



Clerk's Stamp:

COURT FILE NUMBER	2301-10471
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

ORDER – APPROVING SISP

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

Attention: Derek Pontin
Ph. (403) 268-6301
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File No.: 577214-9

DATE ON WHICH ORDER WAS PRONOUNCED: October 2, 2023

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre, Calgary, AB

NAME OF JUSTICE WHO MADE THIS ORDER: Honourable Associate Chief Justice D.B. Nixon

UPON THE APPLICATION of Avonlea-Drewery Holdings Inc. ("**ADH**") for, among other things, (i) an Order appointing KSV Restructuring Inc. ("**KSV**") as Court-appointed receiver and manager (the "**Receiver**") of the undertakings, property and assets of Pathway Health Corp. and Pathway Health Services Corp. (together, the "**Debtors**"); (ii) an order approving the proposed sale and investment solicitation process under and by which the Receiver will market and sell the Debtors' property and undertaking (the "**SISP**"); and an order approving the stalking horse purchase and sale agreement proposed and entered into by ADH (the "**Stalking Horse APA**"), to act as a stalking horse in support of the SISP;

AND UPON HAVING READ the Application of ADH; the Affidavits of Michael Steele dated August 10, 2023, August 29, 2023 and September 25, 2023; the Interim Receivership Order, dated August 10, 2023; the Extension of Interim Receivership Order, dated September 1, 2023; the First Report of the Interim

Receiver, dated August 31, 2023 and the Second Report of the Interim Receiver dated September 29, 2023 (collectively, the **"Interim Receiver's Reports"**); the Receivership Order dated October 2, 2023 (the **"Receivership Order"**), the Order approving the Stalking Horse APA, dated concurrently with this Order; and such other materials as are filed;

AND UPON HEARING the submissions of counsel for the ADH and the Interim Receiver, and any other counsel in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of notice of the Application for this order (the **"SISP Order"**) is abridged to the time actually given and is deemed to be good and sufficient.

APPROVAL OF INTERIM RECEIVER'S ACTIVITIES AND FEES

2. The Interim Receiver's account for fees and disbursements, as set out the Interim Receiver's Reports are hereby approved without the necessity of a formal passing of its accounts.
3. The accounts of the Receiver's legal counsel, Burnet, Duckworth & Palmer LLP, for its fees and disbursements, as set out in the Interim Receiver's Reports, are hereby approved without the necessity of a formal assessment of its accounts.
4. The Interim Receiver's actions, activities and conduct as set out in the Interim Receiver's Reports are commercially reasonable, ratified and are hereby approved.
5. For certainty, any future approval of the fees and disbursements of the Receiver and those of its counsel and any future approval of the Receiver's activities in this proceeding shall be deemed to also be approval of the fees and disbursements and activities of the Interim Receiver not otherwise approved by this Order.

APPROVAL OF THE PROPOSED SISP AND STALKING HORSE APA

6. The validity of the security and claims of ADH as against the Debtors is confirmed and ADH (or its nominee) is a proper party to make the credit bid as proposed under the Stalking Horse APA.
7. The procedure for sale and investment solicitation, substantially as set out in the attached Schedule "1.1(yyy)" to the Stalking Horse APA, is commercially reasonable and is hereby ratified and approved. The Receiver is authorized and directed to do all things as are reasonably necessary to

conduct and give effect to the SISP, and to take such additional steps and execute such additional documents, and make such minor amendments to the SISP as may be necessary or desirable and not prejudicial to any stakeholder, for the completion of the terms of the SISP.

8. The Receiver is authorized and directed to enter into the Stalking Horse APA with ADH, substantially in the form attached to this Order as **Schedule "I"**, for the purposes of the Stalking Horse APA serving as and being the stalking horse bid under the SISP. The Stalking Horse APA is commercially reasonable and is ratified and approved for the purpose of being the "Stalking Horse APA" as defined in the SISP. The Receiver is authorized and directed to do all things as are reasonably necessary to conduct and give effect to the Stalking Horse APA, and to take such additional steps and execute such additional documents, and make such minor amendments to the Stalking Horse APA as may be necessary or desirable and not prejudicial to any stakeholder, for the completion of the terms of the Stalking Horse APA and the SISP.
9. The Expense Reimbursement and Transaction Fee, as defined in the SISP, is hereby approved and the Receiver is authorized and directed to pay the Expense Reimbursement and Transaction Fee in the manner and circumstances described in the SISP and Stalking Horse APA, as applicable.
10. The Receiver is authorized to apply for an order vesting title to the Business or Property, as defined in the SISP, in the event the Stalking Horse APA is not the Successful Bid (as defined in the SISP).
11. The Receiver is authorized to apply for such further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order.
12. The Receiver and its affiliates, partners, directors, employees, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the SISP, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Receiver in performing its obligations under the SISP.
13. In connection with the SISP and pursuant to section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver is authorized and permitted to disclose personal information of identifiable individuals to prospective purchasers or offerors and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more transactions (each, a "**Transaction**"), in keeping with the SISP. Each prospective purchaser or offeror to whom such information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to its evaluation of the Transaction, and if it does not complete a Transaction, shall: (i) return all such information to the Receiver; (ii) destroy

all such information; or (iii) in the case of such information that is electronically stored, destroy all such information to the extent it is reasonably practical to do so. The purchaser of any Property (as defined in the SISP) shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that other personal information is destroyed.

MISCELLANEOUS

14. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
15. Service of this Order shall be deemed good and sufficient by:
 - (a) serving the same on the persons who were served with notice of this Application; and
 - (b) posting a copy of this Order on the Receiver's website at:
www.ksvadvisory.com/experience/case/pathway-healthand service on any other person is hereby dispensed with.
16. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.


November 2, 2023

Associate Chief Justice of the Court of King's Bench of Alberta

SCHEDULE "I"
to the Order - Approving Sale Process

STALKING HORSE APA

ASSET PURCHASE AGREEMENT

**KSV RESTRUCTURING INC., solely in its capacity as receiver and manager of
PATHWAY HEALTH CORP. and PATHWAY HEALTH SERVICES CORP.
and not in its personal capacity**

as Seller

- and -

AVONLEA-DREWRY HOLDINGS INC.

as Buyer

October 24, 2023

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of October 24, 2023

BETWEEN:

KSV RESTRUCTURING INC., solely in its capacity as receiver and manager of **PATHWAY HEALTH CORP.** ("**PHC**"), a corporation formed under the laws of Alberta and **PATHWAY HEALTH SERVICES CORP.** ("**PHSC**" and together with PHC, the "**Debtors**" and each, a "**Debtor**"), a corporation formed under the laws of Canada, and not in its personal capacity ("**KSV**" or the "**Receiver**")

- and -

AVONLEA-DREWRY HOLDINGS INC., a corporation incorporated under the laws of the Province of Ontario

(and any of its designees or assignees hereunder, as applicable, the "**Buyer**")

RECITALS:

- A. PHC and PHSC own and hold various securities in both public and private enterprises active or formerly active in the medical clinic industry (together with any other business in which the Debtors are engaged on the date hereof, the "**Business**").
- B. On or about October 2, 2023, the Debtors were assigned into receivership (the "**Receivership Proceedings**") by Order (the "**Receivership Order**") of the Alberta Court of King's Bench (the "**Court**") pursuant to section 47(1) of the *Bankruptcy and Insolvency Act*, RSC, 1985, c B-3 (the "**BIA**"), pursuant to which KSV was appointed as the receiver and manager of all of the Debtors' current and future assets, undertakings, and properties and all proceeds thereof (KSV, in such capacity, the "**Seller**").
- C. The Seller: (i) wishes to sell, and the Buyer wishes to purchase as a "stalking horse bidder" pursuant to the SISP (as defined herein), substantially all of the Debtors' property and assets used in connection with the Business (except as specifically provided herein), and the Buyer further wishes to assume certain liabilities in connection therewith, subject to the terms and conditions of this Agreement; and (ii) intends to seek the approval of this Agreement and the SISP pursuant to the Receivership Order.
- D. The Seller has determined that it is in the best interests of the Debtors' stakeholders to enter into this Agreement and to consummate the transactions contemplated herein on the terms set forth herein.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement,

- (a) **"100 Shares"** means 51 common shares of 10030712 registered in the name of PHSC;
- (b) **"10030712"** means 10030712 Manitoba Ltd., a Manitoba corporation and a subsidiary of PHSC;
- (c) **"131 Shares"** means 50,000 common shares of 13199223 registered in the name of PHC;
- (d) **"13199223"** means 13199223 Canada Ltd., a Federal corporation and a wholly-owned subsidiary of PHC;
- (e) **"196 Shares"** means 1,515,126 Class A voting shares of 1964433 registered in the name of PHTC;
- (f) **"1964433"** means 1964433 Alberta Ltd., an Alberta corporation and a wholly-owned subsidiary of PHTC;
- (g) **"256 Shares"** means 50 common shares of 2563367 registered in the name of PHSC;
- (h) **"2563367"** means 2563367 Ontario Limited, an Ontario corporation and a wholly-owned subsidiary of PHSC;
- (i) **"Accounts Receivable"** means all accounts receivable (including unbilled revenue and holdbacks), bills receivable, trade accounts, trade debts and book debts due or accruing due in connection with the Business prior to the Closing Date;
- (j) **"affiliate"** of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly through one or more intermediaries, and "control" and any derivation thereof means the control by one Person of another Person in accordance with the following: a Person ("**A**") controls another Person ("**B**") where A has the power to determine the management and policies of B by contract or status (for example the status of A being the general partner of B) or by virtue of

beneficial ownership of a majority of the voting interests in B; and for certainty and without limitation, if A owns shares to which are attached more than 50% of the votes permitted to be cast in the election of directors (or other Persons performing a similar role) of B, then A controls B for this purpose;

- (k) **"Agreement"** means this Asset Purchase Agreement and all attached Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement;
- (l) **"Aphria Advance"** means the \$170,000 advanced by Aphria Inc. to the Receiver pursuant to the financing term sheet dated August 31, 2023;
- (m) **"Applicable Law"** means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, by-law (zoning or otherwise), order, or any consent, exemption, approval or license of any Governmental Authority, that applies in whole or in part to the Transaction, the Seller, the Debtors, the Buyer, the Business or any of the Purchased Assets or Assumed Liabilities;
- (n) **"Approval and Vesting Order"** means the form of Court order attached as Schedule "1.1(n)" hereto, with any amendments thereto to be acceptable to each of Seller and Buyer, each acting reasonably;
- (o) **"Assigned Contracts"** has the meaning given to such term in Section 2.5;
- (p) **"Assumed Liabilities"** has the meaning given to such term in Section 2.3;
- (q) **"Business Day"** means any day, other than a Saturday or Sunday, on which the principal commercial banks in Calgary are open for commercial banking business during normal banking hours;
- (r) **"Business"** has the meaning given to such term in Recital A;
- (s) **"Buyer"** has the meaning given to such term in the preamble to this Agreement;
- (t) **"Cash Component"** has the meaning given to such term in Section 3.1;
- (u) **"Claim"** means any right, claim, cause of action or complaint of any Person that may be asserted or made in whole or in part against the Debtors or Seller, any of their respective affiliates and their respective Representatives, whether or not asserted or made in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest

accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature;

- (v) **“Closing Date”** means November 30, 2023, or such other date as the Parties may agree, acting reasonably, including where no Superior Offer is received or where no Qualified Bidder elects to participate in an Auction (as such terms are defined in the SISP);
- (w) **“Closing Documents”** means all contracts, agreements and instruments required by this Agreement to be delivered at or before the Closing;
- (x) **“Closing Time”** means 10:00 a.m. (Calgary time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place;
- (y) **“Closing”** means the completion of the Transaction at the Closing Time;
- (z) **“Confidential Information”** means non-public, confidential, personal or proprietary information which is furnished to a Party by the other Party, including, without limitation, information about identifiable individuals, any information relating to a Party and its affiliates or any customer or supplier of a Party; provided that “Confidential Information” does not include information that:
 - (i) is or becomes generally available to the public other than as a result of disclosure in breach of this Agreement;
 - (ii) is received by a Party from a third party that obtained it lawfully and was under no duty of confidentiality;
 - (iii) was lawfully in a Party’s possession prior to disclosure thereof by the other Party; or
 - (iv) was independently developed by a Party without use of, or reference to, the other Party’s Confidential Information;

- (aa) **“Contracts”** means contracts, licences, permits, leases, agreements, commitments, entitlements or engagements to which a Debtor is party or by which a Debtor is bound;
- (bb) **“Court Approval”** means the issuance of the Approval and Vesting Order by the Court;
- (cc) **“Court Orders”** has the meaning given to such term in Section 8.1(b);
- (dd) **“Court”** has the meaning given to such term in Recital B;
- (ee) **“Debtors”** means PHC and PHSC;
- (ff) **“Encumbrances”** means all mortgages, pledges, charges, liens, hypothecs, hypothecations, debentures, trust deeds, Claims, assignments by way of security or otherwise, security interests, Priority Charges, conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, reservations of ownership or similar interests or instruments charging or creating a security interest in the Purchased Assets or any part thereof or interest therein, and any agreements, leases, licenses, occupancy agreements, options, easements, rights of way, restrictions, executions, or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Purchased Assets or any part thereof or interest therein;
- (gg) **“Environmental Law”** means any Applicable Law concerning pollution or protection of the environment, including all those relating to the use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or clean-up of any Hazardous Material;
- (hh) **“Excluded Assets”** has the meaning given to such term in Section 2.2;
- (ii) **“Excluded Liabilities”** has the meaning given to such term in Section 2.3;
- (jj) **“Expense Reimbursement and Transaction Fee”** has the meaning given to such term in Section 9.3(a);
- (kk) **“Final”** with respect to any order of any court of competent jurisdiction, means that leave to appeal or reconsideration shall not have been sought in respect of such order and that such order shall not have been stayed, appealed, varied (except with the consent of the Buyer and Seller) or vacated, and all time periods within which leave to appeal and reconsideration could at law be sought shall have expired and all time periods within which such order could at law be appealed shall have expired;

- (ll) **“Governmental Authority”** means any government, regulatory authority, governmental department, agency, commission, bureau, court, judicial body, arbitral body or other law, rule or regulation-making entity:
 - (i) having jurisdiction over the Debtor, the Buyer, the Purchased Assets or the Assumed Liabilities on behalf of any country, province, state, locality or other geographical or political subdivision thereof; or
 - (ii) exercising or entitled to exercise any administrative, judicial, legislative, regulatory or taxing authority or power;
- (mm) **“Governmental Authorizations”** means the permits, licences, approvals and authorizations, orders, certificates, consents, directives, notices, variances, registrations or other rights issued to or held or required by the Seller and/or the Debtors relating to the Business or any of the Purchased Assets by or from any Governmental Authority;
- (nn) **“Hazardous Material”** means any hazardous material, toxic substance, pollutant or hazardous waste (including any petroleum products or byproducts) defined or regulated as such under any Environmental Law;
- (oo) **“HST Legislation”** means Part IX of the *Excise Tax Act* (Canada);
- (pp) **“HST”** means the sales tax payable under the HST Legislation;
- (qq) **“IFRS”** means International Financial Reporting Standards;
- (rr) **“including”** and **“includes”** shall be interpreted on an inclusive basis and shall be deemed to be followed by the words “without limitation”;
- (ss) **“Indebtedness”** means the aggregate of all debts, liabilities and obligations owing to the Buyer by the Debtors, jointly and severally, inclusive of all interest, costs, fees, expenses and amounts that have accrued or may accrue in accordance with the PHC Loan and PHC Loan Contracts;
- (tt) **“Intellectual Property Assets”** means the right to use, the Intellectual Property Rights used in the Business;
- (uu) **“Intellectual Property Rights”** means any and all of the following in any jurisdiction throughout the world: (i) trademarks, including all applications and registrations and the goodwill connected with the use and symbolized by the foregoing; (ii) copyrights and industrial designs, including all applications and registrations relating to the foregoing; (iii) trade secrets and confidential know-how; (iv) patents and patent applications; (v) websites and internet domain name registrations; (vi) source code; and (vii) other intellectual property and related proprietary rights, interests and protections (including all rights to sue and recover and retain damages, costs and legal

fees, disbursements and charges for past, present and future infringement and any other rights relating to any of the foregoing);

