



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP

COURT FILE NO.: CV 22 689857 DATE: 17 November 2022

NO. ON LIST: 1.

TITLE OF PROCEEDING: Re Trichome Financial Corp. et al.

BEFORE JUSTICE: CONWAY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Sean Zweig	Applicants	zweigs@bennettjones.com
Joshua Foster	Applicants	fosterj@bennettjones.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Mark Freake	Agent and DIP Lender	Mark.freake@dentons.com
John Salmas	Agent and DIP Lender	John.salmas@dentons.com
Jane Dietrich	Monitor	jdietrich@cassels.com
Jeremy Bornstein	Monitor	jbornstein@cassels.com
Noah Goldstein	KSV Restructuring, Monitor	ngoldstein@ksvadvisory.com
Murtaza Tallat	KSV Restructuring, Monitor	mtallat@ksvadvisory.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE CONWAY:

All defined terms used in this Endorsement shall, unless otherwise defined, have the meanings ascribed to them in the Factum of the Applicants dated November 14, 2022.

On November 7, 2022, the Applicants sought and obtained an Initial Order from this court under the CCAA. The Initial Stay Period expires today. The Applicants now seek an order to extend the Stay of Proceedings to February 3, 2023, increase the Directors' Charge to \$2,922,000, and increase the DIP Lender's Charge to \$4,875,000.

The motion materials have been served and the motion is unopposed. The Monitor supports the relief sought, as does the Agent and DIP Lender.

The Applicants are currently developing a SISF and negotiating a potential stalking horse bid. They expect to return to court for approval of the SISF and stalking horse bid (if any) by the end of the year.

I am satisfied that the Stay of Proceedings should be extended to February 3, 2023. The Applicants have acted in good faith and with due diligence to stabilize the business and pursue their restructuring objectives. The stay will preserve the *status quo* and give additional breathing space for the Applicants to continue to operate their business as the process unfolds. The Monitor does not believe that any creditor will be prejudiced by the extension. I grant the extension of the Stay of Proceedings.

The increase to the Directors' Charge is approved pursuant to s. 11.51 of the CCAA. Notice has been given to the secured creditors likely to be affected by the charge. The amount of the proposed charge is appropriate given their exposure during the extended stay period, particularly in light of the low limits of insurance available to the directors and officers.

The increase to the DIP Lender's Charge is approved. It reflects the maximum borrowings available under the DIP Facility. The requirements of s. 11.2(1) and (4) of the CCAA have been met. In particular, the Cash Flow Forecast substantiates the need for the additional financing. The financing will enable the Applicants to continue their ordinary course operations during the extended stay period. The Monitor is of the view that the increase to the DIP Lender's Charge is required and appropriate given the need for liquidity, the Cash Flow Forecast, and the terms of the DIP Agreement.

I have signed the Amended and Restated Initial Order. This order is effective from today's date and is enforceable without the need for entry and filing. Counsel may arrange the next attendance before me through the Commercial List office at the appropriate time.

A handwritten signature in blue ink, appearing to read "Conway J.", is located at the bottom left of the page.