKJ

	Ρl	ease	issue	and	deliver	a	certificate	for	the	Shares	being	purchased	i as	fol	low	VS:
--	----	------	-------	-----	---------	---	-------------	-----	-----	--------	-------	-----------	------	-----	-----	-----

NAME:

		(please print)	
	ADDRESS:		
	DELIVERY		
INST	RUCTIONS:		
1.	to the Corporation Warrants being exe amount of the exe representing the Sha	this Subscription Form are recised, subject to Section 7 recise price for the Shares ares acquired on exercise of so within three business days after	its right to acquire Shares by completing and surrendering and the ORIGINAL Warrant certificate representing the of the Warrant certificate, together with the aggregate as provided for in the Warrant certificate. Certificates such Warrants will be sent by prepaid first class mail to the ter the receipt of all required documentation, subject to the
2.	registered holder of Form must be meda investment dealer w	the Warrants exercised: (i) allion guaranteed by an author	res are to be issued to a person or persons other than the the signature of the registered holder on this Subscription orized officer of a chartered bank, trust Corporation or an zed stock exchange, and (ii) the registered holder must pay duties.
3.	officer of a corpor	ration or any other person	ee, executor, administrator, custodian, guardian, attorney, acting in a fiduciary or representative capacity, this ence of authority to sign satisfactory to the Corporation.
DAT:	ED this day of		
			(Signature)
	ture of Witness se Note Instruction 2]		Signature of registered holder or Signatory thereof
Print	name of Witness		If applicable, print Name and Office of Signatory
)))	Print Name of registered holder as on certificate
)	Street Address
)))	City, Province/State and Postal/ZIP Code
		•	



SCHEDULE "B"

FORM OF DECLARATION FOR REMOVAL OF U.S. LEGEND

To: The Registrar and Transfer Agent for the Common Shares of Pathway Health Corp. (the "Corporation").

And To: The Corporation

The undersigned (a) acknowledges that the sale of the securities of the Corporation to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "1933 Act") and (b) certifies that (1) the undersigned is not an "affiliate" of the Corporation (as that term is defined in Rule 405 under the 1933 Act), (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (B) the transaction was executed in, on or through the facilities of the TSXV and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the 1933 Act), (5) the seller does not intend to replace such securities with fungible unrestricted securities of the Corporation and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act. Terms used herein have the meanings given to them by Regulation S under the 1933 Act.

Date	XAuthorized signatory (if Holder is not an individual)
XSignature of individual (if Holder is an individual)	Name of authorized signatory (please print)
Name of Holder (please print)	Official capacity of authorized signatory (please print)

SCHEDULE "C"

WARRANT TRANSFER FORM

FOR VALUE RECEIVED, the undersigned registered owner of the Warrants evidenced by Warrant Certificate No. W-1 (the "Warrant Certificate") of Pathway Health Corp. (the "Corporation") hereby sells, assigns and transfers unto the transferee (the "Transferee") named below all of the right, title and interest of the undersigned to the Warrants set forth in the Warrant Certificate (and otherwise) including, without limitation, all rights to exercise the Warrants to purchase the number of Shares (as defined in the Warrant Certificate) set forth below:

Name of Transferee	Address	No. of Shares		
and does hereby irrevocably constitute books of the Corporation maintained for	and appointor the purpose, with full power of su	to make such transfer on the bstitution in the premises.		
The Transferee is not a "U.S. person" "1933 Act") or purchasing to or for the	as defined in Regulation S under the account or benefit of a U.S. person	e Securities Act of 1933, as amended (the		
Warrant certificate evidencing the Wawarranted, that the Transferee acknown exercise of the Warrants are being ac otherwise dispose of any such Warrants that will not result in a of the Warrants, the Transferee shall,	arrants transferred to the Transferee wledges and agrees that (i) the W quired for investment only; (ii) the trants and/or Shares issued upon violation of the 1933 Act, or any stif requested by the Corporation, co	rants, and the Transferee, by receipt of a shall be deemed to have represented and arrants and the Shares to be issued upon Transferee will not offer, sell, transfer or exercise of the Warrants except under ate securities laws; and (iii) upon exercise nfirm in writing, in a form satisfactory to sing acquired for investment only and not		
Date	XAuthorizindividu	ed signatory (if Holder is not an		
XSignature of individual (if Holder is a		authorized signatory (please print)		
Name of Holder (please print)	Official	Official capacity of authorized signatory (please print)		

The signatures on this transfer form must correspond with the name as written upon the face of the Warrant Certificate, in every particular, without alteration or enlargement, or any change whatsoever, and must be guaranteed by a Canadian chartered bank or eligible guarantor institution with membership in an approved signature medallion program.

THIS IS EXHIBIT "M"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT (the "Security Agreement") is made as of the 3rd day of February, 2023

BY:

PATHWAY HEALTH CORP. (together with its successors and assigns, the "**Debtor**")

IN FAVOUR OF:

HEAL GLOBAL HOLDINGS CORP. (together with its successors and assigns, the "Secured Party")

A. OBLIGATIONS SECURED

1. The undersigned Debtor hereby enters into this Security Agreement with the Secured Party for valuable consideration and as security for the payment of all present and future indebtedness of the Debtor to the Secured Party and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, joint or several, of the Debtor to the Secured Party whether as principal or surety, including, without limiting the generality of the foregoing, pursuant to a secured convertible promissory grid note issued on the date hereof to the Secured Party by the Debtor, as may be amended from time to time (the "Promissory Note") (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). Insofar as it affects personal property located in Alberta, this Security Agreement is governed by the Personal Property Security Act (Alberta) and insofar as it affects personal property located in Ontario, this Security Agreement is governed by the Personal Property Security Act (Ontario) (in each case the "Act", as the case may be). Capitalized terms used herein but not otherwise defined herein shall have the meaning ascribed thereto in the Promissory Note or the Joint Facility Agreement, as the case may be.