- (vv) **“Inventory”** means all inventory of the Debtors relating to the Business and all operational supplies required and consumed on an ongoing basis in the Business;
- (ww) **“License”** means any license, permit, approval, authorization, certificate, directive, order, variance, registration, right, privilege, concession or franchise issued, granted, conferred or otherwise acknowledged by any Governmental Authority;
- (xx) **“Material Adverse Change”** or **“Material Adverse Effect”** means any change, development, effect, event, circumstance, fact or occurrence that, individually or in the aggregate with such other changes, developments, effects, events, circumstances, facts or occurrences, is, or would reasonably be expected to be, material and adverse to the properties, assets, liabilities (contingent or otherwise), condition (financial or otherwise), operations or results of operations of the Business; other than any change, development, effect, event, circumstance, fact or occurrence arising out of, attributable to or resulting from: (A) any action expressly required or permitted by this Agreement or relating to the Debtors’ current financial condition, including the Receivership Proceedings; (B) general political, economic or financial conditions in Canada or elsewhere in the world; (C) any change generally affecting the industries in which the Business is conducted (including changes in general market prices, or regulatory changes in any such industry); (D) acts of terrorism or war (whether or not declared); (E) any changes to existing Applicable Law (including the interpretation thereof); (F) any changes to IFRS or the adoption, implementation or proposal of any new accounting principles; (G) hurricanes, earthquakes, storms, floods or other natural disasters, epidemics, pandemics (including COVID), outbreak or escalation of hostilities, the declaration of war, acts or terrorism, or acts of God; (H) any action consented to by the Buyer; (I) any failure by the Debtors to meet any projections or estimates (including internal projections or estimates) of revenues, earnings, working capital or performance for any period; or (J) any action, change, development, effect, event, circumstance, fact or occurrence that is attributable to or otherwise caused by the Seller, the Debtors or the Buyer;
- (yy) **“ordinary course of the Business”** means ordinary course of the Business having regard to the Debtors’ current financial condition;
- (zz) **“Parties”** means the Seller and the Buyer collectively, and **“Party”** means either the Seller or the Buyer; provided, however that, Parties and Party may also refer to the Debtors, as applicable;

- (aaa) **“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;
- (bbb) **“Permitted Encumbrances”** means the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed as such in the Approval and Vesting Order, which includes the Aphria Advance and the RBC Security Interest.
- (ccc) **“PHC Credit Facility Agreement”** means the credit facility agreement, dated July 29, 2022, among the Buyer, PHC and PHSC, amongst others;
- (ddd) **“PHC Guarantees”** means the following guarantees entered into pursuant to the PHC Credit Facility Agreement and the PHC Note:
- (i) the unconditional and unlimited guarantee of PHSC dated May 27, 2022, supporting the repayment of the PHC Loan;
 - (ii) the unconditional and unlimited guarantee of PHTC dated July 29, 202, supporting the repayment of the PHC Loan;
 - (iii) the unconditional and unlimited guarantee of Slawner, dated July 29, 2022, supporting the repayment of the PHC Loan; and
 - (iv) the unconditional and unlimited guarantee of 2563367, dated July 29, 2022, supporting the repayment of the PHC Loan;
- (eee) **“PHC Loan Contracts”** means the PHC Credit Facility Agreement, the PHC Note, the PHC Security Agreements and the PHC Guarantees;
- (fff) **“PHC Loan”** means the aggregate loan advanced to PHC pursuant to the PHC Credit Facility Agreement and the PHC Note;
- (ggg) **“PHC Note”** means the secured grid promissory note issued by PHC in favour of the Buyer dated April 21, 2023, as amended;
- (hhh) **“PHC Security Agreements”** means the following security agreements entered into pursuant to the PHC Credit Facility Agreement and the PHC Note:
- (i) general security agreement dated May 27, 2022 as amended, charging all present and after-acquired property of PHC securing the PHC Loan;

- (ii) general security agreement dated May 27, 2022, as amended, charging all present and after-acquired property of PHSC securing the PHC Loan;
 - (iii) the securities pledge agreement of PHSC in relation to the 100 Shares, the 256 Shares and the Slawner Shares dated July 29, 2022, and the related executed stock transfer powers of attorney;
 - (iv) the securities pledge agreement of PHC in relation to the PHSC Shares, the PWPC Shares, the PHTC Shares and the 131 Shares dated May 27, 2022, the related executed stock transfer powers of attorney;
 - (v) the securities pledge agreement of PHTC in relation to the 196 Shares dated July 29, 2022, as amended, and the related executed stock transfer power of attorney; and
 - (vi) any other document purporting to grant security to the Buyer securing the PHC Loan;
- (iii) **"PHSC Shares"** means 27,750,001 Class A Shares, 10,093,484 Class C Preferred Shares, 41,545,226 Class D Preferred Shares and 10,864,108 Class E Shares of PHSC registered in the name of PHC;
 - (jjj) **"PHTC Shares"** means 100 common shares of PHTC registered in the name of PHC;
 - (kkk) **"PHTC"** means Pathway Healthcare Technologies Corp., a Federal corporation and a wholly-owned subsidiary of PHC;
 - (III) **"Priority Charges"** means the Receiver's Charge and Receiver's Borrowing Charge, as those terms are defined and provided for in the Receivership Order;
 - (mmm) **"Purchase Price"** has the meaning given to such term in Section 3.1;
 - (nnn) **"Purchased Assets"** has the meaning given to such term in Section 2.1;
 - (ooo) **"PWPC Shares"** means 100 common shares of PWPC registered in the name of PHC;
 - (ppp) **"PWPC"** means Pathway Wellness Products Corp., a Federal corporation and a wholly-owned subsidiary of PHC;
 - (qqq) **"RBC Security Interest"** means the security interest granted by PHSC to Royal Bank of Canada as reflected by the financing statement registration number 20211130 0951 1532 0181 registered under the *Personal Property Security Act* (Ontario);

- (rrr) **“Receiver’s Certificate”** means the certificate filed with the Court by the Receiver certifying that the Receiver is satisfied that: (i) all conditions to Closing set forth in Article 6 have been satisfied or waived; and (ii) the Buyer has paid, and the Seller has received, the Purchase Price;
- (sss) **“Receiver”** has the meaning given to such term in Recital B;
- (ttt) **“Receivership Order”** has the meaning given to such term in Recital B, in substantially the form attached hereto as Schedule 1.1(ttt), as such Receivership Order may be amended, supplemented or modified from time to time;
- (uuu) **“Receivership Proceedings”** has the meaning given to such term in Recital B;
- (vvv) **“Representative”** means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its affiliates;
- (www) **“Restricted Rights”** has the meaning given to such term in Section 2.5;
- (xxx) **“Seller”** has the meaning given to such term in the preamble to this Agreement;
- (yyy) **“SISP”** means the sale and investment solicitation process set forth in Schedule 1.1(yyy) hereto;
- (zzz) **“Slawner”** means Slawner Ortho Lteé, a Québec corporation and a wholly-owned subsidiary of PHSC;
- (aaaa) **“Slawner Shares”** means 100 Class A shares of Slawner registered in the name of PHSC;
- (bbbb) **“Successful Bid”** has the meaning ascribed thereto in the SISP;
- (cccc) **“Tax”** and **“Taxes”** means any and all:
- (i) taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, including those with respect to income, goods and services, harmonized sales, transfer, land transfer, use, real or personal property, and registration fees; and
 - (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii);

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

(eeee) “**Transaction**” means, collectively, the sale and purchase of the Purchased Assets pursuant to this Agreement and all other transactions contemplated by this Agreement that are to occur contemporaneously with the sale and purchase of the Purchased Assets;

(ffff) “**Transfer Taxes**” has the meaning given to such term in Section 7.7(c); and

(gggg) “**Transferred Contracts**” has the meaning given to such term in Section 2.1(b).

1.2 Schedules

The schedules to this Agreement are an integral part of this Agreement.

<u>Schedule</u>	<u>Description</u>
Schedule 1.1(n)	Form of Approval and Vesting Order
Schedule 1.1(ttt)	Form of Receivership Order
Schedule 1.1(yyy)	SISP
Schedule 2.1	Purchased Assets

1.3 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended, or to any restated or successor legislation of comparable effect.

1.4 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.5 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.6 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement 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.

1.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as otherwise specifically set forth in this Agreement and any document required to be delivered pursuant to or in respect of this Agreement.

1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any claim or controversy directly or indirectly based upon or arising out of this Agreement or the Transaction (whether based on contract, tort, or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the exclusive jurisdiction and venue of the Court prior to a Final order of the Court terminating the Receivership Proceedings and thereafter to the Courts of Alberta for the resolution of any disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 11.6 shall be deemed effective service of process on such Party.

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement to Purchase and Sell Purchased Assets

Upon and subject to the terms and conditions of this Agreement (including the provisions of Section 2.5), as of the Closing Date, the Seller shall sell and the Buyer shall purchase, free and clear of all Encumbrances other than the Permitted Encumbrances all of the Debtors' right, title and interest in, to and under, or relating to, all property, assets, rights and interests, whether real or personal, movable, immovable, tangible or intangible (including goodwill), of every kind and description and wherever located owned or used or held by the Debtors, including without limitation (collectively the "**Purchased Assets**"):

- (a) *Prepaid Expenses* – the full benefit of prepaid expenses of the Business and all deposits with any public utility, lessor under any Contract or Governmental Authority, including those listed in Schedule 2.1(a) of Schedule 2.1;
- (b) *Transferred Contracts* – all Contracts of the Debtors, including those listed in Schedule 2.1(b) of Schedule 2.1 (all such Contracts, collectively, the "**Transferred Contracts**");
- (c) *Licenses* – all Licenses held by or issued to the Debtors;
- (d) *Intellectual Property* – all Intellectual Property Assets and the Intellectual Property Rights, including those described in Schedule 2.1(d) of Schedule 2.1;
- (e) *Business and Corporate Records* – all business and financial records and files of the Business, including the general ledger and accounting records relating to the Business, original Tax records and books and records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Debtors as Persons, all customer lists and lists of suppliers, all operating manuals, plans and specifications and all of the right, interest and benefit, if any, thereunder and to and in the domain names, telephone numbers, facsimile numbers and e-mail addresses, used by the Debtors in the conduct of the Business, and all records, files and information necessary or desirable for Buyer to conduct or pursue the rights described in Section 2.1(g); provided, however, that the Debtors or Seller may retain copies of all books and records included in the Purchased Assets to the extent necessary or useful for the administration of the Receivership Proceedings or the filing of any Tax return or compliance with any Applicable Law or the terms of this Agreement;
- (f) *Insurance* –

- (i) the interests of Debtors in all Contracts of insurance, insurance policies and insurance plans, including those listed in Schedule 2.1(f) of Schedule 2.1;
 - (ii) any insurance proceeds net of any deductibles and retention recovered by the Debtors under all other Contracts of insurance, insurance policies (excluding for certainty proceeds paid directly by the insurer to or on behalf of directors and officers under directors' and officers' insurance policies) and insurance plans between the date of this Agreement and the Closing Date; and
 - (iii) the full benefit of Debtors rights to insurance claims (excluding for certainty proceeds paid directly by the insurer to or on behalf of directors and officers under directors' and officers' insurance policies) relating to the Business and amounts recoverable in respect thereof net of any deductible;
- (g) *Actions, etc.* – the interests of the Debtors in any claims, refunds, causes of action, rights of recovery, rights of set-off and rights of recoupment related to the Business or any of the Purchased Assets, and the interest of the Debtors in any litigation and in the proceeds of any judgment, order or decree issued or made in respect thereof in respect of occurrences, events, accidents or losses suffered prior to the Closing Time;
- (h) *Equipment* – all machinery, motor vehicles, transportation equipment, tools, equipment, furniture, furnishings, fixtures and other tangible property of every kind relating to the Business (other than Inventory) owned or subject to a binding Contract of purchase and sale or to which title could pass on termination, payment or otherwise under any such Contract;
- (i) *Inventory* – all Inventory owned, used or to be consumed, by the Debtors;
- (j) *Loans* – any loans or debts due prior to the Closing Date to the Debtors;
- (k) *Tax Refunds* – the benefit of any refundable Taxes payable or paid by the Debtors (including any Taxes payable or paid under the HST Legislation, or any Taxes collected and remitted to any Governmental Authority), net of any amounts deducted or withheld by any Governmental Authority, and any claim or right of the Debtors to any incentive, refund, rebate or credit of Taxes;
- (l) *Securities* – all of the 131 Shares and the PHTC Shares; and
- (m) *Other Assets* – to the extent that it is necessary to specifically identify them for any purpose whatsoever, any other property, assets or undertakings of the Debtors that are specifically identified by the Buyer on or before the Closing Time (which, for certainty, will not result in any adjustment to the Purchase Price).

2.2 Excluded Assets

Notwithstanding any provision of this Agreement to the contrary, the Buyer shall not acquire any other assets from the Debtors that are not Purchased Assets (collectively, the “**Excluded Assets**”), including without limitation:

- (a) *Rights under Agreement* – all of the Debtors’ rights under this Agreement, the Closing Documents and the Transaction;
- (b) *Subsidiaries, Partnerships and Joint Ventures* – all of the securities, partnership interests or joint venture interests of the Debtors or either of them in another Person, apart from those specifically identified in section 2.1(l);
- (c) *Other Assets* – any other assets, including, without limitation, any Contracts, that are designated by the Buyer as Excluded Assets prior to the Closing Time; provided, however, that any such designation will not result in any adjustment to the Purchase Price and that any liabilities or obligations related to any asset designated as an Excluded Asset shall not be an Assumed Liability);
- (d) *Insurance* – all insurance policies, proceeds and claims excluded from the Purchased Assets in Section 2.1(f);
- (e) *Accounts Receivable* – the Accounts Receivable; and
- (f) *Ordinary Course Assets* – any asset of the Debtors that would otherwise constitute a Purchased Asset but for the fact that it is conveyed, leased or otherwise disposed of in the ordinary course of the Business in compliance with Section 7.2 during the period beginning on the date of this Agreement and ending on the Closing Date.

2.3 Assumed Liabilities

The Buyer shall assume as of the Closing Date and shall pay, discharge and perform, as the case may be, from and after the Closing Date, all liabilities and obligations with respect to or arising out of the Purchased Assets accruing or arising after the Closing Date and such assumed liabilities shall include (collectively, the “**Assumed Liabilities**”):

- (a) *Permitted Encumbrances* – all Permitted Encumbrances, including the Aphria Advance and all interest accrued on the Aphria Advance as of the Closing Date, but only to the extent such Aphria Advance has not been reduced, repaid or otherwise satisfied prior to the Closing Date, where in such case, only the remaining outstanding amount of the Aphria Advance shall be assumed.

2.4 Excluded Liabilities

The Buyer shall not assume and shall not be liable, directly or indirectly, or otherwise responsible for any debts, obligations, Contracts and liabilities of the Debtors, of any kind or nature, other than the Assumed Liabilities ("**Excluded Liabilities**"), all of which shall remain the sole responsibility of the Debtors, and the Buyer shall not assume, accept or undertake any debt, obligation, duty, contract or liability of the Debtors of any kind whatsoever, whether accrued, contingent, known or unknown or otherwise. The Excluded Liabilities shall include, without in any way limiting the foregoing, the following liabilities, without limitation:

- (a) *Intercompany Accounts Payable* – any debts due or accruing prior to the Closing Date from any Debtor to any shareholder, director, officer or affiliate of the Debtor;
- (b) *Intellectual Property Claims* – any claims against any Debtor for infringements of any intellectual property rights of any third Person relating to any period prior to the Closing Date;
- (c) *Excluded Assets* – all liabilities and obligations relating to the Excluded Assets;
- (d) *Taxes* – all liabilities for Taxes of any Debtor;
- (e) *Employment Matters* – the liabilities and obligations described in Section 7.8(b); and
- (f) *Other* – Claims, demands, complaints, actions, applications, suits, causes of action, charges, indictments, prosecutions, information or other similar processes, orders (including injunctions, judgments, administrative complaints, decrees, rulings, awards, assessments, directions, instructions, penalties or sanctions issued, filed or imposed by any Governmental Authority or arbitrator and includes remedial orders), assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, or tort, arising from or in relation to any facts, circumstances, events or occurrences existing or arising prior to the Closing Date, including without limitation liabilities relating to any breach of law, product liability claims, and any liabilities or obligations relating to the environment or occupational health and safety, including but not limited to, (i) liabilities arising in connection with properties owned, leased or operated by the Debtors or either of them at any time prior to the Closing Date, (ii) liabilities arising in connection with facilities or properties to which any of the Debtors sent Hazardous Material for disposal prior to the Closing Date, (iii) liabilities arising in connection with any Hazardous Material generated, used, emitted, released, stored, transported or disposed of prior to the Closing Date in connection with the

Business or by any of the Debtors or (iv) fines, penalties or other liabilities arising from violations of or non-compliances with Environmental Law or environmental permits occurring prior to the Closing Date, all to the maximum extent permitted by Applicable Law and except, in each case, as specifically defined in this Agreement as an Assumed Liability.

2.5 Assignment of Purchased Assets

To the extent assignable and transferable by the Seller or the Debtors to the Buyer, the Seller and the Buyer shall use their reasonable commercial efforts to obtain any necessary consents or approvals in order to assign the Transferred Contracts to the Buyer (the “**Assigned Contracts**”) prior to the Closing Date.

Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer any Purchased Asset or any right thereunder if an attempted assignment or transfer of such Purchased Asset or right thereunder without the consent of a third Person would constitute a breach thereunder (“**Restricted Rights**”), unless: (i) such consent is obtained; (ii) the assignment has been ordered by the Court; or (iii) the Receiver is discharged. The Seller and/or Debtors shall hold any such Restricted Rights in trust for the Buyer until such time as consent and/or approval has been obtained, to the extent applicable. If a consent to transferring the Restricted Rights to the Buyer is not obtained, or such assignment is not attainable, the Seller and/or the Debtors and the Buyer will cooperate and use their respective commercially reasonable efforts to implement a mutually agreeable arrangement pursuant to which the Buyer will obtain the benefits and assume the liabilities and obligations related to such Restricted Rights in accordance with this Agreement including, at the election and expense of the Buyer, applying to the Court before or after Closing for an order compelling the assignment and for related relief.

Notwithstanding the foregoing: (i) nothing in this Section 2.5 shall require the Seller to renew any Restricted Rights once they have expired; and (ii) any efforts required of the Seller pursuant to this Section 2.5 shall be strictly on an interim basis and in no event be required to continue for more than 120 days following the Closing Date.

2.6 “As Is, Where Is”

The Buyer acknowledges and agrees that all of the Purchased Assets are being purchased on an “as is, where is” basis as they shall exist at Closing. Unless and solely to the extent expressly set forth in this Agreement, no representation, warranty or covenant is expressed or implied by the Seller, including any warranties as to title, encumbrances, description, merchantability or fitness for a particular purpose, environmental compliance, condition, quantity or quality, or in respect of any other matter or thing whatsoever concerning the Business and/or the Purchased Assets or the right of the Seller to sell or assign the same. Without limiting the generality of the foregoing, any and all conditions, warranties, or representations expressed or implied pursuant to the *Sale of Goods Act* (Alberta), as amended, or similar legislation do not apply hereto and

have been waived by the Buyer. This Section 2.6 shall not merge on Closing and is deemed incorporated by reference into all Closing Documents and deliveries.

ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The purchase price payable by the Buyer to the Seller for the Purchased Assets (the **"Purchase Price"**) shall be the aggregate sum of One Million Two-Hundred and Fifty Thousand dollars (\$1,250,000), comprised of: (i) a cash payment equal to \$60,000 (the **"Cash Component"**) plus (ii) the balance of the Purchase Price by way of set off against and non-cash credit reduction of the Indebtedness. The Buyer shall satisfy the Purchase Price at the Closing Time by: (i) paying to the Receiver in trust the Cash Component by wire transfer in immediately available funds pursuant to wire transfer instructions to be provided by the Receiver to the Buyer no later than one (1) Business Day prior to the Closing Date; and (ii) delivering an acknowledgement of the Buyer that the Indebtedness has been reduced by the amount of One Million One-Hundred and Ninety-Thousand dollars (\$1,190,000) in consideration of the balance of the Purchase Price.

3.2 Purchase Price Allocation

The Purchase Price shall be allocated among the Purchased Assets as agreed by the Parties, acting reasonably. Such allocation shall be binding and the Buyer and the Seller shall report the purchase and sale of the Purchased Assets and file all filings which are necessary or desirable under the Tax Act and any other applicable Tax legislation to give effect to such allocations and shall not take any position or action inconsistent with such allocation.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES BY THE SELLER

The Seller represents and warrants to the Buyer and acknowledges that the Buyer is relying upon the following representations and warranties in connection with its purchase of the Purchased Assets the matters set out below:

4.1 Validly Appointed

The Seller has been validly appointed by the Court as receiver and manager of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof, pursuant to the Receivership Order.

4.2 Recitals

To the Seller's knowledge, the Recitals hereto are true and correct as of the date of this Agreement.

4.3 Due Authorization and Enforceability of Obligations

Subject to Court Approval being obtained, the Seller has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. This Agreement has been, and at the Closing Time the Closing Documents will be, duly executed and delivered by the Seller in its capacity as Receiver.

4.4 Residence of the Seller

The Seller is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.5 HST Registration

The Seller is registered for purposes of the HST Legislation and will provide its registration number to the Buyer.

4.6 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder's fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Seller or the Debtors.

4.7 No Other Representations, Warranties or Covenants

All of the Purchased Assets are being purchased on an "as is where is" basis. Unless and solely to the extent expressly set forth in this Agreement, no representation, warranty or covenant is expressed or implied by the Seller, including any warranties as to title, encumbrance, description, merchantability or fitness for a particular purpose, environmental compliance, condition, quantity or quality, or in respect of any other matter or thing whatsoever concerning the Business and/or the Purchased Assets or the right of the Seller to sell or assign the same. The disclaimer in this Section 4.7 is made notwithstanding the delivery or disclosure to the Buyer or its directors, officers, employees, agents or representatives of any documentation or other information.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller as follows, and acknowledges that the Seller is relying upon the following representations and warranties in connection with its sale of the Purchased Assets:

5.1 Existence

The Buyer is duly organized and validly existing under the laws of its jurisdiction of organization.

5.2 Recitals

The Recitals hereto are true and correct as of the date of this Agreement.

5.3 Due Authorization

The Buyer has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action of the Buyer. This Agreement has been duly executed and delivered by the Buyer and constitutes a valid and binding obligation of the Buyer enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

5.4 Absence of Conflicts

The Buyer is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constating documents or Applicable Law or governmental authorizations, approvals, franchises, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority that would be violated, breached by, or under which any default would occur or with notice or the passage of time would, be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement or document to be entered into or delivered under the terms of this Agreement, except for any violations, breaches or defaults or any Applicable Law or any governmental authorizations, approvals, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority, that would not have a material and adverse effect on the ability of the Buyer to consummate the transactions hereunder.

5.5 Approvals and Consents

Except for Court Approval, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Buyer and each of the Closing Documents to be executed and delivered by the Buyer hereunder or the purchase of any of the Purchased Assets hereunder.

5.6 HST Registration

The Buyer, or its assignee(s) acquiring the Purchased Assets, is, or at the Closing Time will be, registered for purposes of the HST Legislation and will provide its registration number to the Seller.

5.7 *Investment Canada Act*

At the Closing Time, the Buyer will: (a) be either a “Canadian” or “WTO investor” within the meaning of the *Investment Canada Act*, and (b) not be a “state-owned enterprise” within the meaning of the *Investment Canada Act*.

5.8 No Additional Due Diligence

The Buyer acknowledges and agrees that: (a) it has had an opportunity to conduct any and all due diligence regarding the Purchased Assets, the Assumed Liabilities and the Business prior to the execution of this Agreement; (b) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets, the Assumed Liabilities and/or the Business; (c) it is not relying upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied, (by operation of law or otherwise), regarding the Purchased Assets, Assumed Liabilities or the Business or the completeness of any information provided in connection therewith, except as expressly stated in this Agreement; and (d) the obligations of the Buyer under this Agreement are not conditional upon any additional due diligence.

5.9 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder’s fee or other similar payment in connection with the Transaction based upon arrangement made by or on behalf of the Buyer.

ARTICLE 6 CONDITIONS

6.1 Conditions for the Benefit of the Buyer and the Seller

The respective obligations of the Buyer and of the Seller to consummate the Transaction are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions:

- (a) no provision of any Applicable Law and no judgment, injunction, order or decree that prohibits the consummation of the purchase of the Purchased Assets pursuant to this Agreement shall be in effect;
- (b) the Receivership Order shall have been issued and entered, and shall be Final, and the Receivership Proceedings shall be ongoing;
- (c) the SISP shall not have been terminated;
- (d) the Stalking Horse Bidder shall be the Successful Bidder (each, as defined in the SISP) under the SISP; and

- (e) the Approval and Vesting Order shall have been granted on or before October 2, 2023, or on or before such later date as the Parties agree to in writing, and shall be Final.

6.2 Conditions for the Benefit of the Buyer

The obligation of the Buyer to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver by the Buyer of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Buyer):

- (a) the representations and warranties of the Seller set forth in this Agreement shall be true and correct at the Closing Time with the same force and effect as if made at and as of such time, except where any failure or failures of any such representations and warranties to be so true and correct would not, individually or in the aggregate cause a Material Adverse Change (and, for this purpose, any reference to "material", "Material Adverse Change" or any other concept of materiality in such representations and warranties shall be ignored);
- (b) the covenants contained in this Agreement to be performed by the Seller at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time, except where any failure or failures to perform any such covenant would not, individually or in the aggregate cause a Material Adverse Change (and, for this purpose, any reference to "material", "Material Adverse Change" or any other concept of materiality in such representations and warranties shall be ignored);
- (c) the Buyer shall have received a certificate confirming the satisfaction of the conditions contained in Sections 6.2(a) and 6.2(b), signed for and on behalf of the Seller without personal liability by a managing director of the Seller or other Persons reasonably acceptable to the Buyer, in each case in form and substance reasonably satisfactory to the Buyer;
- (d) the Closing Documents, all other documents relating to the due authorization and completion of the Transaction and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Seller of its obligations under this Agreement shall be satisfactory to the Buyer, acting reasonably, and the Buyer shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request in form and substance reasonably satisfactory to the Buyer;
- (e) the Purchased Assets shall be assigned and transferred to the Buyer free and clear of all Encumbrances, in accordance with the Approval and Vesting Order; and

- (f) since the date first written above, no Material Adverse Change shall have occurred.

6.3 Conditions for the Benefit of the Seller

The obligation of the Seller to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver where applicable, by the Seller of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Seller):

- (a) the representations and warranties of the Buyer set forth in this Agreement shall be true and correct in all material respects at the Closing Time with the same force and effect as if made at and as of such time, except where any failure or failures of any such representations and warranties to be so true and correct would not, individually or in the aggregate cause a Material Adverse Change (and, for this purpose, any reference to "material", "Material Adverse Change" or any other concept of materiality in such representations and warranties shall be ignored);
- (b) the covenants contained in this Agreement to be performed by the Buyer at or prior to the Closing Time, including payment of the Purchase Price, shall have been performed in all material respects as at the Closing Time, except where any failure or failures of any such representations and warranties to be so true and correct would not, individually or in the aggregate cause a Material Adverse Change (and, for this purpose, any reference to "material", "Material Adverse Change" or any other concept of materiality in such representations and warranties shall be ignored);
- (c) the Seller shall have received a certificate confirming the satisfaction of the conditions contained in Sections 6.3(a) and 6.3(b) signed for and on behalf of the Buyer without personal liability by an executive officer of the Buyer or other persons reasonably acceptable to the Seller, in each case in form and substance reasonably satisfactory to the Seller;
- (d) all other Closing Documents required pursuant to this Agreement to be delivered by the Buyer on Closing in form and substance reasonably satisfactory to the Seller;
- (e) the acknowledgement of the Buyer that the Indebtedness has been reduced by the amount of One Million One-Hundred Ninety Thousand dollars (\$1,190,000) in consideration of the balance of the Purchase Price to be delivered by the Buyer on Closing in form and substance reasonably satisfactory to the Seller.

ARTICLE 7

ADDITIONAL AGREEMENTS OF THE PARTIES

7.1 Access to Information

Until the Closing Time, the Seller and/or the Debtors shall give to the Buyer's personnel engaged in the Transaction and their accountants, legal advisers, consultants and representatives during normal business hours reasonable access to its premises and to all of the books and records relating to the Business, the Purchased Assets and the Assumed Liabilities and to members of the Debtor's senior management, shall furnish them with all such information relating to the Business, the Purchased Assets and the Assumed Liabilities as the Buyer may reasonably request in connection with the Transaction, and shall coordinate reasonable access by the Buyer to the customers and suppliers of the Business. Notwithstanding anything in this Section 7.1 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Business. The Seller and/or the Debtors shall also deliver to the Buyer authorizations to Governmental Authorities necessary to permit the Buyer to obtain information in respect of the Purchased Assets from the files of such Governmental Authorities. Notwithstanding the foregoing, the Seller and/or the Debtors shall not be required to disclose any information, records, files or other data to the Buyer where prohibited by any Applicable Law or such disclosure would have the effect of causing the waiver of any solicitor-client privilege.

7.2 Court Filings

From and after the date of execution of this Agreement and until the Closing Time, the Seller shall use commercially reasonable efforts to deliver to the Buyer copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers that relate, in whole or in part, to this Agreement, or to the Buyer or its Representatives, that are to be filed by the Seller in connection with the Court Approval in advance of their filing, before the filing of such papers, and shall provide the Buyer with a reasonable opportunity to review and comment thereon.

The Seller shall act reasonably and in good faith in considering any comments provided by the Buyer to such papers; provided, however that, subject in each case to the foregoing good faith obligations of the Seller, the Seller shall have no obligation to accept and incorporate the Buyer's comments to such papers and neither the Seller's inadvertent failure to comply with this Section 7.2, nor the Seller's failure to comply with this Section 7.2 due to emergency circumstances, shall constitute a breach under this Agreement.

7.3 Conduct of Business Until Closing Time

Except: (1) as expressly required by this Agreement; (2) as necessary or advisable in connection with or pursuant to the Receivership Proceedings; or (3) as required by Applicable Law (including to the extent required by any Contract), to the extent reasonably necessary, and as practicable having regard to the Receivership Proceedings and any

Court order issued in the Receivership Proceedings, the Seller with the assistance of Mr. Kim Wei, in his capacity as consultant to the Receiver, shall:

- (a) use commercially reasonable efforts to preserve the Business;
- (b) not amend, terminate or assign any Contract that is included in the Purchased Assets and material to the Business except in the ordinary course of the Business;
- (c) not waive, release, permit the lapse of, relinquish or assign any material rights of the Business under any Contract included in the Purchased Assets and material to the Business; and
- (d) not enter into any lease, contract or agreement, licence or other commitment related to the Business that would constitute a Contract except, in each case, in the ordinary course of the Business.

7.4 Approvals and Consents

- (a) The Seller and the Buyer shall:
 - (i) as soon as reasonably possible following the date hereof, make all such filings and seek all such consents, approvals, permits and authorizations with any other Governmental Authorities whose consent is required for consummation of the Transaction, and the Buyer will request any expedited processing available; and
 - (ii) use commercially reasonable efforts to seek all consents, approvals or authorizations required in connection with the assignment of the Purchased Assets in accordance with this Agreement to the Buyer.
- (b) The Buyer shall, at the Seller's request, furnish the Seller with copies of such documents and information with respect to the Buyer, including financial information, as the Seller may reasonably request in connection with the obtaining of any consents, approvals, permits and authorizations contemplated by Section 7.4(a).

7.5 Covenant Regarding Confidential Information

On or prior to Closing, the Seller shall request any Person that was furnished confidential information of the Debtors to return or destroy all such information.

7.6 Further Assurances

Each of the Parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Parties hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use commercially reasonable efforts and take all such

steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement. Upon and subject to the terms and conditions of this Agreement and subject to the directions of any applicable courts to the Seller, the Parties shall use their commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary proper or advisable under Applicable Law to consummate and make effective the Transaction, including using commercially reasonable efforts to satisfy the conditions precedent to the obligations of the Parties hereto.

7.7 Tax Matters

- (a) The Buyer and the Seller agree to use commercially reasonable efforts to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Assets and the Assumed Liabilities as is reasonably necessary for the preparation and filing of any Tax return, claim for refund or other required or optional filings relating to Tax matters, for the preparation for and proof of facts during any Tax audit, for the preparation for any Tax protest, for the prosecution of any suit or other proceedings relating to Tax matters and for the answer to any governmental or regulatory inquiry relating to Tax matters.
- (b) For purposes of any income Tax return related to the Transaction, the Buyer and, to the extent applicable, the Seller, agree to report the Transaction in a manner consistent with the Purchase Price allocation determined in accordance with Section 3.2, and the Buyer and the Seller shall not voluntarily take any action inconsistent therewith in any such Tax return, refund claim, litigation or otherwise, unless required by applicable Tax laws. The Buyer and the Seller shall each be responsible for the preparation of their own statements required to be filed under the Tax Act and other similar forms in accordance with applicable Tax laws.
- (c) All amounts payable by the Buyer to the Seller pursuant to this Agreement are exclusive of any HST, or any other federal, provincial, state or local or foreign value-added, sales, use, consumption, multi-staged, ad valorem, personal property, customs, excise, stamp, transfer, land or real property transfer, or similar Taxes, duties, or charges, or any recording or filing fees or similar charges (collectively, **"Transfer Taxes"**). All Transfer Taxes are the responsibility of and for the account of the Party required to pay such taxes under Applicable Law. The Buyer and the Seller agree to cooperate to determine the amount of Transfer Taxes payable in connection with the Transaction. If the Seller is required by Applicable Law or by administration thereof to collect any applicable Transfer Taxes from the Buyer, the Buyer shall pay such amounts to the Seller concurrent with the payment of any consideration payable pursuant to this Agreement, and the Seller shall remit or account for such Transfer Taxes to the applicable Governmental Authority on a timely basis and otherwise in accordance with Applicable Law.

