



April 3, 2023

**Fifth Report of  
KSV Restructuring Inc.  
as CCAA Monitor of  
Trichome Financial Corp., Trichome  
JWC Acquisition Corp., MYM  
Nutraceuticals Inc., Trichome Retail  
Corp., MYM International Brands  
Inc., and Highland Grow Inc.**

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Court File No.: CV-22-00689857-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT  
OF TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION CORP.,  
MYM NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM  
INTERNATIONAL BRANDS INC., AND HIGHLAND GROW INC.

FIFTH REPORT OF KSV RESTRUCTURING INC. AS  
MONITOR

APRIL 3, 2023

## 1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on November 7, 2022 (the "Initial Order"), Trichome Financial Corp. ("Trichome"), Trichome JWC Acquisition Corp. ("TJAC"), MYM Nutraceuticals Inc. ("MYM"), Trichome Retail Corp. ("TRC"), MYM International Brands Inc. ("MYMB") and Highland Grow Inc. ("Highland", and collectively with Trichome, TJAC, MYM, TRC and MYMB, the "Applicants") were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") and KSV Restructuring Inc. ("KSV") was appointed monitor of the Applicants (in such capacity, the "Monitor"). A copy of the Initial Order is attached as Appendix "A".
2. Pursuant to the terms of the Initial Order, among other things, the Court:
  - a) granted a stay of proceedings in favour of the Applicants to and including November 17, 2022 (the "Stay Period");
  - b) approved the terms of a debtor-in-possession loan facility (the "DIP Facility") in the maximum principal amount of \$4.875 million to be made available by Cortland Credit Lending Corporation ("Cortland"), in its capacity as agent for and on behalf of certain lenders (the "DIP Lender"), pursuant to the terms of a DIP Facility Agreement dated November 6, 2022 (the "DIP Facility Agreement");

- c) granted a charge:
    - i. in the amount of \$750,000 on all of the Applicants' Property (as defined in the Initial Order) to secure the fees and disbursements of the Monitor, its legal counsel and the Applicants' legal counsel (the "Administration Charge");
    - ii. in the amount of \$967,000 on the Property in favour of the directors and officers (the "Directors and Officers") of the Applicants (the "Directors' Charge"); and
    - iii. up to the maximum amount of \$1.825 million on the Property in favour of the DIP Lender (the "DIP Lender's Charge", and collectively with the Administration Charge and the Directors' Charge, the "Charges") to secure the DIP Lender's advances to the Applicants under the DIP Facility until November 17, 2022, being the date of the comeback motion (the "Comeback Motion"); and
  - d) granted the Applicants permission to pay certain pre-filing obligations to essential suppliers, subject to, among other things, the consent of the Monitor and the DIP Lender.
3. At the Comeback Motion, the Court issued an Amended and Restated Initial Order (the "ARIO") pursuant to which, among other things:
- a) the Stay Period was extended to February 3, 2023;
  - b) the amount of the Directors' Charge was increased to \$2.922 million; and
  - c) the DIP Lender's Charge was increased to \$4.875 million.
4. On January 9, 2023, the Court issued an order (the "Stalking Horse and SISP Approval Order"), which, among other things:
- a) approved a sale and investment solicitation process (the "SISP") for the Applicants' assets and business operations;
  - b) authorized and approved the Applicants' execution of the stalking horse share purchase agreement dated December 12, 2022 (the "Stalking Horse Agreement"), among the Applicants and L5 Capital Inc. ("L5" or the "Stalking Horse Bidder"), and approved the Stalking Horse Agreement, including the expense reimbursement, solely for the purposes of acting as the stalking horse bid in the SISP (the "Stalking Horse Bid"); and
  - c) granted an extension of the Stay Period until March 10, 2023.