B. GRANT OF MORTGAGES, CHARGES AND SECURITY INTERESTS

- The Debtor hereby:
 - (a) mortgages and charges to and in favour of the Secured Party as and by way of a fixed and specific mortgage and charge, and grants to the Secured Party a security interest in, all its present and future equipment, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, devices, vehicles, tools and furniture now or hereafter owned or acquired;
 - (b) mortgages and charges to the Secured Party and grants to the Secured Party a security interest in all its present and future inventory, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service;
 - (c) assigns, transfers and sets over to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future accounts and intangibles, including, without limiting the generality of the foregoing, all its present and future book debts, accounts and other amounts receivable, contract rights and choses in action of every kind or nature including insurance rights arising from or out of the assets

referred to in Sections 2(a) and 2(b) hereof, goodwill, chattel paper, instruments of title, investments, money and securities;

- (d) assigns, transfers and conveys to the Secured Party by way of collateral security, and grants to the Secured Party a security interest in, all its present and future intellectual property (hereinafter referred to as the "Intellectual Property Collateral") (whether registered or unregistered) comprising without limitation all formulations, computer programs, application software, hardware/software maintenance support agreements and all documentation related thereto, licenses of software, copyrights, patents and inventions, trade-marks, trade names, business names, trade styles and other business identifiers, industrial designs, clinical and treatment protocols, trade secrets and other confidential information and all know-how obtained, developed or used by the Debtor or contemplated at any time for use by the Debtor;
- (e) charges in favour of the Secured Party as and by way of a floating charge, and grants to the Secured Party a security interest in, its business and undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage, charge or security interest by Sections 2(a), 2(b), 2(c) and 2(d) hereof and the exceptions hereinafter contained);
- (f) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in the proceeds arising from any of the assets referred to in this Section 2; and
- (g) assigns, mortgages and charges in favour of the Secured Party and grants to the Secured Party a security interest in all additions to and replacements of the assets referred to in this Section 2.

For the purposes of this Security Agreement, the equipment, inventory, intangibles, Intellectual Property Collateral, undertaking, proceeds and all other property and assets of the Debtor referred to in this Section 2 are hereinafter collectively called the "Collateral".

C. LOCATION OF COLLATERAL

3. The Debtor hereby represents and warrants to the Secured Party that all Collateral material to the Debtor (including, without limitation, all of the Intellectual Property Collateral whatsoever) is presently at the following locations:

16 Four Seasons Place, Suite 203A, Etobicoke, ON M9B 6E5

Attention: E-mail: Ken Yoon, Chief Executive Officer

ken.yoon@pathwayhealth.ca

4. The Collateral now situate in the Provinces of Ontario is on the date hereof primarily situate or located at the locations set out in Section 3 hereof but may, with prior written notice to the Secured Party, from time to time be located at other premises of the Debtor or (in the case of the Collateral described in Section 2(b) above) any third party manufacturing, clinic or inventory storage facility in the Province of Ontario. Such Collateral may also be located at other places in Ontario or in Canada while in transit to and from such locations and premises and such Collateral may from time to time be situate or located at any other places in Ontario and Canada when on lease or consignment to any lessee or consignee from the Debtor.

- 5. Debtor further represents and warrants to the Secured Party, and so long as this Security Agreement remains in effect, shall be deemed to continuously represent and warrant to the Secured Party that:
 - (a) it is a corporation incorporated and organized and validly existing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property in each jurisdiction where the failure to be so qualified would have a material adverse effect on the Debtor; and the execution, delivery and performance of this Security Agreement by the Debtor are within its corporate powers and have been duly authorized by all necessary corporate action of the Debtor; and
 - (b) the execution, delivery and performance of the Obligations and the creation of the security interest or assignment hereunder of the Debtor's rights in the Collateral to the Secured Party will not conflict with or constitute a breach of the Debtor's Articles of Incorporation, as amended to date, or by-laws, nor will they result in a breach of or an event of default under any agreement to which the Debtor is party or by which it is bound.
- Debtor further represents and warrants to the Secured Party that on the date hereof:
 - (a) it has rights in the Collateral and other than Permitted Encumbrances the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements of which the Debtor is aware, encumbrances or other adverse claims or interests, and subject to the fact that certain of the licenses and leases included in the Collateral may not be assignable or transferable, or may require consent to assignment or transfer, or may contain other restrictions on assignability or transferability;
 - (b) it has not granted any licenses in or of its Intellectual Property Collateral, other than in the ordinary course of its business; and
 - (c) each of the licenses granted in or of its Intellectual Property Collateral is non-exclusive.

D. LIMITED EXCEPTIONS TO GRANT OF CHARGE

7. The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Debtor, and whether falling within the general or particular description of the Collateral, is hereby and shall be excepted out of the mortgages, charges and security interests hereby or by any other instrument created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term, for the time being demised, as aforesaid, upon trust to assign and dispose of the same as any purchaser of such term shall direct.