- (d) The Seller and the Buyer shall jointly make, and the Buyer will file, the election provided for in paragraph 167(1)(b) of the HST Legislation to have subsection 167(1.1) of the HST Legislation apply in respect of the sale of the Purchased Assets under this Agreement.
- (e) The Buyer shall at all times indemnify and hold harmless the Seller and their directors, officers and employees, against and in respect of any and all amounts assessed by the Minister of National Revenue (Canada) or any other applicable Governmental Authority as a consequence of such Governmental Authority determining, for any reason, that the election is unavailable, inapplicable, invalid or not properly made.
- (f) If requested by either the Seller or the Buyer, the Seller and the Buyer will jointly execute, and each of them will file promptly following the Closing Date, an election under section 22 of the Tax Act, and any corresponding provisions of any applicable provincial income Tax legislation, with respect to any debts referred to in such section 22 and any corresponding provisions of any applicable provincial income Tax legislation. For the purposes of such elections, the Buyer, acting reasonably and in consultation with the Seller, will designate the portion of the Purchase Price allocable to the debts in respect of which such elections are made. For greater certainty, the Seller and the Buyer agree to prepare and file their respective Tax returns in a manner consistent with such election(s).

7.8 Employee Matters

- (a) After the date of the execution of the Agreement, the Receiver shall provide termination letters, in a form and manner in the Receiver's discretion, to all employees and contractors of the Debtors with such termination date described in such termination letters to align with the Closing Date.
- (b) The Buyer shall neither assume nor be responsible for all liabilities and obligations with respect to any employee or contractor of the Debtors, including without limitation, all wages, severance pay, termination pay, pay in lieu of notice, damages and other liabilities, which liabilities and obligations shall remain the responsibility of the Debtors and, if applicable, the Receiver.
- (c) For certainty, the Buyer will enter into new contracts with such employees and contractors they wish to retain on or after the Closing Date.

7.9 Fees and Expenses

Except as expressly provided in this Agreement, all fees and expenses incurred in connection with the negotiation and settlement of this Agreement and the completion of the Transaction, including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the Person incurring such fees or expenses.

7.10 Advice and Direction

The Parties acknowledge that the Seller is entitled (but not required) to seek the advice and directions of the Court in respect of any determination to be made, consent right to be exercised or other action to be taken by the Seller under this Agreement.

7.11 Release

Notwithstanding any other provisions of this Agreement, effective as of the Closing Time, each of the Buyer and the Seller, on behalf of itself and its affiliates, does hereby forever release and discharge such other Party and its affiliates and their respective present and former direct and indirect shareholders, officers, directors, employees, advisors (including, without limitation, financial advisors and legal counsel) and agents (collectively, the “**Released Parties**”) from any and all demands, claims, liabilities, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, indebtedness, liens of whatever nature (collectively, “**Claims**”) based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Closing Time relating to, arising out of or in connection with, the Purchased Assets and the Business, save and except for Claims (i) under this Agreement (including the acquisition of the Purchased Assets and assumption of the Assumed Liabilities by the Buyer) or any document ancillary thereto, or (ii) arising out of fraud, bad faith or illegal acts (unless such party believed in good faith that its conduct was legal) of or by the Released Parties.

ARTICLE 8 COURT ORDER

8.1 Approval and Vesting Order

- (a) Concurrently with the approval by the Court of the SISP, the Buyer shall file a motion with the Court for the issuance of the Approval and Vesting Order. Such motion shall be scheduled for a date that is on or before October 2, 2023, or such later date as may be scheduled due to court availability or pursuant to direction of the Court.
- (b) The Seller shall cooperate with the Buyer acting reasonably, as may be necessary, in obtaining the Approval and Vesting Order concurrently with the approval of the SISP.
- (c) The Buyer shall use its best efforts to obtain the Approval and Vesting Order.

ARTICLE 9 TERMINATION

9.1 Termination

This Agreement may be terminated at any time prior to Closing as follows:

- (a) subject to any approvals required from the Court or otherwise pursuant to the Receivership Proceedings, by mutual written consent of the Seller and the Buyer;
- (b) by either Party, upon written notice to the other, if a Governmental Authority issues an order prohibiting the transactions contemplated hereby, which order shall have become final and non-appealable;
- (c) by the Seller upon written notice to the Buyer if there has been a material violation or breach by the Buyer of any covenant, representation or warranty which would prevent the satisfaction of any condition set forth in Section 6.1 or 6.3 on the Closing Date and such violation or breach has not been waived by the Seller or cured within five (5) days after written notice thereof from the Seller, unless the Seller is in material breach of their obligations under this Agreement; and
- (d) by the Buyer upon written notice to the Seller, if there has been a material violation or breach by the Seller of any covenant (save and except for the covenants set out in Section 7.2), representation or warranty which would prevent the satisfaction of any condition set forth in Section 6.1 or 6.2 on the Closing Date and such violation or breach has not been waived by the Buyer or cured within five (5) days after written notice thereof from the Buyer, unless the Buyer is in material breach of their obligations under this Agreement.

9.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall forthwith become null and void, except as set forth in Sections 9.1(d) and 9.3 and Article 11, and nothing herein shall relieve any Party from liability for any breach of this Agreement, or to impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement.

9.3 Expense Reimbursement and Transaction Fee

- (a) If the Buyer is not the Successful Bidder (as defined in the SISP) pursuant to the SISP, the Buyer shall be entitled to reimbursement for its expenses and a transaction fee in connection with the Transaction in the aggregate amount of \$62,500 (the “**Expense Reimbursement and Transaction Fee**”). Such amount shall be payable by the Seller to the Buyer in

immediately available funds to an account designated by the Buyer concurrently with such closing.

- (b) The payment of the Expense Reimbursement and Transaction Fee shall be approved in the Approval and Vesting Order, as contemplated by the SISP, and shall be made in priority to amounts secured by existing security, except as provided in the Approval and Vesting Order contemplated by the SISP. Each of the Parties acknowledges that the agreements contained in this Section 9.3 are an integral part of the Transaction and that, without those agreements, the Parties would not enter into this Agreement. The Parties further acknowledge and agree that the Expense Reimbursement and Transaction Fee is a payment of liquidated monetary damages which are a genuine pre-estimate of the costs and damages which the Buyer will suffer or incur as a result of the non-completion of this Agreement, that such payment is not for repayment of current Indebtedness, lost profits or a penalty, and that no Party shall take any position inconsistent with the foregoing. The Seller irrevocably waives any right it may have to raise as a defense that any such liquidated damages are excessive or punitive. Each of the Parties hereby acknowledges and agrees that, under circumstances where the Buyer is entitled to the Expense Reimbursement and Transaction Fee and such amounts are paid in full to the Buyer, the Buyer shall be precluded from any other remedy against the Seller at law or in equity or otherwise in respect of damages for non-completion of this Agreement, and in any such case it shall not seek to obtain any recovery, judgment, or damages of any kind, including consequential, indirect, or punitive damages, against the Seller or any of its respective directors, officers, employees, partners, managers, members, shareholders or affiliates in connection with the non-completion of this Agreement or the Transaction.

Subject to the last sentence of the preceding paragraph, nothing in this Section 9.3 shall preclude any Party from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements set forth in this Agreement or otherwise to obtain specific performance of any such covenants or agreement, and any requirement for securing or posting of any bond in connection with the obtaining of any such injunction or specific performance is hereby being waived.

ARTICLE 10 CLOSING

10.1 Location and Time of Closing

The Closing shall take place at the Closing Time on the Closing Date at the Calgary, Alberta offices of Dentons Canada LLP, or at such other location as may be agreed upon by the Parties hereto.

10.2 Closing Deliveries

- (a) Subject to Section 2.5, at the Closing, the Seller shall deliver to the Buyer the documents required to be delivered by the Seller pursuant to Sections 6.1, 6.2 and 7.7.
- (b) At the Closing, the Buyer shall deliver to the Seller:
 - (i) the Cash Component;
 - (ii) an instrument of assumption of liabilities with respect to the Assumed Liabilities in a form satisfactory to the Seller, acting reasonably;
 - (iii) a duly executed election pursuant to HST Legislation and any certificates, elections or other documents required to be delivered pursuant to Section 7.7;
 - (iv) the documents required to be delivered by the Buyer pursuant to Section 6.3; and
 - (v) any other documents reasonably requested by the Seller in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement.

10.3 Receiver's Capacity

The Parties hereby acknowledge and agree that the Receiver is entering into this agreement in its capacity as Court-appointed receiver of the Debtors, and not in its personal capacity.

ARTICLE 11 GENERAL MATTERS

11.1 Confidentiality

- (a) Except to the extent otherwise specifically provided in this Section 11.1, each Party, on behalf of itself and its affiliates, agrees to keep the other Party's Confidential Information confidential and not to use the other Party's Confidential Information in any manner except as required to perform the obligations set out in this Agreement. Each Party agrees to be responsible for any breach of this Section 11.1 by any of its affiliates and its and their respective directors, employees, advisors, agents and representatives.
- (b) Notwithstanding anything to the contrary herein, each Party maintains the right to disclose the other Party's Confidential Information if required to do so by Applicable Law or requirement of a Governmental Authority, or to appropriate Tax authorities in order to describe the tax treatment and tax structure of the Transaction; provided that the disclosure of such

Confidential Information will be limited only to that purpose and provided further that it will use reasonable efforts to cooperate with the other Party in limiting the disclosure of the Confidential Information.

- (c) At the other Party's request, a Party will destroy all of the other Party's Confidential Information, provided that it is permitted to retain one copy of any Confidential Information to the extent required by Applicable Law or its internal record keeping policies.
- (d) Any Confidential Information of the Seller that constitutes part of the Purchased Assets will cease to be Confidential Information of the Seller and will become Confidential Information of the Buyer on Closing.

11.2 Public Notices

No press release or other announcement concerning the Transaction shall be made by the Seller or by the Buyer without the prior consent of the other (such consent not to be unreasonably withheld); provided, however, that subject to the last sentence of this Section 11.2, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the Receivership Proceedings) or by any insolvency or other court or securities commission or other similar regulatory authority having jurisdiction over such Party or any of its affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by the Seller with the Court; and (ii) the Transaction may be disclosed by the Seller to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:

- (a) the Seller may prepare and file reports and other documents with the Court containing references to the Transaction and the terms thereof; and
- (b) the Seller and their professional advisors may prepare and file such reports and other documents in the Receivership Proceedings containing references to the Transaction and the terms thereof as may reasonably be necessary to complete the Transaction or to comply with their obligations in connection therewith. Wherever possible, the Buyer shall be afforded an opportunity to review and comment on such materials prior to their filing.

Each of the Parties may issue a press release announcing the execution and delivery of this Agreement, in form and substance mutually agreed to by all of the Parties.

11.3 Survival

The representations and warranties of the Seller in this Agreement or in any agreement, document or certificate delivered pursuant to or in connection with this Agreement or the Transaction are set forth solely for the purpose of Section 6.2 and none of them shall survive Closing. The Seller shall have no liability, whether before or after

the Closing, for any breach of the Seller's representations, and the Buyer acknowledges that its exclusive remedy for any such breach shall be termination of this Agreement prior to the Closing (but only if permitted by Section 9.1).

11.4 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, stockholder, affiliate, agent, attorney or representative of the respective Parties hereto, in such capacity, shall have any liability for any obligations or liabilities of the Buyer, the Debtors or the Seller, as applicable, under this Agreement or for any claim based on, in respect of, or by reason of, the Transaction.

11.5 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of the other Party hereto, except that without such consent the Buyer may: (i) assign any or all of its rights and obligations hereunder to one or more of its subsidiaries or affiliates; or (ii) direct that title to all or some of the Purchased Assets be transferred to, and the corresponding Assumed Liabilities be assumed by, one or more of its subsidiaries or affiliates, provided that no such assignment or direction shall relieve the Buyer of its obligations hereunder; provided further that if the Buyer shall have assigned all of its rights and obligations hereunder the Buyer shall, immediately following the Closing, be deemed fully released from all of the Buyer's obligations hereunder. References to the Buyer's status under the *Investment Canada Act* are references to the ultimate Buyer. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person or entity not a Party to this Agreement other than the express third party beneficiaries of Section 11.4 hereof.

11.6 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five days after mailing via certified mail, return receipt requested. All notices not delivered personally or by facsimile will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

(a) If to the Buyer at:

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

L7C 3L8

Attention: Michael Steele
Email: steeleconsult@aol.com

with copies (which shall not in itself constitute notice) to:

Dentons Canada LLP
12th Floor Bankers Court
850 2 Street SW
Calgary, Alberta
T2P 0R8

Attention: Derek Pontin
Email: derek.pontin@dentons.com

(b) If to the Seller or the Debtors at:

KSV Restructuring Inc.
1165, 324 – 8th Avenue SW
Calgary, Alberta
T2P 2Z2

Attention: Andrew Basi / Ross Graham
Email: abasi@ksvadvisory.com / rgraham@ksvadvisory.com

with copies (which shall not in itself constitute notice) to:

Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, Alberta
T2P 1G2

Attention: Ryan Algar
Email: ralgar@bdplaw.com

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

11.7 Counterparts; Facsimile Signatures

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement by any of the Parties hereto may be evidenced by facsimile, scanned e-mail or internet transmission copy of this Agreement bearing such signature which, for all purposes, shall be deemed to be an original signature.

[Remainder of page intentionally blank]

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

KSV RESTRUCTURING INC., solely in its capacity as receiver of **PATHWAY HEALTH CORP.** and **PATHWAY HEALTH SERVICES CORP.** and not in its personal capacity

By: _____

Name: Andrew Basi
Title: Managing Director

By: _____

Name: Ross Graham
Title: Senior Manager

AVONLEA-DREWRY HOLDINGS INC.

By: _____

Name: Michael A. Steele
Title: Director

[Signature page to APA]

Schedule 1.1(n)
Form of Approval and Vesting Order
(see attached)

Clerk's Stamp:

COURT FILE NUMBER	2301-10472
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	<u>ORDER – APPROVING SALE AND VESTING</u>
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 Attention: Derek Pontin Ph. (403) 268-6301 Fx. (403) 268-3100 File No.: 577214-9

DATE ON WHICH ORDER WAS PRONOUNCED: October 2, 2023

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre, Calgary, AB

NAME OF JUSTICE WHO MADE THIS ORDER: Honourable Justice D.B. Nixon

UPON THE APPLICATION of Avonlea-Drewery Holdings Inc. ("**ADH**") for, among other things, (i) an Order appointing KSV Restructuring Inc. ("**KSV**") as Court-appointed receiver and manager (the "**Receiver**") of the undertakings, property and assets of Pathway Health Corp. and Pathway Health Services Corp. (together, the "**Debtors**"); (ii) an order approving the proposed sale and investment solicitation process (the "**SISP Order**") under and by which the Receiver will market and sell the Debtors' property and undertaking (the "**SISP**"); and an order approving the stalking horse purchase and sale agreement proposed and entered into by ADH (the "**Stalking Horse APA**"), to act as a stalking horse in support of the SISP;

AND UPON HAVING READ the Application of ADH; the Affidavits of Michael Steele dated August 10, 2023, August 29, 2023 and September 25, 2023; the Interim Receivership Order, dated August 10, 2023; the Extension of Interim Receivership Order, dated September 1, 2023 (the "**Interim Receivership**");

Orders"); the First Report of the Interim Receiver, dated August 31, 2023; the Receivership Order dated October 2, 2023 (the "**Receivership Order**"), the Order approving the SISP, dated concurrently with this Order; and such other materials as are filed;

AND UPON HEARING the submissions of counsel for the ADH and the Interim Receiver, and any other counsel in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:

INTERPRETATION

1. Capitalized terms not otherwise defined in this Order have the meanings given to them in the Reports of KSV in its capacity as the Interim Receiver of the Debtors, the SISP or the SISP Order.