5. On February 22, 2023, the Monitor filed its Third Report pursuant to subsection 23(1)(d)(i) of the CCAA (the “Third Report”) and served the Third Report on the service list in these proceedings to advise the Court and the Applicants’ stakeholders of certain material adverse changes in the Applicants’ financial circumstances including that:
  - a) on February 13, 2023, the Stalking Horse Bidder advised that it would not complete the transaction contemplated by the Stalking Horse Agreement and acknowledged that it had forfeited the deposit it paid thereunder (\$250,000);
  - b) no qualified bids were received in the SISP;
  - c) the Applicants did not have liquidity under the DIP Facility or otherwise to pay certain post-filing operating expenses;
  - d) the Applicants, with the assistance of the Monitor, were continuing to engage with interested parties regarding the sale of certain assets, primarily the Applicants’ intellectual property (the “IP”), and that the Applicants would contemporaneously commence a wind-down of their business (the “Wind-Down”); and
  - e) the DIP Lender had advised the Monitor that it was only prepared to fund expenses required for the Wind-Down.
6. In its Fourth Report to Court dated March 6, 2023 (the “Fourth Report”), the Monitor provided an update regarding the continuing marketing process, including that:
  - a) on March 1, 2023, the Applicants terminated the engagement letter with the financial advisor that conducted the SISP;
  - b) the Applicants, after consultation with the DIP Lender, engaged Hyde Advisory & Investments Inc. (“Hyde”) to lead a marketing of the Applicants’ assets while the Wind-Down was conducted; and
  - c) shortly prior to the date of the Fourth Report, the Applicants received two letters of intent/expressions of interest (collectively, the “EOIs”) in respect of the IP and certain of the Applicants’ cannabis inventory, which the Monitor, in consultation with the Applicants’ stakeholders, including the DIP Lender, were in the process of assessing to determine if the EOIs represented a viable transaction opportunity.
7. On March 9, 2023, the Court made an order, among other things, extending the Stay Period to April 21, 2023.

## 1.1 Purposes of this Report

1. The purposes of this report (“Report”) are to:
  - a) provide the Court with an update on the EOIs;
  - b) summarize the terms of a Share Purchase Agreement dated March 28, 2023 (the “SPA”) entered into among (i) Trichome, as vendor, (ii) TJAC, MYM, MYMB, TRC and Highland, each as purchased entities (the “Purchased Entities”) and (iii) 1000370759 Ontario Inc., as purchaser (the “Purchaser”), which contemplates that the Purchaser will directly acquire all of the outstanding shares in TJAC and MYM (the “Purchased Shares”) and indirectly acquire all of the outstanding shares in the capital of the remaining Purchased Entities (the “Transaction”);
  - c) summarize the terms of a Success Fee (as defined below) payable to Hyde;
  - d) report on the Applicants’ cash flow projection for the period April 3, 2023 to November 3, 2023 (the “Cash Flow Forecast”);
  - e) provide background for the Applicants’ request that the Stay Period be extended until October 31, 2023;
  - f) recommend that the Court issue the reverse approval and vesting Order (“RVO”) requested by the Applicants which, among other things:
    - i. approves the SPA and the Transaction;
    - ii. vests all of Trichome’s right, title and interest in and to the Purchased Shares in the Purchaser, free and clear from any and all claims and encumbrances;
    - iii. adds five newly incorporated entities, being TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co. (each as defined in the SPA) (each a “Residual Co.” and collectively, the “Residual Cos.”), as Applicants in these proceedings, and upon completion of the Transaction, removes each of the Purchased Entities as Applicants in these CCAA proceedings;
    - iv. subject to completion of the Transaction, vests all Excluded Assets, Excluded Contracts and Excluded Liabilities (as such terms are defined in the SPA) into the applicable Residual Co. and discharges all claims and encumbrances against the Purchased Entities and the Retained Assets, other than the permitted encumbrances;
    - v. subject to the completion of the Transaction and the receipt of certain sale proceeds, authorizes and directs Trichome to pay the Success Fee to Hyde; and
    - vi. extends the Stay Period to and including October 31, 2023.