E. AGREEMENTS OF THE DEBTOR

- 8. The Debtor and the Secured Party agree that they have not agreed to postpone the time for attachment of the security interests granted hereby with respect to the Debtor's presently existing Collateral and that such security interests shall attach to the Collateral acquired after the date hereof as soon as the Debtor has rights in such Collateral.
- 9. The Debtor agrees with the Secured Party that, until the Obligations have been satisfied or paid in full:
 - (a) it will not, without the prior written consent of the Secured Party:

MS

- (i) create, issue, transfer, or assign any new debt securities of the Debtor but, notwithstanding the foregoing, the Debtor may issue new debt securities without consent of the Secured Party, provided that the proceeds are used, at least in part, to satisfy and fully pay the Obligations outstanding;
- (ii) sell, transfer, assign, lease, license or otherwise dispose of the Collateral, or any interest therein, or attempt, offer or contract to do so, other than in the ordinary course of the Debtor's business and as would not have a material adverse effect on Debtor, its ability to pay the Obligations or the interests of the Secured Party hereunder;
- (iii) release, surrender or abandon possession of any material part of the Collateral;
- (iv) move or transfer any material part of the Collateral from the Province of Ontario or Canada without prior written notice to the Secured Party; or
- (v) change its name without notifying the Secured Party in writing.
- (b) unless otherwise agreed by, or stipulated pursuant to, the prior written consent or direction, as applicable, of the Secured Party, or as contemplated by the Pathway Definitive Agreement or the Pathway LOI (until such time as it is superseded by the Pathway Definitive Agreement), it will:
 - (i) hold the proceeds received from any direct or indirect dealing with the Collateral in trust for the Secured Party after either the security interests granted in this Security Agreement become enforceable or any of the Collateral is sold other than in the ordinary course of business of the Debtor and for the purpose of carrying on such business:
 - insure and keep insured all of the Collateral against loss or damage by fire and (ii) other insurable hazards for which such Collateral is commonly insured against in the Province of Ontario to the full insurable value thereof; the Debtor shall pay when due all premiums and other amounts payable for maintaining such insurance; the Debtor shall cause the insurance proceeds thereunder to be payable in case of loss to the Secured Party as mortgagee and loss payee and shall, if required, give to the Secured Party evidence of the payment of premiums and the assignment of such insurance to the Secured Party; should the Debtor fail to pay any premiums when due then the Secured Party may do so and the cost of such premiums shall be added to the Obligations and shall be secured by the security interests granted herein; the policy or policies of insurance required by this paragraph shall show the Secured Party as mortgagee and loss payee and shall contain a mortgage clause in form satisfactory to the Secured Party; all such policies of insurance shall neither permit nor provide for any amount of coinsurance by the Debtor;
 - (iii) keep the then existing Collateral in good condition and repair according to the nature and description thereof, and to not use the Collateral in violation of the provisions of this Security Agreement or any other agreement of the Debtor relating to the Collateral or any policy issued to the Debtor insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance, and the Secured Party may, whenever reasonably necessary, either in person or by agent, enter upon the Debtor's property and inspect the Collateral and the reasonable cost of such inspection shall be payable on demand and added to the Obligations and the Secured Party may make repairs as it deems necessary, and the cost thereof shall be payable on demand and added to the Obligations;

- (iv) set up and maintain accounting systems and books of account in accordance with generally accepted accounting principles and furnish to the Secured Party such financial information as required by the Promissory Note;
- (v) materially comply with every covenant and undertaking heretofore or hereafter given by it to the Secured Party;
- (vi) materially comply with valid requirements of any governmental authority pertaining to the operation by the Debtor of its business;
- (vii) permit the Secured Party at any time and from time to time, after the security granted pursuant to this Security Agreement shall have become enforceable, to require any account debtor of the Debtor to make payment to the Secured Party of any or all amounts owing by the account debtor to the Debtor and the Secured Party may take control of any proceeds referred to in Section 2(f) hereof and may hold all amounts received from any account debtor and any proceeds as cash collateral as part of the Collateral and as security for the Obligations;
- (viii) pay or cause to be paid all taxes, rates and other impositions whatsoever already charged or hereafter to be charged by any authority on any of the Collateral as and when they shall generally fall due and, upon the request of the Secured Party, deliver to the Secured Party evidence of such payments;
- (ix) materially comply with all applicable laws, regulations and orders, including, without limitation, all public and employee health and safety provisions and all applicable federal, provincial, state or municipal environmental laws and all regulations or requirements thereunder relating in any way to the environment or the release of any substance into the environment;
- (x) defend the Collateral against the claims and demand of all other parties claiming the same or an interest therein and take all reasonable actions to keep the Collateral free from all encumbrances, other than permitted encumbrances;
- (xi) notify the Secured Party promptly of:
 - A. any material change in the information contained herein relating to the Debtor, including without limitation any change in the Debtor's registered office address, the Debtor's business or the Collateral;
 - B. the details of any significant acquisition or disposition of Collateral;
 - the details of any material complaints, violations, claims or litigation affecting the Debtor or the Collateral;
 - D. any material loss or damage to the Collateral;
 - E. any default by the Debtor in payment or performance of its Obligations with respect to the Collateral; and
 - F. the return to or repossession by the Debtor of the Collateral;
- (xii) do, execute, acknowledge and deliver such further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may from time to time be reasonably requested by the Secured Party of or with respect to the Collateral in order to give effect to this Security Agreement and to pay all costs and expenses (including reasonable and documented legal fees) of the



- Secured Party incurred with respect to searches and filings in connection therewith and with respect to the preparation, execution and filing of this Security Agreement and keeping the security interest granted hereunder perfected;
- (xiii) pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same may become due and payable;
- (xiv) prevent the Collateral from being or becoming an accession to other property not covered by this Security Agreement;
- (xv) carry on and conduct the business of the Debtor so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, financial statements supported by the books of account for the Debtors' business as well as accurate and complete records concerning the Collateral;
- (xvi) make available to the Secured Party from time to time promptly upon the request of the Secured Party true and complete copies of:
 - A. any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral,
 - B. all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same,
 - C. all financial statements prepared by or for Debtor regarding Debtor's business,
 - D. all policies and certificates of insurance relating to the Collateral, and
 - E. such information concerning Collateral, Debtor and Debtor's business and affairs as the Secured Party may reasonably request;
- (xvii) observe and perform its obligations under all material leases, licences, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances;
- (xviii) maintain its corporate existence and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets; and
- (xix) subject to the transportation and location of equipment outside of Ontario in the ordinary course of business, prior to the removal of any of the Collateral from the province in which it is or they are situated at the date of this Security Agreement or to leasehold property, effect such further registrations and obtain such other consents and give such other security as may be required or desirable to protect or preserve the security hereby created, and the Debtor shall forthwith notify the Secured Party of the intended removal and the action proposed to be taken.
- 10. The Debtor hereby agrees that it will at all times, both before and after default, do or cause to be done such additional things and execute and deliver or cause to be executed and delivered all such further acts and documents as the Secured Party may reasonably require for the better

- mortgaging, charging, transferring, assigning, confirming and granting of security interests in the present or future Collateral to the Secured Party.
- 11. Subject to compliance with the Debtor's covenants contained herein, the Debtor may, until the security granted pursuant to this Security Agreement shall have become enforceable, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor.