SERVICE

2. Service of notice of the application for this order (the "**Stalking Horse SAVO**") and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION AND VESTING OF PROPERTY

3. The Receiver is authorized, upon completion of the SISP and upon the Receiver determining in its discretion that ADH, by way of the Stalking Horse APA, is the Successful Bidder (as defined in the SISP), to file with this Court and deliver to ADH (or its nominee, hereafter "**the Purchaser**") a Receiver's certificate substantially in the form set out in **Schedule "1"** hereto (the "**Receiver's Closing Certificate**"), upon which the effect of the delivery of the Receiver's Closing Certificate shall be:
 - (a) the SISP shall be deemed to be completed and terminated;
 - (b) all right, title and interest in and to the property and undertaking described and conveyed in the Stalking Horse APA (the "**Purchased Assets**"), shall vest absolutely in the name of the Purchaser free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached

or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (i) any encumbrances or charges created by the Interim Receivership Orders or the Receivership Order;
- (ii) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system within Canada or elsewhere;
- (iii) any liens or claims of lien, without limitation including under the *Builders' Lien Act* (Alberta) or *Prompt Payment and Construction Lien Act* (Alberta); and
- (iv) those Claims listed in **Schedule "2"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "3"** (collectively, "**Permitted Encumbrances**")),

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets;

- (c) upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser clear title to the Purchased Assets, subject only to Permitted Encumbrances;
- (d) without limiting the foregoing, the Registrar of the Personal Property Registry of any Province or Territory of Canada (each a "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtors and in any of the Purchased Assets;
- (e) all Governmental Authorities are authorized and directed to take such steps as are necessary to give effect to the terms of this Order and the Stalking Horse APA. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title

or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances, but excluding Permitted Encumbrances;

- (f) no authorization, approval or other action by, and no notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Stalking Horse APA;
- (g) net proceeds from sale of the Purchased Assets under the Stalking Horse APA, shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale;
- (h) the Receiver may make distributions of any net proceeds of sale of the Purchased Assets held by the Receiver to creditors of the Debtors without further order of this Court, provided; however, all such distributions will be made only to creditors on the basis of legal priority;
- (i) the amount of the indebtedness owing by the Debtors to ADH under its existing credit facilities and security shall be deemed to be reduced by the amount of the credit offset given by ADH as consideration for the purchase of the Purchased Assets under the Stalking Horse APA;
- (j) the Purchaser shall not, by completing its acquisition under the Stalking Horse APA, have liability of any kind whatsoever in respect of any Claims against the Debtors, including as a successor employer, notwithstanding the Alberta *Employment Standards Code*;
- (k) the Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts,

certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser;

- (l) the Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by, through or against the Debtors; and
 - (m) immediately upon closing of the purchase and sale under the Stalking Horse APA, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
4. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtors were entitled.

MISCELLANEOUS MATTERS

5. Notwithstanding:
- (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "**BIA**"), in respect of the Debtors, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Debtors; and
 - (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

6. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the purchase and sale under the Stalking Horse APA.
7. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
8. Service of this Order shall be deemed good and sufficient by:
 - (a) serving the same on the persons who were served with notice of this Application; and
 - (b) posting a copy of this Order on the Receiver's website at: www.ksvadvisory.com/experience/case/pathway-healthand service on any other person is hereby dispensed with.
9. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

Schedule "1"

Form of Receiver's Certificate

COURT FILE NUMBER	2301-10472
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	AVONLEA-DREWRY HOLDINGS INC.
DEFENDANT	PATHWAY HEALTH CORP., PATHWAY HEALTH SERVICES CORP., PATHWAY HEALTHCARE TECHNOLOGIES CORP., 2563367 ONTARIO LIMITED and SLAWNER ORTHO LTEE.
DOCUMENT	RECEIVER'S CLOSING CERTIFICATE

Clerk's Stamp

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

RECITALS

- A. Pursuant to an Order of the Honourable Justice **[Name]** of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated October 2, 2023, KSV Restructuring Inc. was appointed as the receiver (the "**Receiver**") of the undertakings, property and assets of Pathway Health Corp. and Pathway Health Services Corp. (the "**Debtors**").
- B. Pursuant to an Order of the Court dated October 2, 2023, the Court approved a sale and investment solicitation process under and by which the Receiver marketed the Debtors' property and undertaking (the "**SISP**") by way of a stalking horse bid process.
- C. Pursuant to an Order of the Court dated October 2, 2023, the Court approved the agreement of purchase and sale made as of **[Date of Agreement]** (the "**Stalking Horse APA**") between the Receiver and Avonlea-Drewry Holdings Inc. ("**ADH**", or its nominee, in either case the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the cash component of the Purchase Price for the Purchased Assets (if any); (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the

Receiver and the Purchaser; and (iii) the purchase and sale as contemplated under the Stalking Horse APA has been completed to the satisfaction of the Receiver.

THE RECEIVER CERTIFIES the following:

1. The Receiver has carried out the SISP procedures and the Purchaser, further to the Stalking Horse APA, was and is the Successful Bidder, as that term is defined in the SISP.
2. The Purchaser has paid and the Receiver has received the sum equivalent to the cash component, if any, of the purchase price to be paid by the Purchaser under the Stalking Horse APA.
3. By delivery of this Certificate, the amount of the indebtedness owing by the Debtors to ADH under its existing credit facilities and security is deemed to be reduced by \$_____, being the amount of credit offset given by ADH as consideration for the purchase price under the Stalking Horse APA.
4. The conditions to closing as set out in the Stalking Horse APA have been satisfied or waived by the Receiver and the Purchaser.
5. The purchase and sale as contemplated under the Stalking Horse APA has been completed to the satisfaction of the Receiver.
6. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

KSV Restructuring Inc., in its capacity as Receiver of the undertakings, property and assets of Pathway Health Corp. and Pathway Health Services Corp., and not in its personal capacity.

Per: _____

Name:

Title:

Schedule "2"
Encumbrances

Schedule “3”

Permitted Encumbrances

- \$170,000 advanced by Aphria Inc. to the Receiver pursuant to the financing term sheet dated August 31, 2023; and
- Security interest granted by PHSC to Royal Bank of Canada as reflected by the financing statement registration number 20211130 0951 1532 0181 registered under the *Personal Property Security Act* (Ontario).

Schedule 1.1(ttt)
Form of Receivership Order
(see attached)

COURT FILE NUMBER 2301-10472
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE Calgary
APPLICANT(S) AVONLEA-DREWRY HOLDINGS INC.
RESPONDENT(S) PATHWAY HEALTH CORP., PATHWAY
HEALTH SERVICES CORP., PATHWAY
HEALTHCARE TECHNOLOGIES CORP.,
2563367 ONTARIO LIMITED and SLAWNER
ORTHO LTEE.

Clerk's Stamp

DOCUMENT **RECEIVERSHIP ORDER**

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.: 577214-9

DATE ON WHICH ORDER WAS PRONOUNCED: **October 2, 2023**
LOCATION OF HEARING: **Calgary Courts Centre, Calgary, Alberta**
NAME OF JUSTICE WHO GRANTED THIS ORDER: **Honourable Justice D.B. Nixon**

UPON the application of Avonlea-Drewry Holdings Inc. ("**ADH**") in respect of Pathway Health Corp. and Pathway Health Services Corp. (collectively, the "**Debtors**"); **AND UPON** having read the Application, the Affidavits of Michael Steele dated August 9, 2023, August 29, 2023, and September 25, 2023; **AND UPON** reading the consent of KSV Restructuring Inc. ("**KSV**") to act as receiver and manager (the "**Receiver**") of the Debtors; **AND UPON** noting that KSV is currently appointed as Interim Receiver of the Debtors pursuant to the terms of Orders granted in these proceedings on, August 10, 2023 and September 1, 2023 (the "**Interim Receivership Orders**"); **AND UPON** reading the First Report and the Second Report of the Interim Receiver, filed; **AND UPON** hearing from counsel for ADH and counsel for the Interim Receiver;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of notice of the Application for this order (the “**Order**”) is abridged to the time actually given and is deemed to be good and sufficient.

Interpretation

2. Capitalized terms not otherwise defined herein have the meaning set forth in the Interim Receivership Orders. To the extent of any conflict between this Receivership Order and the Interim Receivership Orders, the terms of this Order shall govern.

Appointment

3. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the “**BIA**”) and section 13(2) of the *Judicature Act*, RSA 2000, c.J-2, and subject to the provisions of paragraph 10(b) hereof, KSV Restructuring Inc. is hereby appointed as Receiver, without security, of all of the Debtors’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).

Receiver’s Powers

4. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver’s ability to abandon, dispose of, or otherwise release any interest in any of the Debtors’ real or personal property, or any right in any immoveable;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - i. without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and

- ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to assign the Debtors into bankruptcy, or either of them, in the discretion of the Receiver without necessity of a further order;

- (s) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations; and
- (u) to the extent that the Receiver requires access to the Debtors' medical practice management system data ("**Practice Records**"), the following protocol shall apply:
 - i. Practice Records include documents which contain "individually identifying", "diagnostic, treatment and care information" and "registration information" concerning "health services" with respect to patients of the Debtors, as such terms are defined in the *Health Information Act*, RSA c H-5 ("**HIA**") or any other similar legislation in any other province or territory;
 - ii. the Interim Receiver shall be authorized and empowered by the Court to receive the Practice Records from each of the Debtors, as applicable, in accordance with Sections 35(1)(h), 36(c), and 66 of the HIA and Section 7.2 of the *Health Information Regulation*, AR 70/2001 ("**HIR**") or any other similar regulation in any other province or territory;
 - iii. to the extent necessary, this Order shall constitute an information manager agreement in accordance with Section 7.2 of the HIR;
 - iv. in carrying out its obligations with respect to Practice Records, the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of the Order, save and except for any gross negligence or willful misconduct on its part;
 - v. upon receipt of any Practice Records, the Receiver will anonymize the Practice Records, removing all "individually identifying" "health information" and "diagnostic, treatment and care information", as such terms are defined in the HIA, wherever it may appear in the Practice Records (the "**Anonymized Records**");
 - vi. the Receiver shall use only the Anonymized Records, and not the complete Practice Records, for the purposes of preparing any report in connection with its powers set forth in this Order; and

- vii. the Interim Receiver shall not share the Anonymized Records with any party except in compliance with the HIA and the HIR,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person (as defined below).

Duty to Provide Access and Co-operations to the Receiver

5. (i) The Debtors, (ii) all of their respective current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being **"Persons"** and each being a **"Person"**) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
6. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the **"Records"**) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
7. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written

consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

MAINTENANCE OF THE DEBTOR'S BUSINESS

8. Subject to, and not in limitation of, the provisions of this Order, the Receiver is authorized to continue the engagement of the Consultant on such terms as previously entered into between the Consultant and the Interim Receiver as may be required to best manage and maintain the Debtors' day-to-day operations. The Receiver shall not be deemed to be a successor employer to the Consultant in any fashion (including as set out at paragraph 16 hereof). Pursuant to the power and authority set forth herein, the Receiver may delegate responsibility to the Consultant for managing and ensuring best commercial practices in respect of, among other things:
- (a) the hiring and termination of employees, staffing requirements of the Debtors and the Debtors' subsidiaries to ensure efficient operations;
 - (b) the selection and management of vendors, contractors, suppliers and operational contracts;
 - (c) reporting to the Receiver with respect to the preparation of and revisions to cash flow forecasts;
 - (d) providing detailed and supported funding requests to the Receiver; and (e)
 - (e) such other day-to-day operational requirements for the Debtors and the Debtors' subsidiaries to continue in business in the ordinary course during the Receiver's appointment.

No Proceedings Against the Receiver

9. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

No Proceedings Against the Debtors or the Property

10. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and

all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall:

- (a) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph;
- (b) limit or restrict the actions of ADH in continuing the enforcement of its security upon the shares of Slawner Ortho Ltee, a subsidiary of Pathway Health Services Corp., which shares are and shall be excluded from the definition of "Property" for the purposes of this Order; and
- (c) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court.

"Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

No Exercise of Rights of Remedies

11. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with written consent of the Receiver or leave of this Court, provided, however, that nothing in this Order shall:
- (a) empower the Debtors to carry on any business that the Debtors are not lawfully entitled to carry on;
 - (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.
12. Nothing in this Order shall prevent any party from taking an action against the Debtors where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in

accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

No Interference with the Receiver

13. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, except with the written consent of the Receiver, or leave of this Court.

Continuation of Services

14. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
 - (b) oral or written agreements or arrangements with the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtors,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Receiver or exercising any other remedy provided under such agreements or arrangements. The Receiver shall be entitled to the continued use of the Debtors' current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

Receiver to Hold Funds

15. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

Employees

16. Subject to employees' rights to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c.47 ("**WEPPA**").
17. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

Limitations on Environmental Liabilities

18. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - i. before the Receiver's appointment; or
 - ii. after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the

Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

- i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause ii below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
- ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- iii. if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Limitation on the Receiver's Liability

- 19. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order, neither the Receiver nor the Consultant shall incur any liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.
- 20. Neither the Receiver nor the Consultant shall have any personal liability for Pathway Health Corp.'s failure to file any documentation required to be filed by it pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* as a result of its status as reporting issuer in the

Provinces of Alberta, British Columbia, Ontario and Saskatchewan (including, but not limited to, their annual information form, annual and quarterly management discussion and analysis, and annual and quarterly financial statements (including related audits, reports, and certifications)), within the filing deadlines for such documents or at all, during the course of the within receivership proceedings.

Receiver's Accounts

21. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$270,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2).
22. For certainty, the Interim Receiver's Charge and any amounts secured thereunder shall be subsumed by and deemed to be a part of the Receiver's Charge.
23. The Receiver and its legal counsel shall pass their accounts from time to time.
24. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

Funding of the Receivership

25. Subject to the amounts already advanced to the Interim Receiver pursuant to Interim Receiver's Certificates advanced in these proceedings, the Receiver be at liberty and it is hereby empowered to borrow, by way of a revolving credit or otherwise set up with ADH (or its designate), such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies

borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

26. For certainty, the Interim Receiver's Borrowings Charge and any amounts secured thereunder shall be subsumed by and deemed to be a part of the Receiver's Borrowings Charge.
27. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
28. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
29. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
30. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

Allocation

31. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property

General

32. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
33. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
34. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

35. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
36. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
37. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
38. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Filing

39. The Receiver shall establish and maintain a website in respect of these proceedings at **www.ksvadvisory.com/experience/case/pathway-health** (the "**Receiver's Website**") and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
40. Service of this Order shall be deemed good and sufficient by:
- (a) serving the same on:

- i. the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
- ii. any other person served with notice of the application for this Order;
- iii. any other parties attending or represented at the application for this Order; and

(b) posting a copy of this Order on the Receiver's Website,

and service on any other person is hereby dispensed with.

41. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the interim receiver and receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of Pathway Health Corp. and Pathway Health Services Corp. appointed by Order of the Court of King's Bench of Alberta and Court of King's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "Court") dated the _____ day of _____, (the "**Order**") made in action numbers 2301-10472, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of Enter Amount, being part of the total principal sum of \$1,000,000 that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded Select an Option after the date hereof at a notional rate per annum equal to the rate of Enter Rate per cent above the prime commercial lending rate of Name of Institution from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Enter Address.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20____

KSV Restructuring Inc., solely in its capacity as
Receiver of the Property (as defined in the Order),
and not in its personal capacity

Per: _____

Name:

Title:

Schedule 1.1(yyy)

SISP

(see attached)

**Procedure for the Sales and Investment Solicitation Process of
Pathway Health Corp. and Pathway Health Services Corp.**

Background

1. On October 2, 2023 (the “**Filing Date**”), upon application of Avonlea-Drewry Holdings. Inc. (“**ADH**”), KSV Restructuring Inc. (“**KSV**”) was appointed as receiver and manager of Pathway Health Corp. and Pathway Health Services Corp. (together, the “**Companies**”) by way of Order (the “**Receivership Order**”) of the Alberta Court of King's Bench (the “**Court**”).
2. Among other things, the Receivership Order granted a stay of all proceedings as against the Companies and Receiver and authorized the Receiver to take immediate possession and control of all current and future assets, undertakings and properties of the Companies (the “**Property**”) and to market and sell the Property out of the ordinary course of business, subject to Court approval.
3. Concurrently with the Receivership Order, the Court granted an Order (the “**Sale Process Order**”), which, among other things, approved the procedures for the sale and investment solicitation process proposed by ADH and approved by the Receiver in respect of the Companies and the Property, as set out below (the “**SISP**”).
4. Pursuant to the SISP, all qualified interested parties will be provided with an opportunity to participate in the SISP. The SISP is intended to find the highest and/or best offer for the sale of the Property on a going concern basis, restructuring, refinancing, or a combination thereof.
5. Set forth below is the procedure to be followed in respect of the SISP, the aim of which is to realize a Successful Bid (as defined herein), and, if there is a Successful Bid, to complete any definitive transactions contemplated by the Successful Bid.