## 1.2 Restrictions

1. In preparing this Report, the Monitor has relied upon the Applicants' unaudited financial information, books and records and discussions with the Applicants' management and legal counsel.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence. The Monitor does not accept any responsibility to any third party for any reliance they may place on the Applicants' financial information herein.
3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon the Applicants' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor's Report on Cash Flow provided in Appendix "F" sets out the assumptions on which the Cash Flow Forecast is based.

## 1.3 Currency

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

## 2.0 Background

1. Prior to the JWC Transaction (as defined below), Trichome was a specialty finance company, providing capital solutions to the Canadian cannabis market. One of Trichome's loans was to the James E. Wagner Cultivation Corporation and several related entities (collectively, the "JWC Group"), which operated a vertically integrated premium cannabis company focused on producing and selling cannabis.
2. In April 2020, the JWC Group was granted protection under the CCAA and KSV was appointed CCAA monitor. In addition to being the JWC Group's senior ranking lender, Trichome as lender to the JWC Group also advanced a debtor-in-possession facility in the CCAA proceedings (the "JWC DIP Facility"). Pursuant to an order issued on June 2, 2020, the Court approved a transaction (the "JWC Transaction") for the sale of substantially all of the JWC Group's assets pursuant to an Asset Purchase Agreement dated March 31, 2020 between the JWC Group and Trichome, as amended (the "JWC APA"). In accordance with the JWC APA, Trichome directed that title to the assets be vested in TJAC.
3. Each of the Applicants is a direct or indirect subsidiary of IM Cannabis Corp. ("IMCC"). IMCC is not an Applicant in these CCAA proceedings.

4. Collectively, as at the CCAA filing date, the Applicants cultivated, processed and sold premium and ultra-premium cannabis for the adult-use market in Canada. There are six Applicants in these proceedings and the Applicants' corporate chart is attached as Appendix "B".
5. The Applicants' cannabis processing and cultivation operations (the "Cannabis Operations") are conducted through TJAC and Highland. The Applicants' "WAGNERS" and "Highland Grow" brands are market leaders by sales in the premium and ultra-premium dried flower and pre-roll segments in Canada.
6. A description of the business of each of the Applicants is provided below:

#### Trichome

- a) Trichome manages all aspects of the business, including providing administrative support, cash management, and strategic decision-making.

#### TJAC

- b) TJAC's business is focused on the cultivation, processing and sale of premium cannabis. TJAC is a licensed producer of cannabis in accordance with the *Cannabis Act*, S.C. 2018, c. 16 and its associated regulations ("Cannabis Act"). TJAC's business historically operated from: (i) a 15,000 square foot processing and packaging facility located in Kitchener, Ontario (the "Trillium Facility"); and (ii) a 345,000 square foot cultivation facility located in Kitchener, Ontario (the "Manitou Facility"). As discussed below in Section 3.2, the Manitou Facility lease was disclaimed effective December 23, 2022.
- c) Since disclaiming the lease for the Manitou Facility, TJAC ceased cultivating cannabis. TJAC continues to process, package and sell cannabis from the Trillium Facility using cannabis that was remaining at the Manitou Facility and cannabis purchased from other producers.

#### Highland

- d) Highland is a licensed producer of cannabis under the Cannabis Act, which operates from an owned 6,500 square foot facility located in Antigonish, Nova Scotia (the "Highland Facility"). Shortly prior to the commencement of these CCAA proceedings, the Applicants ceased cultivation activities in the Highland Facility and centralized all cultivation at the Manitou Facility, which cultivation activities were ceased shortly thereafter. The Highland Facility is still being used for processing and packaging.

#### MYMB, MYM and TRC

- e) Aside from the Highland Facility (which the Monitor understands is owned by MYMB), MYMB, MYM and TRC do not have any material assets or carry on any active operations.



7. The Affidavit of Michael Ruscetta, the former Chief Executive Officer of Trichome<sup>1</sup> and a current director of each of the Applicants, sworn November 7, 2022 in support of the CCAA application (the “Ruscetta Affidavit”), and the Pre-Filing Report of the Monitor dated November 7, 2022 (the “Pre-Filing Report”), each provide further background information with respect to the Applicants’ business and operations, as well as the reasons the Applicants filed for CCAA protection. The Ruscetta Affidavit and the Pre-Filing Report are available on the Monitor’s website at the following link: <https://www.ksvadvisory.com/experience/case/trichome>.