F. DEFAULT

- 12. The Obligations shall, at the option of the Secured Party, become payable and the security granted pursuant to this Security Agreement shall become enforceable upon the occurrence of any Event of Default, as such term is defined in the Promissory Note (for the purposes of this Security Agreement, each, an "Event of Default").
- 13. This Security Agreement may be amended or modified, and any obligation, right or condition set forth herein may be waived, by an instrument in writing duly executed by the Debtor and the Secured Party.

G. REMEDIES OF THE SECURED PARTY

- 14. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by, without limitation:
 - (a) entry;
 - (b) the appointment by instrument in writing of a receiver or receivers of the Collateral or any part thereof (which receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Secured Party or not and the Secured Party may remove any receiver or receivers so appointed and appoint another or others in his or their stead);
 - (c) proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof;
 - (d) preserving, protecting and maintaining the Collateral and making such replacements and repairs and additions to the Collateral as the Secured Party deems advisable;
 - (e) disposing of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
 - (f) using, selling, assigning, leasing, licensing or sub-licensing any of the Collateral; or

(g) any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity.

In addition, the Secured Party may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relating to the Debtor.

Any receiver or receivers so appointed shall have power to:

- take possession of, to protect, to preserve and to use the Collateral or any part thereof;
- (ii) carry on the business of the Debtor (including, but not limited to, the taking or defending of any actions or legal proceedings, and the doing or refraining from doing all other things as to the receiver may seem necessary or desirable in connection with the business, operations and affairs of the Debtor);
- (iii) borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor;
- (iv) further charge the Collateral in priority to the security interests of this Security Agreement as security for money so borrowed; and
- (v) sell, lease, license or sub-license (to the extent permitted by the applicable license in the case of intellectual property or technology licensed from a third party), or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as the receiver shall determine.

The Secured Party shall not be responsible for any actions or errors of omission by the receiver or receivers in exercising any such powers.

In addition, the Secured Party may enter upon, use, occupy and possess the Collateral or any part thereof, free from all encumbrances, liens and charges, without hindrance, interruption or denial of the same by the Debtor or by any other person or persons save only a landlord pursuant to its rights of reversion under any lease of real property on expiry of its term, and may lease or sell the whole or any part or parts of the Collateral. Any sale hereunder may be made by public auction, by public tender or by private contract, with or without notice and with or without advertising and without any other formality (except as required by law), all of which are hereby waived by the Debtor. Such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Secured Party in its sole discretion may seem advantageous. Such sale may take place whether or not the Secured Party has taken possession of the Collateral.

The Debtor agrees to pay to the Secured Party forthwith on demand all expenses incurred by the Secured Party in the preparation, perfection, administration and enforcement of this Security Agreement (including without limitation expenses incurred in considering and protecting or improving the Secured Party's position, or attempting to do so, whether before or after default), all amounts borrowed by the receiver from the Secured Party as hereinbefore provided and all costs, charges, expenses and fees (including, without limiting the generality of the foregoing, the reasonable and documented fees and expenses of any receiver and reasonable and documented legal fees on a solicitor and client basis) of or incurred by the Secured Party and by any receiver or receivers or agent or agents appointed by the Secured Party in connection with the recovery or enforcing of payment of any moneys owing hereunder, whether by realization, by taking possession or otherwise. All such sums, together with interest thereon at the rate applicable to the Obligations, shall form part of the Obligations and shall be secured by the security interests granted herein.



No remedy for the realization of the security interests granted herein or for the enforcement of the rights of the Secured Party shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

- 15. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by notifying all or any debtors of the security interest contemplated herein and may also direct such debtors to make all payments on the Collateral to the Secured Party. The Debtor acknowledges that any payments or other proceeds of the Collateral received by the Debtor from such debtors after notification of the security interest contemplated herein to such debtors shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.
- 16. Whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Debtor will not request or receive any money or other proceeds constituting income or interest from or interest on the Collateral and if the Debtor receives any such money or proceeds without any request by it, the Debtor will pay the same promptly to the Secured Party. So long as the security granted pursuant to this Security Agreement has not become enforceable or does not remain enforceable, the Debtor reserves the right to receive any money or other proceeds constituting income from or interest on Collateral and if the Secured Party receives any such money or proceeds prior to default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to Debtor.
- 17. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party shall at all times and from time to time have the right to change any appropriation as the Secured Party may see fit.