Defined Terms

6. All monetary references shall be in Canadian dollars, unless otherwise stated.
7. In this SISP:
 - a. “**Additional Bid**” has the meaning ascribed at paragraph 32, hereof;
 - b. “**Approval Motion**” has the meaning ascribed at paragraph 40, hereof;
 - c. “**Auction**” has the meaning ascribed in paragraph 34 hereof;
 - d. “**Auction Bidder**” has the meaning ascribed in paragraph 35 hereof;
 - e. “**Backup Bid**” has the meaning ascribed in paragraph 39 hereof;
 - f. “**Backup Bidder**” has the meaning ascribed in paragraph 38 hereof;
 - g. “**Business**” means the business presently carried on by the Companies, or either of them as the context may require;

- h. **"Business Day"** means a day, other than a Saturday or Sunday, on which banks are open for business in the City of Calgary;
- i. **"CIM"** has the meaning ascribed in paragraph 19 hereof;
- j. **"Claims and Interests"** has the meaning ascribed in paragraph 16 hereof;
- k. **"Companies"** has the meaning ascribed in paragraph 1 hereof;
- l. **"Court"** has the meaning ascribed in paragraph 1 hereof;
- m. **"Expense Reimbursement and Transaction Fee"** means the amount of \$62,500, payable by the Receiver to the Stalking Horse Bidder, on the terms and conditions of this SISF;
- n. **"Filing Date"** has the meaning ascribed in paragraph 1 hereof;
- o. **"Final Bid"** has the meaning ascribed in paragraph 25 hereof;
- p. **"Final Bid Deadline"** has the meaning ascribed in paragraph 25 hereof;
- q. **"Leading Bid"** has the meaning ascribed in paragraph 36(m) hereof;
- r. **"Minimum Incremental Overbid"** means the minimum incremental value in an amount to be determined by the Receiver over the Starting Bid or the Leading Bid, as the case may be, but in any case not less than the Expense Reimbursement and Transaction Fee;
- s. **"Outside Date"** means December 7, 2023;
- t. **"Potential Bidder"** has the meaning ascribed in paragraph 21 hereof;
- u. **"Prior Charges"** means all claims against the Companies or Property that rank in priority to the Senior Security, if any, but excluding the Receivership Charges;
- v. **"Property"** has the meaning ascribed in paragraph 2 hereof;
- w. **"Qualified Bid"** has the meaning ascribed in paragraph 26 hereof;
- x. **"Qualified Bidder"** has the meaning ascribed in paragraph 22 hereof;
- y. **"Receiver"** means KSV Restructuring Inc., in its capacity as Court-appointed receiver and manager of the Companies and not in its personal or corporate capacity;
- z. **"Receivership Charges"** means the charges created by the Receivership Order, ranking in priority to the Senior Security, comprised of the Receiver's Charge and Receiver's Borrowing Charge (as defined in the Receivership Order);
- aa. **"Receivership Obligations"** means the indebtedness, liabilities and obligations secured by the Receivership Charges;

- bb. **"Receivership Order"** has the meaning ascribed in paragraph 1 hereof;
- cc. **"Sale Approval and Vesting Order"** has the meaning ascribed at paragraph 40, hereof;
- dd. **"Sale Process Order"** has the meaning ascribed in paragraph 3 hereof;
- ee. **"Senior Debt"** means the debt owed by the Companies to the Senior Secured Creditor, including all principal, interest and costs totaling \$5,628,981 as of September 25, 2023;
- ff. **"Senior Secured Creditor"** means Avonlea-Drewry Holdings Inc., as identified and described in the Steele Affidavits;
- gg. **"Senior Security"** means the security which secures the Senior Debt;
- hh. **"SISP"** has the meaning ascribed in paragraph 3 hereof;
- ii. **"Stalking Horse APA"** means an Asset Purchase and Sale Agreement between the Receiver and the Stalking Horse Bidder substantially in the form approved by the Sale Process Order;
- jj. **"Stalking Horse Bid Amount"** has the meaning ascribed in paragraph 30(a) hereof;
- kk. **"Stalking Horse Bidder"** means the Senior Secured Creditor, or its nominee;
- ll. **"Starting Bid"** has the meaning ascribed at paragraph 35, hereof;
- mm. **"Steele Affidavits"** means the Affidavits of Michael Steele, dated August 9, 2023, August 29, 2023, and September 25, 2023, filed in Court of King's Bench Action No. 2301-10472;
- nn. **"Subsequent Bid"** has the meaning ascribed at paragraph 36(k), hereof;
- oo. **"Successful Additional Bid"** has the meaning ascribed at paragraph 32, hereof;
- pp. **"Successful Additional Bidder"** has the meaning ascribed at paragraph 32, hereof;
- qq. **"Successful Bid"** has the meaning ascribed at paragraph 37, hereof;
- rr. **"Successful Bidder"** has the meaning ascribed in paragraph 37 hereof;
- ss. **"Superior Offer"** means a credible, reasonably certain and financially viable third party offer, or combination of offers, for:
 - i. the acquisition of all, substantially all, or certain of, the Property or Business contained in the Stalking Horse APA, or
 - ii. an investment, restructuring, recapitalization, refinancing or other form of reorganization of the Company, the terms of which offer are no less favourable and no more burdensome or conditional than the terms contained in the Stalking

Horse APA, and which at a minimum, alone, or in combination with other offers, includes:

1. a payment in cash in the minimum amount of the Stalking Horse Bid Amount, being \$1,250,000;
2. a payment in cash in the amount necessary to fully pay the aggregate of the Expense Reimbursement (in the amount of \$62,500) and Transaction Fee and the Receivership Obligations (which amount is currently estimated to be \$270,000), as at the closing of such transaction; and
3. a payment in cash or an assumption of liabilities to satisfy any and all Prior Charges as at the closing of such transaction, which amount is estimated to be \$100,000;

tt. **"Teaser"** has the meaning ascribed in paragraph 18 hereof;

uu. **"VDR"** has the meaning ascribed in paragraph 20 hereof;

vv. **"Winning Bid"** has the meaning ascribed at paragraph 37, hereof;

8. This SISF is intended to solicit interest in, and opportunities for either:

- a. a sale or combination of sales of all or substantially all of the Business or Property of the Companies, whether through an asset purchase, share purchase or a combination thereof (**"Sale Proposal"**); or
- b. for an investment in, restructuring, recapitalization, reorganization or refinancing of the Company or its Business (**"Investment Proposal"**);

(**"Opportunities"**, and each an **"Opportunity"**), or a combination of either.

9. The Receiver has entered into the Stalking Horse APA with the Stalking Horse Bidder, pursuant to which, if there is no Successful Bid from a party other than the Stalking Horse Bidder, the Stalking Horse Bidder will acquire that portion of the Property as is particularly detailed in the Stalking Horse APA. The Stalking Horse APA is attached to the Sale Process Order, as Schedule "I".

10. The Stalking Horse APA shall constitute a Qualified Bid for all purposes and at all times under this SISF.

11. The Stalking Horse APA has been entered into by the Receiver in furtherance of a competitive bidding process and all interested parties are encouraged to submit bids based on any form of Opportunity they may elect to advance pursuant to this SISF, including as a Sale Proposal or an Investment Proposal.

12. Certain bid protections, such as the Expense Reimbursement and Transaction Fee, have been approved under the Sale Process Order, in view of the Stalking Horse Bidder's efforts and agreements to date and to facilitate a full and transparent process for solicitation of Opportunities.

No other bidder may request or receive any form of bid protection as part of any offer made pursuant to this SISP.

SISP Procedure

13. The SISP set forth herein describes, among other things, the Property and the Business available for sale, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Property and the Business, the manner in which bidders and bids become Qualified Bidders and Qualified Bids, respectively, the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder and the Court's approval thereof. The Receiver shall administer the SISP. In the event that there is disagreement as to the interpretation or application of the SISP, the Court will have jurisdiction to hear and resolve such dispute.
14. The Receiver will use reasonable efforts to complete the SISP in accordance with the timelines as set out in **APPENDIX A** hereto. The Receiver shall be permitted to make such adjustments to the timeline that it determines are reasonably necessary, in its discretion.

As-Is, Where-Is

15. The sale of the Property and the Business will be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Receiver or the Companies, or any of their respective agents, except to the extent set forth in the relevant final sale agreement with a Successful Bidder. Any representations, warranties, covenants or indemnities shall not be materially more favourable than those set out in the Stalking Horse APA, except to the extent additional tangible monetary value of an equivalent amount is provided for such materially improved position.

Free of Any and All Claims and Interests

16. In the event of any sale(s), all of the rights, title and interests of the Companies in and to the Property and the Business to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there against (collectively the "**Claims and Interests**"), such Claims and Interests to attach to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), pursuant to an approval and vesting order made by the Court. The terms for the vesting out of Claims and Interests by a Successful Bidder other than the Stalking Horse Bidder shall not be materially more favourable to the Successful Bidder than those set out in the Stalking Horse APA, except to the extent additional tangible monetary value of an equivalent amount is provided for such materially improved position.

Publication of Notice and Teaser

17. As soon as reasonably practicable after the granting of the Sale Process Order by the Court, the Receiver shall cause a notice of the SISP and such other relevant information which the Receiver considers appropriate, to be published in The National Post, The Insolvency Insider, and such other publications as the Receiver considers appropriate.
18. A non-confidential teaser letter prepared by the Receiver (the "**Teaser**"), describing the Opportunity and the SISP will be made available by the Receiver to prospective purchasers and

will be posted on the Receiver's website as soon as practicable following the issuance of the SISP.

Approval Order

19. A Confidential Information Memorandum ("**CIM**") describing the opportunity to acquire the Property and the Business will be made available by the Receiver to prospective purchasers that have executed a non-disclosure agreement with the Receiver, in a form satisfactory to the Receiver, and as more particularly set-forth below.
20. The Receiver will establish and populate a virtual data room (the "**VDR**") with such materials as are made available by the Companies to the Receiver in connection with the Receivership and as may be relevant or material to prospective purchasers for the purpose of performing due diligence on the Property and the Business.

Participation Requirements

21. In order to participate in the SISP, each person interested in bidding on the Property and/or the Business (a "**Potential Bidder**") must deliver to the Receiver, at the address specified at paragraph 49 hereof (including by email or fax transmission), and prior to the distribution of any confidential information by the Receiver to a Potential Bidder (including the CIM and access to the VDR), an executed non-disclosure agreement in form and substance satisfactory to the Receiver, which shall inure to the benefit of any Successful Bidder that closes a transaction contemplated by the Successful Bid.
22. A Potential Bidder that has executed a non-disclosure agreement, as described above and who the Receiver determines has a reasonable prospect of completing a transaction contemplated herein, will be deemed a "**Qualified Bidder**" and will be promptly notified of such classification by the Receiver. For the avoidance of doubt, the Stalking Horse Bidder is a Qualified Bidder.

Due Diligence

23. The Receiver shall provide any person deemed to be a Qualified Bidder with a copy of the CIM, access to the VDR, and such reasonably requested and available additional due diligence materials and information relating to the Property and the Business as the Receiver, may be able to reasonably obtain and thereafter deems appropriate for further inclusion in the VDR.
24. The Receiver and its respective advisors make no representation or warranty as to the information contained in the CIM, the VDR, or other information to be provided through the due diligence process or otherwise, except to the extent otherwise expressly contemplated under any definitive sale agreement with a Successful Bidder executed and delivered by the Receiver and approved by the Court.

Seeking Qualified Bids from Qualified Bidders

25. A Qualified Bidder that desires to make a bid for the Property or Business must deliver written copies of a final, binding proposal (the "**Final Bid**") in the form of a fully executed purchase and sale agreement to the Receiver at the address specified at paragraph 49 hereof (including by email or fax transmission) so as to be received by it not later than 5:00 p.m. Calgary time on

November 24, 2023, or such other date or time as may be agreed by the Receiver (the "**Final Bid Deadline**").

Qualified Bids

26. A Final Bid will be considered a Qualified Bid only if it is submitted by a Qualified Bidder and the Final Bid complies with, among other things, the following (a "**Qualified Bid**");

- a. it contains:
 - i. a duly executed purchase and sale agreement; and
 - ii. a blackline of the executed purchase and sale agreement to the Stalking Horse APA, if it is a bid for any of the Property that is subject to the Stalking Horse APA;
- b. it includes a letter stating that the Final Bid is irrevocable until there is a selected Superior Offer, provided that if such Qualified Bidder is selected as the Successful Bidder, its Final Bid shall remain an irrevocable offer until the earlier of:
 - i. the completion of the sale to the Successful Bidder; and
 - ii. the Outside Date;
- c. it is not conditional upon obtaining financing, or it provides written evidence of a firm, irrevocable financial commitment for all required funding or financing;
- d. it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- e. it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a bank account specified by the Receiver), or such other form of payment acceptable to the Receiver, payable to the order of the Receiver in trust, in an amount equal to at least 10% of the total consideration in the Qualified Bid to be held and dealt with in accordance with this SISP;
- f. it is not conditional upon further or unperformed due diligence by the Qualified Bidder;
- g. it contains evidence of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body);
- h. it contains an agreement that the Qualified Bidder submitting such bid, if not chosen as the Successful Bidder, shall serve, without modification to such bid, as a Backup Bidder, in the event the Successful Bidder fails to close; provided, however, that the Stalking Horse Bidder shall not be required to serve as Backup Bidder, except to the extent that the Stalking Horse Bidder elects to submit a Minimum Incremental Overbid in the Auction;
- i. if it is a bid for the Property that is included in the Stalking Horse APA, or a portion thereof, the aggregate consideration to be paid by the Qualified Bidder, alone, or in combination with other Qualified Bids, exceeds the aggregate of the total consideration

payable pursuant to the Stalking Horse APA, by at least the Minimum Incremental Overbid;

- j. if it is a bid for the Property that is included in the Stalking Horse APA, or a portion thereof, the bid, or bids as the case may be, alone or in the aggregate, shall provide for:
 - i. immediately available funds sufficient to pay the Receivership Obligations in full, as at the date of closing;
 - ii. immediately available funds sufficient to pay the Stalking Horse Bid Amount in full, as at the date of closing; and
 - iii. immediately available funds sufficient to pay, or an assumption of liabilities in an amount sufficient to indefeasibly settle, in full, all applicable Prior Charges; and
 - iv. immediately available funds to pay the Expense Reimbursement and Transaction Fee in full; and
 - k. it is received by the Final Bid Deadline.
27. The Receiver may, in its discretion, waive compliance with any one or more of the requirements specified herein and deem any non-compliant bid to be a Qualified Bid.
28. The Receiver may, following the receipt of any bid, seek clarification with respect to any of the terms or conditions of such bid and/or request and negotiate one or more amendments to such bid prior to determining if the bid should be considered a Qualified Bid.
29. The Receiver shall notify each Qualified Bidder in writing as to whether its bid constitutes a Qualified Bid within five Business Days of the Final Bid Deadline, or at such later time as the Receiver deems appropriate.

Stalking Horse APA

30. The purchase price for the Property and the Business identified in the Stalking Horse APA includes:
- a. a non-cash credit bid of up to \$1,250,000 (the “**Stalking Horse Bid Amount**”), as specified in the Stalking Horse APA, resulting in that portion of the Senior Debt being satisfied in exchange for the acquisition of certain of the Property by the Stalking Horse Bidder; and
 - b. consideration in an amount sufficient to pay in full in cash on closing, or through the assumption of liabilities, all Prior Charges, which consideration may be in the form of cash already comprising a portion of the Property, and which amount will reduce the non-cash credit bid portion of the purchase price, such that the aggregate purchase price remains \$1,250,000.

No Superior Offers

31. If none of the Qualified Bids, or combination thereof, received constitute a Superior Offer, the sale to the Stalking Horse Bidder under the Stalking Horse APA, and the vesting of title to the Property that is the subject of the Stalking Horse APA in the name of the Stalking Horse Bidder, shall be completed by the delivery by the Receiver of a certificate under the applicable stalking horse sale approval order.

Selection of Additional Successful Bid

32. If none of the Qualified Bids received relate to the same Property subject to the Stalking Horse APA (each an “**Additional Bid**”), the Receiver shall review and evaluate each Additional Bid and identify the highest or otherwise best bid (the “**Successful Additional Bid**”, and the Qualified Bidder making such Successful Additional Bid, the “**Successful Additional Bidder**”).
33. Any Successful Additional Bid shall be subject to approval by the Court in accordance with paragraph 40 hereof.

If a Superior Offer is Received

34. If the Receiver determines that one or more, or a combination thereof, of the Qualified Bids constitutes a Superior Offer, the Receiver shall provide the parties making Superior Offer(s) and the Stalking Horse Bidder the opportunity to make further bids through the auction process set out below (the “**Auction**”).
35. The Receiver will provide unredacted copies of the Qualified Bid(s) which the Receiver believes is (individually or in the aggregate) the highest or otherwise best Qualified Bid(s) (the “**Starting Bid**”) to the Stalking Horse Bidder and to all Qualified Bidders that have made a Superior Offer, prior to 5:00 p.m. (MST) on November 24, 2023. Prior to 12:00 p.m. (MST) on November 28, 2023, each Qualified Bidder that has made a Superior Offer and the Stalking Horse Bidder, must inform the Receiver whether it intends to participate in the Auction (the parties who so inform the Receiver being hereinafter referred to as the “**Auction Bidder(s)**”).

Auction

36. In the event that the Auction is required in accordance with the terms of this SISP, it shall be conducted in accordance with the procedures set forth in this paragraph:
- a. The Auction shall commence at 10:00 a.m. (Calgary time) on November 30, 2023, at the Calgary offices of KSV Restructuring Inc., at Suite 1165, 324 – 8th Avenue SW, Calgary Alberta, or such other place and time as determined by the Receiver and communicated reasonably in advance to all entities entitled to attend at the Auction.
 - b. The Auction shall continue thereafter until completed, subject to such adjournments as the Receiver may consider appropriate.
 - c. Notwithstanding the foregoing, if circumstances do not permit the Auction to be held in person, the Receiver shall work with the parties entitled to attend the Auction to arrange for the Auction to be held via videoconference or teleconference, or such other reasonable means as the Receiver deems appropriate.