H. RIGHTS OF THE SECURED PARTY

- 18. The Secured Party may pay and satisfy the whole or any part of any liens, taxes, rates, charges or encumbrances now or hereafter existing in respect of any of the Collateral and such payments together with all costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations and shall be secured by the security interests granted herein. In the event of the Secured Party satisfying any such lien, charge or encumbrance, it shall be entitled to all the equities and securities of the person or persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so.
- 19. The Debtor grants to the Secured Party the right to set off against any and all accounts, credits or balances maintained by it with the Secured Party, the aggregate amount of any of the Obligations.
- 20. The Secured Party, without exonerating in whole or in part the Debtor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with the Debtor and all other persons and securities as the Secured Party may see fit.
- 21. Nothing herein shall obligate the Secured Party to extend any credit to the Debtor.
- 22. The Secured Party may assign, transfer and deliver to any permitted transferee, any of the Obligations or any security or any documents or instruments held by the Secured Party in respect thereof provided that no such assignment, transfer or delivery shall release the Debtor from any of the Obligations; and thereafter the Secured Party shall be fully discharged from all responsibility

with respect to the Obligations and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Secured Party under such security, documents or instruments but the Secured Party shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Debtor shall not assign any of its rights or obligations hereunder without the prior written consent of the Secured Party.

I. MISCELLANEOUS

- 23. No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, whenever the security granted pursuant to this Security Agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may remedy any default by Debtor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 24. The security interest created hereby is intended to attach when this Security Agreement is executed by the Debtor and delivered to the Secured Party.
- 25. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 26. Upon payment by the Debtor or its successors or permitted assigns, and the fulfillment of all the Obligations and provided that the Secured Party is then under no obligation (conditional or otherwise) to make any further loan or extend any other type of credit to the Debtor, the Secured Party shall, upon request in writing by the Debtor, discharge this Security Agreement.
- 27. This Security Agreement shall be construed in accordance with and be governed by the laws of the Province of Alberta. For the purpose of legal proceedings, this Security Agreement shall be deemed to have been made in the said Province and to be performed therein and the courts of that Province shall have jurisdiction over all disputes which may arise under this Security Agreement. Each of the Debtor and the Secured Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts.
- 28. The headings in this Security Agreement are included for convenience of reference only, and shall not constitute a part of this Security Agreement for any other purpose.
- 29. This Security Agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party.
- 30. This Security Agreement and all its provisions shall enure to the benefit of the Secured Party, its successors and assigns, and shall be binding on the Debtor, its successors and permitted assigns.
- 31. Any demand, notice or other communication by the Secured Party in connection with this Security Agreement shall be subject to the notice provisions of the Promissory Note. Notwithstanding the foregoing, if the Act or any other statute requires a demand or notice to be given in a certain way or specifies the time at which the Debtor is deemed to have received a demand or notice then the Secured Party shall make the demand or notice in accordance with the particular statute and the demand or notice shall be deemed to have been received by the Debtor on the date or at the time specified by the particular statute.
- 32. In construing this Security Agreement, terms herein shall have the same meaning as defined in the Act, unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its"

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and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

- 33. This Security Agreement may be executed in any number of separate counterparts and all such signed counterparts constitute one and the same agreement. Delivery by facsimile, email, pdf or other electronic means of an originally executed signature page to this Security Agreement by a party is as effective as personal delivery of such signature page.
- 34. To the extent of any conflict between the provisions of this Security Agreement and the provisions of the Promissory Note, the provisions of the Promissory Note shall govern.

K. INDEMNIFICATION

The Debtor agrees to pay, and to save the Secured Party harmless from, any and all liabilities, 35. reasonable costs and expenses (including, without limitation, reasonable and documented legal fees and expenses): (i) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral, (ii) with respect to, or resulting from, any delay in complying with any law, rule, regulation or order of any court, arbitrator or governmental entity, jurisdiction or authority applicable to any of the Collateral or (iii) in connection with any of the transactions contemplated by this Security Agreement. In any suit, proceeding or action brought by the Secured Party under any accounts for any sum owing thereunder to the Debtor, or to enforce any provisions of any accounts, the Debtor will save, indemnify and keep the Secured Party harmless from and against all reasonable and documented expenses, losses or damages suffered by reason of any defense, setoff, counterclaim, recoupment or reduction or liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by the Debtor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from the Debtor.

[Signature Page Follows]

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IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor and the Secured Party as of the date first written above.

DEBTOR:

PATHWAY HEALTH CORP.

By: Name: Ken Yoon

Title: Chief Executive Officer

SECURED PARTY

HEAL GLOBAL HOLDINGS CORP.

By: _____

Name: Michael A . Steele
Title: Chief Executive Officer

THIS IS EXHIBIT "N"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor

PATHWAY HEALTH CORP. ANNOUNCES RESIGNATION OF MANAGEMENT TEAM AND BOARD OF DIRECTORS



NEWS PROVIDED BY

Pathway Health Corp. →

28 Jul, 2023, 09:29 ET

CALGARY, AB, July 28, 2023 /CNW/ - Pathway Health Corp. (TSXV: PHC) ("Pathway" or the "Corporation") today announces the resignation of the executive management team and board of directors of the Corporation and each of its subsidiaries.

The Corporation has been advised that its senior secured lender will not provide additional financing to support any ongoing operations, and Pathway has been unable to secure funding from other sources. The Corporation is unable to support its operations due to the lack of ability to produce sufficient revenue or raise capital to support its operations and maintain compliance with its current obligations. All employees of the Corporation and its subsidiaries have been terminated.

At this time, Kenneth Howling, Alison Wright, Dr. Rakesh Jetly, Mark Goldhar and Ken Yoon have resigned from their positions as board members of Pathway and from board and management positions at certain of Pathway's subsidiaries, as applicable. Additionally, Ken Yoon - Chief Executive Officer, Aura Balboa - Chief Financial Officer, Kim Wei - Chief Commercial Officer and Pram Sandhu - Vice President, Pharmacy Programs and Regulatory

Affairs have resigned as executives of the Corporation and from board and management positions of Pathway's subsidiaries. Marc Wagner has also resigned from his respective director and officer position at another Pathway subsidiary.

Following these resignations, the Corporation and its subsidiaries have no remaining directors or officers.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this Press Release. The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

SOURCE Pathway Health Corp.

For further information: Pathway Health Corp., Email: investor-relations@pathwayhealth.ca

THIS IS EXHIBIT "O"

REFERRED TO IN THE AFFIDAVIT OF

MICHAEL STEELE

Sworn before me this 9th of August, 2023

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Pavin Takhar Barrister & Solicitor



derek.pontin@dentons.com D +1 403 268 6301 Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023

File No.: 587135-10

Delivered Via Registered Mail

Pathway Health Corp. 16 Four Seasons Place, Suite 203A, Toronto, Ontario M9B 6E5 Pathway Health Corp. 1500-850 2 Street SW Calgary AB T2P 0R8

To Whom It May Concern:

Re: Obligations of Pathway Health Corp. (the "Borrower") to Avonlea-Drewry Holdings Inc. ("Lender")

We are counsel to the Lender in connection with the credit facilities outstanding between the Borrower and the Lender. Reference is made to the credit facility documentation set out in Schedule "A" to this letter (hereafter, the "Facility Documents").

Advances have been made to the Borrower by the Lender and the Borrower is presently indebted to the Lender, as at August 3, 2023, as follows:

<u>Facility</u>	<u>Principal</u>	-		Accrued Interest	Accrued PIK Interst	<u>Total</u>
Facilities Outstanding	\$4,700,000	100,000.00	\$35,000	\$511,811	\$70,000	\$5,416,811.00
TOTAL	\$4,700,000	\$100,000	\$35,000	\$511,811	\$70,000	\$5,416,811.00

The Borrower is in default of its repayment obligations, including (without limitation) for failure to pay to the Lender amounts owing as the same have come due. The Borrower is obligated to repay its indebtedness upon demand.

Demand is hereby made upon the Borrower for repayment of the indebtedness in full, which, as at August 3, 2023, equals \$5,416,811.00, plus interest, plus all fees and costs, including all legal costs incurred by the Lender on a solicitor and its own client full indemnity basis (collectively, the "**Indebtedness**").

Zaanouni Law Firm & Associates ▶ LuatViet ▶ Fernanda Lopes & Associados ▶ Guevara & Gutierrez ▶ Paz Horowitz Abogados ▶ Sirote ▶ Adepetun Caxton-Martins Agbor & Segun ▶ Davis Brown ▶ East African Law Chambers ▶ For more information on the firms that have come together to form Dentons, go to dentons.com/legacyfirms





The Indebtedness will continue to accrue interest at the rates agreed and to accrue costs and fees, all of which the Borrower is responsible for. Payment may be made by providing either a certified cheque or bank draft to the following address:

Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Borrower must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

The Lender reserves its rights to proceed against the Borrower: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Enclosed with this letter, for service upon the Borrower, is a Notice of Intention to Enforce Security ("**NOI**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period, please provide your consent to early enforcement of the Lender's security by executing the consent and waiver attached to the **NOI**.

Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

FOR

Partner

Enclosure

SCHEDULE "A" FACILITY DOCUMENTS

The Lender intends to rely upon all of its agreements and security provided by the debtor and related parties including, but not limited to, the following:

- Credit Agreement dated July 29, 2023;
- Secured Promissory Grid Note dated May 27, 2022;
- Amended and Restated Secured Promissory Grid Note dated April 21, 2023;
- Guarantee provided by Pathway Health Services Corp. in support of Pathway Health Corp. dated May 27, 2022;
- General Security Agreement provided by Pathway Health Services Corp dated May 27, 2022;
- General Security Agreement provided by Pathway Health Corp. dated May 27, 2022;
- Guarantee provided by Pathway Health Technologies Corp. in support of Pathway Health Corp. dated July 29, 2022;
- Guarantee provided by Slawner Ortho Ltee in support of Pathway Health Corp. dated July 29, 2022;
- Guarantee provided by 2563367 Ontario Limited in support of Pathway Health Corp. dated July 29, 2022;
- Share Pledge Agreement provided by Pathway Health Corp. dated May 27, 2022;
- Share Pledge Agreement provided by Pathway Health Services Corp. dated July 29, 2022;
- Share Pledge Agreement provided by Pathway Health Technologies Corp. dated July 29, 2022;
- Secured Convertible Promissory Grid Note dated February 3, 2023; and
- General Security Agreement provided by Pathway Health Corp. to Heal Global Holdings Corp. dated February 3, 2023.

The Lender further relies upon all guarantees and additional collateral security as may have been provided in support of the Indebtedness, all forbearance agreements, forbearance amending and extension agreements, and restated forbearance agreements, all as may have been entered into from time to time.

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FORM 86

Notice of Intention to Enforce a Security (Rule 124)

To: Pathway Health Corp., an insolvent person

Take notice that:

- 1. Avonlea-Drewry Holdings Inc. (the "Secured Party"), a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - (a) All present and after acquired personal and real property;
 - (b) All shares held in Pathway Health Services Corp, Pathway Wellness Corp., Pathway Wellness Products Corp., Pathway Healthcare Technologies Corp. and 13199223 Canada Ltd.; and
 - (c) Proceeds: All proceeds of the foregoing.
- 2. The security that is to be enforced is the following
 - (a) General Security Agreement, dated May 27, 2022; and
 - (b) Share Pledge Agreement, dated May 27, 2022;

(collectively, the "Security").

- 3. The total amount of indebtedness secured by the Security, as of August 3, 2023, is \$5,416,811.00 plus all costs, including legal costs on a solicitor and own client, full indemnity basis, and expenses of the Secured Party in exercising its rights.
- The Secured Party will not have the right to enforce the Security until after the expiry of the 10day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Calgary, Alberta, this 9th day of August 2023.

Dentons Canada LLP,

Solicitors for Avonlea-Drewry Holdings

Inc.

For: Derek Pontin

PKJalel

CONSENT AND WAIVER

WE THE UNDERSIGNED hereby:

I have authority to bind the corporation.