- d. The Receiver may cancel or postpone the Auction, if it determines such action to be necessary, in its discretion.
- e. Except as otherwise set forth herein, the Receiver may waive and/or employ and announce at the Auction additional rules that are reasonable under the circumstances for conducting the Auction, provided that such rules are:
 - i. not inconsistent with the Receivership Order, the SISP, or any other order of the Court entered in connection with the receivership proceedings;
 - ii. disclosed to each Auction Bidder; and
 - iii. designed, in the Receiver's discretion, to result in the highest and otherwise best offer.
- f. Except as otherwise permitted in the Receiver's discretion, only the Receiver and the Auction Bidders, and in each case their respective professional advisors, shall be entitled to attend the Auction. All Auction Bidders must have at least one individual representative with authority to bind such Auction Bidder present at the Auction.
- g. The Receiver shall arrange for the actual bidding at the Auction to be transcribed or recorded. Each Auction Bidder participating in the Auction shall designate a single individual to be its spokesperson during the Auction.
- h. Each Auction Bidder must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with the Companies, the Receiver, or any other person, regarding the SISP or any information that has not been disclosed to all other Auction Bidders.
- i. Only the Auction Bidders will be entitled to make any Subsequent Bids at the Auction; provided, however, that in the event that any Qualified Bidder elects not to attend and/or participate in the Auction, such Qualified Bidder's Qualified Bid, shall nevertheless remain fully enforceable against such Qualified Bidder if it is selected as the Winning Bid.
- j. All Subsequent Bids presented during the Auction shall be made and received in one room on an open basis. All Auction Bidders will be entitled to be present for all Subsequent Bids at the Auction with the understanding that the true identity of each Auction Bidder at the Auction will be fully disclosed to all other Auction Bidders at the Auction and that all material terms of each Subsequent Bid will be fully disclosed to all other Auction Bidders throughout the entire Auction.
- k. Bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by an Auction Bidder (a "**Subsequent Bid**") that the Receiver determines is: (A) for the first round, a higher or otherwise better offer than the Starting Bid; and (B) for subsequent rounds, a higher or otherwise better offer than the Leading Bid; in each case by at least the Minimum Incremental Overbid.

- I. Each bid at the Auction must exceed the Starting Bid or the Leading Bid, as the case may be, by at least the Minimum Incremental Overbid. A Subsequent Bid, increased by at least the Minimum Incremental Overbid, may be increased through any of:
 - i. in the case of the Stalking Horse Bidder, the further reduction of Senior Debt, if applicable; or
 - ii. in the case of any Subsequent Bid, including a bid by the Stalking Horse Bidder, the payment of additional cash or additional tangible monetary value of an equivalent amount;
- m. After the first round of bidding and between each subsequent round of bidding, the Receiver shall announce the bid, or combination of bids, (including the aggregate value, including assumed liabilities, if any, and material terms thereof) that it believes to be the highest or otherwise best offer(s) (the “**Leading Bid**”). A round of bidding will conclude after each Auction Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid in that round.
- n. The Stalking Horse Bidder shall be permitted, in its sole discretion, to submit Subsequent Bids, provided however, that such Subsequent Bids are made in accordance with these Auction rules.
- o. To the extent not previously provided (which shall be determined by the Receiver), an Auction Bidder submitting a Subsequent Bid must submit, at the Receiver’s discretion, as part of its Subsequent Bid, written evidence (in the form of financial disclosure or credit quality support information reasonably acceptable to the Receiver), demonstrating such Auction Bidder’s financial wherewithal and ability to close the transaction proposed by the Subsequent Bid. If the Stalking Horse Bidder submits a Subsequent Bid, this paragraph shall only apply to the Stalking Horse Bidder if the cash portion of the Purchase Price in the Stalking Horse Bidder’s Subsequent Bid is in excess of the cash portion of the Purchase Price in the Stalking Horse APA.
- p. The Receiver reserves the right to make one or more adjournments in the Auction of not more than 24 hours each, to among other things:
 - i. facilitate discussions between the Receiver and the Auction Bidders;
 - ii. allow individual Auction Bidders to consider how they wish to proceed;
 - iii. consider and determine the current highest and best offer(s) at any given time in the Auction; and
 - iv. give Auction Bidders the opportunity to provide the Receiver with such additional evidence as the Receiver, in its discretion, may require, to demonstrate the Auction Bidder (including, as may be applicable, the Stalking Horse Bidder) has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Leading Bid amount.
- q. If, in any round of bidding, no new Subsequent Bid is made, the Auction shall be closed.

- r. The Auction shall be closed within 5 Business Days of the start of the Auction unless extended by the Receiver.
 - s. No bids (from Qualified Bidders or otherwise) shall be considered after the conclusion of the Auction.
37. At the end of the Auction, the Receiver shall select the winning bid, or combination of winning bids, in its discretion (the “**Winning Bid**”). The Receiver will negotiate a definitive agreement in respect of the Winning Bid, in accordance with the provisions hereof, and the Winning Bid shall thereafter be the “**Successful Bid(s)**” (the person(s) who made the Successful Bid(s), being the “**Successful Bidder(s)**”). If the Stalking Horse Bidder is not a Successful Bidder, the Receiver shall pay to the Stalking Horse Bidder the Expense Reimbursement and Transaction Fee out of the proceeds of the closing of the Successful Bid(s).
38. Notwithstanding anything in this SISP to the contrary, if an Auction is conducted, the Qualified Bidder with the second highest or otherwise best Qualified Bid at the Auction, as determined by the Receiver, will be designated as the backup bidder (the “**Backup Bidder**”); provided that the Stalking Horse Bidder shall not be a Backup Bidder, unless it elects to provide a Minimum Incremental Overbid in the Auction.
39. The Backup Bidder shall be required to keep its initial Qualified Bid, or if the Backup Bidder submitted one or more Minimum Incremental Overbids at the Auction, the Backup Bidder’s final Minimum Incremental Overbid (the “**Backup Bid**”), open until the earlier of: i) two Business Days after the date of closing of the Successful Bid; and ii) the Outside Date.

Approval Motion

40. The Receiver shall apply to the Court (the “**Approval Motion**”) for an order (the “**Sale Approval and Vesting Order**”) approving the Successful Bid, the Successful Additional Bid (if applicable), and the Backup Bid (if applicable), and authorizing the Receiver to enter into any and all necessary agreements with respect to the Successful Bidder, the Successful Additional Bidder, and/or the Backup Bidder, as the case may be, as well as an order vesting title to the Property subject to such bid or bids in the name of the Successful Bidder, the Successful Additional Bidder, and/or the Backup Bidder as the case may be.
41. The Approval Motion will be held on a date to be set by the Receiver, through coordination with the Court. The Approval Motion may be adjourned or rescheduled by the Receiver without further notice by an announcement of the adjourned date at the Approval Motion or in a notice to the Receiver’s compiled service list prior to the Approval Motion.
42. All Qualified Bids and Subsequent Bids (other than the Successful Bid, the Successful Additional Bid, and/or the Backup Bid, as the case may be) shall be deemed rejected on and as of the date and granting of the Sale Approval and Vesting Order by the Court, but not before, and shall remain open for acceptance until that time.

Deposits

43. All Deposits shall be retained by the Receiver and invested in a non-interest bearing trust account. If there is a Successful Bid or a Successful Additional Bid, the Deposit paid by the Successful Bidder or Successful Additional Bidder, whose bid is approved at the Approval Motion,

shall be applied to the purchase price to be paid by the Successful Bidder or the Successful Additional Bidder, as the case may be, upon closing of the approved transaction and will be non-refundable. The Deposits of Qualified Bidders not selected as either a Successful Bidder or a Successful Additional Bidder shall be returned to such bidders within five (5) Business Days of the date upon which the Sale Approval and Vesting Order is granted by the Court. If there is no Successful Bid, all Deposits shall be returned to the bidders within five (5) Business Days of the date upon which this SISP is terminated in accordance with these procedures.

Approvals

44. For greater certainty, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the applicable law in order to implement a successful Bid.

Confidentiality

45. Apart from as required in connection with any Auction or Approval Motion, wherein the Receiver will file a report to the Court in its discretion disclosing such information and materials as the Receiver deems warranted in its discretion, the Receiver will not publicly disclose: i) the identity of any Potential Bidder or Qualified Bidder (other than the Stalking Horse Bidder); or ii) the terms of any bid, Sale Proposal, Investment Proposal or Qualified Bid (other than the Stalking Horse APA), with any other bidder (including, without limitation, the Stalking Horse Bidder) without the express written consent of such party (including by way of e-mail).

Further Orders

46. At any time during the SISP, the Receiver may apply to the Court for advice and directions with respect to any aspect of the SISP, including but not limited to the termination thereof, or the discharge of its powers and duties.

Amendments

47. This SISP shall be interpreted so as to comply and be consistent with any applicable laws and regulations and may be amended at any time with the approval of the Receiver to the extent necessary or advisable to comply with same.
48. The Receiver may modify the SISP and the deadlines set out herein if such modification, in its discretion, will enhance the process or better achieve the objectives of the SISP.

Notices

49. Correspondence and notices, including relating to this SISP and bidding herein, may be directed to the Receiver as follows:

KSV Restructuring Inc., in its capacity as receiver and manager of
Pathway Health Corp. and Pathway Health Services Corp.
1165, 324 – 8th Avenue S.W.
Calgary, Alberta T2P 2Z2
Attention: Ross Graham
Email: rgraham@ksvadvisory.com

with a copy to:

Burnet, Duckworth & Palmer LLP

2400, 525 – 8 Avenue S.W.

Calgary, Alberta T2P 1G1

Attention: Ryan Algar

Email: ralgar@bdplaw.com

APPENDIX "A"

**to the Procedure for the Sales and Investment Solicitation Process of
Pathway Health Corp and Pathway Health Services Corp.**

Proposed Milestone	Deadline
Commencement of SISP (Distribution of Teaser)	October 24, 2023
Bid Deadline	November 24, 2023
Selection of Qualified Bids	November 28, 2023
Auction (if required)	November 30, 2023
Closing Date Deadline	December 7, 2023

SCHEDULE 1
Stalking Horse Asset Purchase Agreement

Schedule 2.1
Purchased Assets
(see attached)

Schedule 2.1(a)
Prepaid Expenses

Prepaid Expenses

Pathway Health Corp.

- Prepaid Expenses – CNW Group – Invoice M0276782 (Balance \$4,099.95 at July 31, 2023 – 5 months remaining)
- Prepaid Expenses – Red Cloud – Invoice PHC.V2308 (Balance \$5,000 at July 31, 2023 – 1 month remaining)
- Prepaid Expenses – HR Downloads – Invoice 113597 (Balance \$304.88 at July 31, 2023 – 7 months remaining)
- Prepaid Insurance – BFL Canada – Policy #8619006-01/#DOX596712 (Balance \$54,779 at July 31, 2023 – 5 months remaining)

Pathway Health Services Corp.

- Prepaid Expense – HR Downloads – Invoice 113597 (Balance \$2,692.88 at July 31, 2023 – 7 months remaining)
- Prepaid Insurance – Gallagher Insurance – Policy P-PEN-CYBCA-01700042 (Balance \$2,232.97 – 3 months remaining)

Schedule 2.1(b)

Transferred Contracts

Transferred Contracts

Licensed Producer (LP) Contracts

The medical cannabis education and service agreements with the cited LPs for the payment of related fees. Some were originally signed with The Clinic Network Canada Inc. (**TCNC**) and then assigned to Pathway Health Services Corp. (**PHSC**) when PHSC (then called Pathway Health Corp.) acquired TCNC in June 2021. These agreements are with the LPs below:

1. The client and education services agreements with Emblem Cannabis Corporation executed on May 1, 2020 and the addendum of July 25, 2020, executed TCNC and assigned to PHSC.
2. The services agreement with Canopy Growth Corporation executed on December 16, 2020 with TCNC and assigned to PHSC.
3. The patient education agreement with Aphria Inc. executed on February 1, 2020 with TCNC and assigned to PHSC. This agreement was subsequently assumed by Tilray Inc. in October 2021 when Tilray acquired Aphria Inc.
4. The clinic services agreement with Aurora Cannabis Enterprises executed on September 18, 2020 with TCNC and assigned to PHSC.
5. The clinic services agreement with Avicanna Inc. executed on July 17, 2023 with PHSC. This was as a result of Avicanna acquiring the SDM medical cannabis business unit and a new contract was completed.
6. The education fees agreement with Canna Farms Limited executed on June 21st, 2021 with PHC and subsequently assigned to PHSC. This agreement was assumed by Medipharma Inc. when they acquired Canna in May 2023.

Service Agreements

All Contracts that are of the nature of service agreements with the following counterparties:

- Amazon (Cables, Webcam, etc)
- Adobe AcroPro Sub
- Amazon Web Services
- Atlassian
- Cloud Practice
- DoxyMe Telemedicine OCC - USD x 1.358 exchange
- Go Daddy
- GoToMeeting
- HR Downloads
- HubSpot Inc
- Intakeq.com OCC
- Longview/ Emails
- Mailchimp
- Mailgun Technologies
- Microsoft

- Quickbooks
- RYCHI Systems
- Signority Inc OCC
- www.talentlms.com - USD x 1.358 exchange
- WP Engine

Pharmacy Contracts

MCMS Pharmacy Cannabis Program Agreements with Independent Pharmacies that include: Cover Page, terms & Conditions, Education Fee and Additional Terms and Conditions. These agreements are for the Pharmacies below:

Count	Legal Name	Operating Name (if applicable)	P-Code	Operating Status
NON-CARE GROUP PHARMACIES				
1	Jalaram Holdings Limited	Unicare Pharmacy of Mississauga	P-01	Open
2	One Eva Pharmacy Inc.	One Eva Pharmacy	P-02	Open
3	871278 Ontario Limited	Unicare Pharmacy	P-03	Open
4	Jaicee Enterprises Inc.	Father Tobin Pharmacy	P-04	Open
5	Ceejai Enterprises Inc.	Sandalwood Care Pharmacy	P-05	Open
6	2606050 Ontario Inc.	Squire Ellis Pharmacy	P-06	Open
7	899103 Ontario Inc	Glen Cade Pharmacy	P-07	Open
8	Saint Peter Pharmacy Care Ltd.	I.D.A. St. Peter Pharmacy	P-08	Open
9	Peckett's Drug Ltd	I.D.A. Pecketts Pharmacy	P-09	Open
10	Barton Drug Mart Inc.	John Drug Mart IDA Pharmacy	P-10	Open
11	New Day Barton Inc.	New Day Barton IDA Pharmacy	P-11	Open
12	Gace Pharm LTD	Welcome Guardian Pharmacy	P-110	Open
13	St Marina & Pope Kyrillos Pharmacy Inc	Pharmasave Allandale	P-111	Open
14	St. Holos Pharmacy Inc.	BDR Drug Mart	P-112	Open
15	St. Angelos Pharmacy Inc.	Pharmasave Burford Pharmacy	P-113	Open
16	Orillia Community Care Inc.	Orillia Pharmacy Ltd	P-114	Open
17	St. Jacob Pharmacy Inc.	Bancroft IDA Drug Mart	P-115	Open
18	Port Stanley Pharmacy Inc.	IDA Highland Drug Mart	P-116	Open
19	St. Shishoy Pharmacy Inc.	Team Drugs	P-117	Open
20	Nathan Community Pharmacy Inc.	Pharmasave Simcoe	P-118	Open
21	St. Luke Pharmacy Inc.	Lane Family Pharmacy	P-119	Open
22	Advanced Medical Pharmacy Ltd.	Advanced Pharmacy	P-12	Open
23	J.I.M. Pharmacy Inc.	Lingeman Pharmacy	P-120	Open
24	Highland Community Healthcare Drugs Ltd.	Highland Pharmacy	P-121	Open
25	St. Abraham Pharmacy Inc.	The Pharmacy On King	P-122	Open
26	J&J Pharmacy Inc.	Creston Pharmasave	P-123	Open
27	1146047 B.C Ltd.	Pharmasave Cranbrook	P-124	Open
28	1146055 B.C Ltd.	Pharmasave Health Centre	P-125	Open
29	St. Feltaous Canada Inc.	Port Hope Pharmasave	P-126	Open
30	J & I Pharmacy Inc.	Pharmasave # 129	P-127	Open
31	St. Fam Community Pharmacy Inc.	Barrie Downtown Pharmacy inc.	P-128	Open
32	I & J Pharmacy Inc.	Campus Drugmart	P-129	Open