Acknowledge receipt of the Notice herein;
Waive the 10 days of notice required under section 244 of the Bankruptcy and Insolvency Act (Canada); and
Consent to the immediate enforcement by the Secured Party of the Security referred to herein.
this day of, 2023.
VAY HEALTH CORP.
Authorized Signatory

PKS



derek.pontin@dentons.com D +1 403 268 6301

Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023

File No.: 587135-10

Delivered Via Registered Mail Sent Via Email: aura.balboa@theclinicnetwork.ca

16 Four Seasons Place, Suite 203A

Pathway Health Services Corp. Pathway Health Services Corp. 1500-850 2 Street SW

Calgary AB T2P 0R8

Etobicoke, Ontario M9B 6H7

To Whom It May Concern:

Re: Guarantee of the Obligations of Pathway Health Corp. (the "Debtor") to Avonlea-Drewry Holdings Inc. (the "Lender") provided by Pathway Health Services Corp. (the "Guarantor")

We are counsel to the Lender in connection with certain credit facilities outstanding between the Debtor and the Lender. Advances have been made to the Debtor by the Lender under those credit facilities. The Debtor is indebted to the Lender, as of August 3, 2023 in the amount of \$5,416,811.00, plus further accruing interest, plus full indemnity for costs.

Demand has been made by the Lender upon the Debtor for repayment of the indebtedness. A copy of that demand is enclosed.

Reference is made to the guarantee provided by the Guarantor, in support of the indebtedness of the Debtor to the Lender (the "Guarantees"). Under the Guarantee, the Guarantor agreed to repay to the Lender all obligations of the Debtor to the Lender. The Guarantee is unlimited.

The Guarantee is payable upon demand. Demand is hereby made upon you for payment in the amount of \$5,416,811.00, plus interest and costs as are provided for under the Guarantee (the "Indebtedness").

Please note that your obligations under the Guarantee will continue to accrue interest at the rates agreed and to accrue costs, all of which you will be responsible for, until payment of all amounts owing is received.

Payment may be made by providing either a certified cheque or bank draft to the following address:



Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Guarantor must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

The Lender reserves its rights to proceed against the Guarantor: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Enclosed with this letter, for service upon the Guarantor, is a Notice of Intention to Enforce Security ("NOI") in accordance with section 244 of the Bankruptcy and Insolvency Act (Canada). If you are prepared to waive the ten-day notice period, please provide your consent to early enforcement of the Lender's security by executing the consent and waiver attached to the NOI.

Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

O' Katol

Derek Pontin

Partner

FOR

Enclosure

FORM 86

Notice of Intention to Enforce a Security (Rule 124)

To: Pathway Health Services Corp., an insolvent person

Take notice that:

- 1. Avonlea-Drewry Holdings Inc. (the "Secured Party"), a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - (a) All present and after acquired personal and real property;
 - (b) All shares held in 10030712 Manitoba Ltd., 2563367 Ontario Limited and Slawner Ortho Ltee; and
 - (c) Proceeds: All proceeds of the foregoing.
- 2. The security that is to be enforced is the following
 - (a) General Security Agreement, dated May 27, 2022; and
 - (b) Share Pledge Agreement, dated July 29, 2022;

(collectively, the "Security").

- 3. The total amount of indebtedness secured by the Security, as of August 3, 2023, is \$5,416,811.00 plus all costs, including legal costs on a solicitor and own client, full indemnity basis, and expenses of the Secured Party in exercising its rights.
- 4. The Secured Party will not have the right to enforce the Security until after the expiry of the 10day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

FOR

Dated at Calgary, Alberta, this 9th day of August 2023,

Dentons Canada LLP,

Solicitors for Avonlea-Drewry Holdings

Inc.

Per: Derek Pontin

PHO

CONSENT AND WAIVER

WE THE UNDERSIGNED hereby:

I have authority to bind the corporation.

1.	Acknowledge receipt of the Notice herein;
2.	Waive the 10 days of notice required under section 244 of the Bankruptcy and Insolvency Act (Canada); and
3.	Consent to the immediate enforcement by the Secured Party of the Security referred to herein.
DATED	this day of, 2023.
PATHV	VAY HEALTH SERVICES CORP.
Per:	
	Authorized Signatory
Name:	
Title:	

MKS



derek.pontin@dentons.com D +1 403 268 6301

Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023

File No.: 587135-10

Delivered Via Registered Mail

Delivered via Email: steeleconsult@aol.com

Pathway Healthcare Technologies Corp. Pathway Healthcare Technologies Corp.

16 Four Seasons Place, Suite 203A

1500-850 2 Street SW

Toronto, Ontario M9B 6E5

Calgary AB T2P 0R8

To Whom It May Concern:

Guarantee of the Obligations of Pathway Health Corp. (the "Debtor") to Avonlea-Drewry Re: Holdings Inc. (the "Lender") provided by Pathway Healthcare Technologies Corp. (the "Guarantor")

We are counsel to the Lender in connection with certain credit facilities outstanding between the Debtor and the Lender. Advances have been made to the Debtor by the Lender under those credit facilities. The Debtor is indebted to the Lender, as of August 3, 2023 in the amount of \$5,416,811.00, plus further accruing interest, plus full indemnity for costs.

Demand has been made by the Lender upon the Debtor for repayment of the indebtedness. A copy of that demand is enclosed.

Reference is made to the guarantee provided by the Guarantor, in support of the indebtedness of the Debtor to the Lender (the "Guarantee"). Under the Guarantee, the Guarantor agreed to repay to the Lender all obligations of the Debtor to the Lender. The Guarantee is unlimited.

The Guarantee is payable upon demand. Demand is hereby made upon you for payment in the amount of \$5,416,811.00, plus interest and costs as are provided for under the Guarantee (the "Indebtedness").