33	KND Care Corporation Inc.	Nixon Pharmacy	P-13	Open
34	2383788 Ontario Corp.	Lormel Pharmacy	P-130	Open
35	2520099 Ontario Inc.	Wilson Bathurst Pharmacy	P-131	Closed
36	1545706 ONT INC	Unionville Guardian Pharmacy	P-132	Open
37	Blue Rose Pharmacy Inc.	Blue Rose Pharmacy	P-133	Open
38	J& Bashta Drugs Ltd	Brodies Drug Store	P-134	Open
39	Danny's Drugstore Inc.	Danny's Drug Store	P-135	Open
40	A.Karas Drugs Ltd	Heritage Park Pharmacy	P-136	Open
41	2051351 Ontario Inc	Kennedy Road Pharmacy	P-137	Open
42	Courtland Pharmacy Inc.	Pharmasave	P-138	Open
43	West Hill Pharma Care Inc	West Hill Pharmasave	P-139	Open
44	JPH Pharmaceuticals Inc.	Robinson's Pharmasave	P-14	Open
45	Nera Pharmacy Inc.	A+ Compounding Pharmacy	P-140	Open
46	A.&B. Drugs Ltd.	Pickering Medical Pharmacy	P-141	Open
47	A.&B. Drugs Ltd.	Main Drug Mart	P-142	Open
48	Panacea Pharmaceuticals Ltd.	Whitby Medical Pharmacy	P-143	Open
49	Healing Hands Pharmaceuticals Inc.	Main Drug Mart	P-144	Open
50	Trinity Limited	Trinity Drug Store	P-145	Open
51	Chatham Centre Pharmacy Inc.	Chatham Centre Pharmacy	P-146	Closed
52	McGregor Medical Pharmacy Inc.	McGregor Medical Pharmacy	P-147	Open
53	Red Lake Pharmacy Limited	Red Lake Pharmacy	P-148	Open
54	Ear Falls Pharmacy Inc.	Ear Falls Pharmacy	P-149	Open
55	Solarski Welcome Pharmacy Inc.	Solarski IDA Pharmacy	P-15	Closed
56	Keewatin Family Pharmacy Inc.	Keewatin Pharmacy	P-150	Open
57	Ignace Medical Pharmacy Inc.	Ignace Medical Pharmacy	P-151	Open
58	Dryden Pharmacy Inc.	Dryden Pharmacy	P-152	Open
59	Banwell Pharmacy Inc.	Banwell Pharmacy	P-153	Open
60	Main Street Pharmacy Kingsville Inc.	Main Street Pharmacy and Wellness Centre	P-154	Open
61	Carleton Place Drugmart Inc	Stittsville IDA Pharmacy	P-155	Open
62	Carleton Place Drugmart Inc	Carleton Place IDA Drugmart	P-156	Open
63	Carleton Place Drugmart Inc	Richmond IDA Pharmacy	P-157	Open
64	Greenbank Hunt Club Pharmacy Inc.	Greenbank Hunt Club Pharmacy	P-158	Open
65	Carx Drugs Limited	Burnham Medical Pharmacy	P-159	Open
66	Solarski Welcome Pharmacy Inc.	Welcome Guardian Drug	P-16	Open
67	Neighbour's Care Pharmacy Inc.	Snowdon Pharmacy	P-160	Open
68	Lakefront Medical Pharmacy Ltd.	Lakefront Medical Pharmacy	P-161	Open
69	Sudbury Pharmacare Inc.	North Care Medical Pharmacy	P-162	Open
70	Metcalfe Pharmacare Inc.	Metcalfe Pharmacy	P-163	Open
71	Harmony Valley Pharmacy Inc.	Harmony Valley Pharmacy	P-164	Open
72	1995983 Ontario Inc.	Embrun Compounding Pharmacy	P-165	Open
73	2335399 Ontario Inc.	Bowen's Pharmacy	P-166	Open

74	Campbell Drug Stores Limited	Pharmacy Go Caledonia	P-167	Open
75	Campbell Drug Stores Limited	Pharmacy Go Kingston	P-168	Open
76	Campbell Drug Stores Limited	Pharmacy Go Glenridge	P-169	Open
77	Karn Ontario Inc.	Lotus Pharmacy	P-17	Open
78	1877464 Ontario Inc.	Lotus Pharmacy	P-18	Open
79	Roulston's Discount Drugs Limited	Roulston's Pharmacy - Simcoe	P-19	Open
80	Roulston's Discount Drugs Limited	Roulston's Pharmacy - Port Dover	P-20	Open
81	Roulston's Discount Drugs Limited	Roulston's Pharmacy - Delhi	P-21	Open
82	Roulston's Discount Drugs Limited	Roulston's Pharmacy - Simcoe	P-22	Open
83	Davisville Care Pharmacy Inc.	Welcome Guardian Pharmacy	P-23	Open
84	Peninsula Pharmacy Inc.	Peninsula Pharmacy	P-24	Open
85	Community Care Pharmacy Inc.	Community Care Pharmacy	P-25	Open
86	McKenzie's Pharmacy Limited	Bayside Pharmacy	P-26	Open
87	McKenzie's Pharmacy Limited	McKenzie's Pharmacy Limited	P-27	Open
88	McIntyre Pharmacy Ltd	McIntyre Pharmacy Ltd	P-28	Open
89	TLC Pharmacy Limited	IDA TLC Pharmacy	P-29	Open
90	Forest Glade Pharmacy Ltd.	Forest Glade Pharmacy	P-30	Open
91	Fontainebleu Phcy Windsor Ltd	Fontainebleu Pharmacy	P-31	Open
92	1164858 Ontario Limited	IDA Perscription Centre	P-32	Open
93	Frank Murgic Drugs Ltd.	Wesminster IDA Prescription Centre	P-33	Open
94	2222399 Ontario Limited	Moy Pharmacy /Moy Perscription Centre	P-34	Closed
95	2000118 Ontario Limited	Sandwich IDA Pharmacy	P-35	Open
96	2426950 Ontario Limited	Kingsville IDA Pharmacy	P-36	Open
97	Sauble Pharmacies Ltd.	Sauble Pharmacy	P-37	Open
98	2399144 Ontario Inc	Elite Care Pharmacy	P-38	Open
99	Miraculum Pharmaceuticals Ltd.	Guardian A&B Pharmacy	P-39	Open
100	Saint Anthony and Pope Shenouda Pharmaceuticals Ltd.	Glencoe Pharmacy	P-40	Open
101	Gaby and Caros Pharmaceuticals Ltd.	Etobicoke Primary Care Pharmacy	P-41	Open
102	N&B Pharmaceuticals Ltd	Victoria Pharmacy	P-42	Open
103	St. George Martindale Pharmacy Inc.	Martindale IDA Pharmacy	P-43	Open
104	Nasr Pharmaceuticals Ltd.	Exeter Guardian Pharmacy	P-44	Open
105	Midland Apothecaries Ltd	Midland Clinic IDA Pharmacy	P-45	Open
106	Towne Pharmacy Ltd.	Primary Care Pharmacy	P-46	Open
107	Ottawa Apothecaries Ltd.	St-Denis Hawkesbury Pharmacy	P-47	Open
108	Iriny and Engy Pharmaceutical Ltd.	Cims Pharmacy	P-48	Open
109	St. Caras and St. Faltaus Corp.	King Cove IDA Pharmacy	P-49	Open
110	Penetang Apothecaries Ltd.	Whitfield's Guardian Pharmacy	P-50	Open
CARE GROUP PHARMACIES				
111	Georgian Apothecaries Limited	Arcade and Jory Guardian Pharmacy	P-CG1	Open

112	Coniston Drugs Limited	Gibsons Pharmacy Ltd.	P-CG10	Closed
113	Gore Bay Pharmacare Inc.	Robertson's Drug Store	P-CG11	Open
114	Hamilton Drug Limited	Havelock Pharmacy	P-CG12	Open
115	Infusicare Canada Inc.	InCare Health Pharmacy	P-CG13	Open
116	Innovation Pharmacare Inc.	Innovation Pharmacy	P-CG14	Open
117	J.T. Hanna Pharmacist Professional Corporation	Centrepont IDA Pharmacy	P-CG15	Open
118	KB Falls Pharmacare Inc.	Kekabeka Falls Pharmacy	P-CG16	Open
119	KB Falls Pharmacare Inc.	Kenneth St. Pharmacy Ltd.	P-CG17	Open
120	KB Falls Pharmacare Inc.	Lake Cowichan Village Pharmacy Ltd.	P-CG18	Open
121	Limoges Pharmacare Ltd.	Pharmacie Limoges Guardian Pharmacy	P-CG19	Open
122	Georgian Apothecaries Limited	Armstrong Pharmacy Ltd.	P-CG2	Open
123	London Pharmacare Inc.	London Care Pharmacy	P-CG20	Open
124	London Pharmacare Inc.	Lucas Drugs Ltd.	P-CG21	Open
125	London Pharmacare Inc.	Manning Pharmacare Inc	P-CG22	Open
126	MEDPOINT PHARMACARE INC.	Medpoint Care Pharmacy	P-CG23	Open
127	539407 Ontario Inc.	Marathon Drug Associates	P-CG24	Open
128	Georgian Apothecaries Limited	Midland Guardian Pharmacy	P-CG25	Open
129	Scarborough Pharmacare Inc.	Morrish Pharmacy	P-CG26	Open
130	Ottawa Pharmacare (2016) Ltd.	New Edinburgh Pharmacy	P-CG27	Open
131	Newmarket Pharmacare Inc.	New Care Pharmacy	P-CG28	Open
132	Newmarket Pharmacare Inc.	Northeast Medical Pharmacy	P-CG29	Closed
133	Chelmsford Drug Mart Ltd.	Chelmsford IDA Pharmacy	P-CG3	Open
134	Newmarket Pharmacare Inc.	Pemberton Pharmacy Ltd.	P-CG30	Open
135	Point Edward Pharmacare Inc.	The Point Care Pharmacy	P-CG31	Open
136	Point Edward Pharmacare Inc.	Shawnigan Lake Pharmacy Ltd	P-CG32	Open
137	Point Edward Pharmacare Inc.	Suncoast Pharmacy Ltd.	P-CG33	Open
138	Terrace Bay Pharmacare Inc.	Stewart Pharmacy	P-CG34	Open
139	Thunder Bay Pharmacare Ltd.	Thunder Bay Care Pharmacy	P-CG35	Open
140	Tillsonburg Care Pharmacy Ltd	Tillsonburg Care IDA Pharmacy	P-CG36	Open
141	Tillsonburg Care Pharmacy Ltd	Transcona Pharmacare LTD.	P-CG37	Open
142	Dalhousie Pharmacy Ltd.	Urban Care Pharmacy	P-CG38	Open
143	Dalhousie Pharmacy Ltd.	View Royal Pharmacy Ltd.	P-CG39	Open
144	Chelmsford Drugs Limited	Chelmsford Pharmacy	P-CG4	Open
145	Wasaga Beach Pharmacy Limited	Wasaga Beach IDA Pharmacy	P-CG40	Open
146	York Pharmacare Inc.	York Care Pharmacy	P-CG41	Open
147	Belmont Pharmacare Inc.	Belmont Pharmacy	P-CG42	Open
148	Chelmsford Drugs Limited	Cobble Hill Pharmacy Ltd	P-CG5	Open
149	Coniston Drugs Limited	Coniston Pharmacy	P-CG6	Open
150	Coniston Drugs Limited	Enderby Pharmacy Ltd.	P-CG7	Open
151	Coniston Drugs Limited	Festubert Pharmacy Ltd.	P-CG8	Open

The Pharmacy Corporations that have executed MCMS agreements include:

1. The Collaboration Agreement effective as of the 30th day of November 2021, with Metro Ontario Pharmacies Limited, related to MCMS services for their 84 Pharmacies in Ontario.
2. The Collaboration Agreement effective as of the 1st day of October 2022, with Neighbourly Pharmacy Operations Inc., related to MCMS services for their 12 Lovell Drugmart and 35-50 additional Pharmacies outside of Ontario in a pilot project.
3. The Collaboration Agreement effective as of the 26th day of October 2020, with Sobeys Capital Incorporated, related to MCMS services for their Sobeys, Safeway and Lawtons Drug pharmacies across Canada.
4. The Collaboration Agreement effective as of the 30th day of December 2020, with Pharmachoice Canada Inc., related to MCMS services for their Pharmachoice/ HealthMed pharmacies across Canada.

[Lease Agreements](#)

The lease agreement in respect of the premises located at 10 Four Season Place, Unit 1068, Etobicoke, Ontario M9B 6E5

Schedule 2.1(d)
Intellectual Property

Trademarks, Logos, Source code, & Domains

Source code & Domain:

- Biotracker
- Cannrx
- Canntacker
- Medtracker
- My spark APP

Domain



Domain Name	Status	Expiration Date	Auto-renew	Privacy	Forwarding URL	Lock
cliniquenaturemedic.ca	Active	2023-12-20	On	-		Locked
involved.academy	Active	2024-04-30	On	On		Locked
involvedmed.com	Active	2024-11-03	Off	On		Locked
involvedmedicine.ca	Active	2023-10-29	Off	-		Locked
irphealth.ca	Active	2023-11-05	On	-		Locked
marijuanaaccesscanada.ca	Active	2024-01-20	On	-	http://theclinicnetwork.ca	Locked
marijuanaaccesscanada.com	Active	2024-01-20	On	On	http://theclinicnetwork.ca	Locked
mcmspharm.ca	Active	2023-11-23	On	-	http://mcmspharm.com	Locked
mcmspharm.com	Active	2023-11-23	On	On		Locked
nacmedical.com	Active	2024-07-21	On	On	https://theclinicnetwork.ca	Locked
naturalhealthrx.ca	Active	2023-11-15	On	-		Locked
naturalhealthservices.ca	Active	2024-07-24	On	-	http://theclinicnetwork.ca	Locked
naturemedic.ca	Active	2023-11-24	On	-		Locked
nhslocal.ca	Active	2024-02-04	On	-		Locked
ocannabisclinic.ca	Active	2024-06-03	On	-	http://ocannabisclinic.com	Locked
ocannabisclinic.com	Active	2024-06-03	On	On		Locked
pathwayhealth.clinic	Deleted - Redeemable	2023-08-10	Off	On	https://pathwayhealth.ca	Locked
pathwayhealth.services	Expired domain hold	2023-08-22	Off	On	https://pathwayhealth.ca	Locked

pathwayhealth.shop	Active	2024-04-26	Off	On	https://pathwayhealth.ca	Unlocked
pathwayhealthcorp.ca	Active	2024-10-08	Off	-	https://pathwayhealth.ca	Locked
pathwayhealthcorp.com	Active	2023-10-08	Off	On	http://pathwayhealth.ca	Locked
rehabandperform.com	Active	2024-02-04	On	On	http://irphealth.ca	Locked
silverpaincare.ca	Active	2024-05-25	On	-	http://silverpaincentre.ca	Locked
silverpaincare.com	Active	2024-05-24	On	On	http://silverpaincentre.ca	Locked
silverpaincentre.ca	Active	2024-12-07	On	-		Locked
silverpaincentre.com	Active	2023-12-07	On	On	http://silverpaincentre.ca	Locked
slawnerortho.com	Pending Transfer Away	2024-01-30	On	Off		Unlocked
tcn.academy	Active	2023-11-28	On	On		Locked
theclinic.network	Active	2024-08-24	On	On		Locked
THECLINICNETWORK.CA	Active	2024-05-21	On	-		Locked

Trademark Registrations

Mark	Jurisdiction	Registration Number	Registration Date	Registered Owner
PURE CLINICS	CANADA	959503	Registered 2017-01-06	The Clinic Network Canada Inc.
MCMS	CANADA	1088068	Registered 2020-11-19	The Clinic Network Canada Inc.
LET'S TALK ANSWERS	CANADA	990917	Registered 2018-02-16	The Clinic Network Canada Inc.
NATIONAL ACCESS CANNABIS MEDICAL & HORIZONTAL DESIGN: 	CANADA	1087915	Registered 2020-11-18	The Clinic Network Canada Inc.

Trademark Applications

Mark	Jurisdiction	Application Serial Number	Filing Date	Applicant
<p>NATIONAL ACCESS CANNABIS MEDICAL & VERTICAL DESIGN:</p>  <p>NATIONAL ACCESS CANNABIS MEDICAL</p>	CANADA	1917106	Filed 2018-08-28	The Clinic Network Canada Inc.
<p>MEDICAL CANNABIS MANAGEMENT SYSTEM LOGO:</p> 	CANADA	1917108	Filed 2018-08-28	The Clinic Network Canada Inc.
<p>NATIONAL ACCESS CANNABIS MEDICAL INC.</p>	CANADA	1899181	Filed 2018-05-15	The Clinic Network Canada Inc.

Schedule 2.1(f)
Insurance

Insurance

Pathway Health Corp – BFL Canada – Policy – 8619006-01

Pathway Health Corp – BFL Canada – Policy – DOX596712

Pathway Health Services Corp - Gallagher Insurance – Policy – P-PEN-CYBA-0170042