Please note that your obligations under the Guarantee will continue to accrue interest at the rates agreed and to accrue costs, all of which you will be responsible for, until payment of all amounts owing is received.

Payment may be made by providing either a certified cheque or bank draft to the following address:

Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Guarantor must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

The Lender reserves its rights to proceed against the Guarantor: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Enclosed with this letter, for service upon the Guarantor, is a Notice of Intention to Enforce Security ("NOI") in accordance with section 244 of the Bankruptcy and Insolvency Act (Canada). If you are prepared to waive the ten-day notice period, please provide your consent to early enforcement of the Lender's security by executing the consent and waiver attached to the NOI.

Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

--- DocuSigned by:

FOR

—989B6BF40CA84D0 Derek Pontin

Partner

Enclosure

FORM 86

Notice of Intention to Enforce a Security (Rule 124)

To: Pathway Healthcare Technologies Corp., an insolvent person

Take notice that:

- 1. Avonlea-Drewry Holdings Inc. (the "Secured Party"), a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - (a) All shares held in 1964433 Alberta Ltd.; and
 - (b) Proceeds: All proceeds of the foregoing.
- The security that is to be enforced is a Share Pledge Agreement, dated July 29, 2022 (the "Security").
- 3. The total amount of indebtedness secured by the Security, as of August 3, 2023, is \$5,416,811.00 plus all costs, including legal costs on a solicitor and own client, full indemnity basis, and expenses of the Secured Party in exercising its rights.
- 4. The Secured Party will not have the right to enforce the Security until after the expiry of the 10day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

FOR

Dated at Calgary, Alberta, this 9th day of August 2023.

TIKLIN

Dentons Canada LLP,

Solicitors for Avonlea-Drewry Holdings

Inc.

Per: Derek Pontin



CONSENT AND WAIVER

WE THE UNDERSIGNED hereby:

1.	Acknowledge receipt of the Notice herein;			
2.	Waive the 10 days of notice required under section 244 of the Bankruptcy and Insolvency Act (Canada); and			
3.	Consent to the immediate enforcement by the Secured Party of the Security referred to herein.			
DATED	this day of, 2023.			
PATHWAY HEALTHCARE TECHNOLOGIES CORP.				
Per:				
	Authorized Signatory			
Name:				
Title:				
I have a	authority to bind the corporation.			



derek.pontin@dentons.com D +1 403 268 6301 Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023

File No.: 587135-10

Delivered Via Registered Mail

2563367 Ontario Limited 16 Four Seasons Place, Suite 2563367 Ontario Limited 16 Four Seasons Place, Suite

203A

203A

Toronto, Ontario M9B 6E5

Etobicoke, Ontario M9B 6H7

To Whom It May Concern:

Re: iuarantee of the Obligations of Pathway Health Corp. (the "Debtor") to Avonlea-Drewry loldings Inc. (the "Lender") provided by 2563367 Ontario Limited (the "Guarantor")

We are counsel to the Lender in connection with certain credit facilities outstanding between the Debtor and the Lender. Advances have been made to the Debtor by the Lender under those credit facilities. The Debtor is indebted to the Lender, as of August 3, 2023 in the amount of \$5,416,811.00, plus further accruing interest, plus full indemnity for costs.

Demand has been made by the Lender upon the Debtor for repayment of the indebtedness. A copy of that demand is enclosed.

Reference is made to the guarantee provided by the Guarantor, in support of the indebtedness of the Debtor to the Lender (the "Guarantee"). Under the Guarantee, the Guarantor agreed to repay to the Lender all obligations of the Debtor to the Lender. The Guarantee is unlimited.

The Guarantee is payable upon demand. <u>Demand is hereby made upon you for payment in the amount of \$5,416,811.00</u>, plus interest and costs as are provided for under the Guarantee (the "Indebtedness").

Please note that your obligations under the Guarantee will continue to accrue interest at the rates agreed and to accrue costs, all of which you will be responsible for, until payment of all amounts owing is received.

Payment may be made by providing either a certified cheque or bank draft to the following address:



Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Guarantor must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

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Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

DocuSigned by:

Derek Pontin

Partner

FOR Enclosure



Derek Pontin

derek.pontin@dentons.com D +1 403 268 6301 Dentons Canada LLP 15th Floor, Bankers Court 850-2nd Street SW Calgary, AB, Canada T2P 0R8

dentons.com

August 9, 2023 File No.: 587135-10

Delivered Via Registered Mail
Delivered via Email:aura.balboa@pathwayhealth.ca

Slawner Ortho Ltee Slawner Ortho Ltee
16 Four Seasons Place, Suite 4890 rue Jean-Talon O
203A Montréal (Québec) H4P1W9

Toronto, Ontario M9B 6E5 Canada

To Whom It May Concern:

Re: Guarantee of the Obligations of Pathway Health Corp. (the "Debtor") to Avonlea-Drewry loldings Inc. (the "Lender") provided by 2563367 Ontario Limited (the "Guarantor")

We are counsel to the Lender in connection with certain credit facilities outstanding between the Debtor and the Lender. Advances have been made to the Debtor by the Lender under those credit facilities. The Debtor is indebted to the Lender, as of August 3, 2023 in the amount of \$5,416,811.00, plus further accruing interest, plus full indemnity for costs.

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Payment may be made by providing either a certified cheque or bank draft to the following address:

Avonlea-Drewry Holdings Inc. c/o Dentons Canada LLP, in Trust 1500-850 2 Street SW Calgary AB T2P 0R8 Attention: Derek Pontin

Full payment of the Indebtedness must be made by close of business on August 21, 2023. The Guarantor must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

The Lender reserves its rights to proceed against the Guarantor: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Should you wish to discuss the foregoing, you may contact the writer.

Yours truly,

Dentons Canada LLP

Partner

FOR

Parmer

Enclosure