## **3.0 Creditors**

### **3.1 Secured Creditors**

#### **3.1.1 Cortland**

1. Cortland is a secured lender to the Applicants through an asset-based lending agreement dated May 14, 2021, as amended by amending agreements dated August 27, 2021, and March 31, 2022 (collectively, the “ABL Agreement”). TJAC is the borrower under the ABL Agreement, and each of the other Applicants is a guarantor.
2. The ABL Agreement provides for a revolving credit facility in the maximum principal amount of \$15 million (the “Maximum Amount”). The total advances under the revolving credit facility cannot exceed the lesser of: (i) the Borrowing Base Amount (as defined in the ABL Agreement); and (ii) the Maximum Amount.
3. As of February 28, 2023, the amount outstanding under the ABL Agreement was approximately \$4.1 million, with interest and costs continuing to accrue.
4. Cortland is also the lender to the Applicants under the DIP Facility. As of February 28, 2023, the amount owing under the DIP Facility was approximately \$2.5 million. Accordingly, the total amount owing to Cortland as of February 28, 2023 was approximately \$6.6 million (with interest and costs continuing to accrue).

#### **3.1.2 Trichome**

1. Upon closing the JWC Transaction, approximately \$7 million of the JWC DIP Facility was assumed by TJAC in the form of a secured convertible debenture dated August 28, 2020, as amended by a first amendment to secured convertible debenture dated July 20, 2022 (as amended, the “Secured Debenture”). The balance of the JWC DIP Facility and TJAC’s anticipated future funding requirements were funded by way of a secured grid promissory note dated August 28, 2020 issued by TJAC in favour of Trichome (the “Trichome Secured Promissory Note”).

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<sup>1</sup> Mr. Ruscetta resigned as CEO (but not as a director) effective February 19, 2023.

- As of September 30, 2022, approximately \$20.6 million (inclusive of accrued interest) and approximately \$7.1 million (inclusive of accrued interest) was owing to Trichome under the Trichome Secured Promissory Note and the Secured Debenture, respectively. Interest and fees continue to accrue on both facilities. The secured amounts owing to Trichome are subordinate to Cortland's pre-filing debt and the DIP Facility.

### 3.1.3 CRA

- As of February 28, 2023, the Applicants' books and records reflect the following pre- and post-filing amounts owing to Canada Revenue Agency ("CRA").

(\$000s; unaudited)	TJAC	Highland	MYM	Trichome	Total
<b><u>Pre-filing</u></b>					
Source Deductions	-	-	-	5,300	5,300
Income taxes	2	- <sup>2</sup>	-	-	2
HST	-	(17)	23	59	65
Excise Taxes	596	585	-	-	1,181
<b>Total Pre-filing</b>	<b>598</b>	<b>568</b>	<b>23</b>	<b>5,359</b>	<b>6,548</b>
<b><u>Post-filing</u></b>					
Source Deductions	-	-	-	-	-
HST	138	(7)	(2)	33	162
Excise Taxes	1,027	307	-	-	1,334
<b>Total Post-Filing</b>	<b>1,165</b>	<b>300</b>	<b>(2)</b>	<b>33</b>	<b>1,496</b>
<b>Grand Total</b>	<b>1,763</b>	<b>868</b>	<b>21</b>	<b>5,392</b>	<b>8,043</b>

- Since the commencement of the CCAA proceedings, the Applicants, in accordance with the terms of the ARIO, have paid approximately \$1.28 million to CRA in respect of their pre-filing obligations, including approximately \$1.0 million of excise tax arrears and approximately \$280,000 of GST/HST arrears. The payments of pre-filing obligations to CRA were disclosed in the budget attached to the DIP Facility Agreement.
- CRA holds surety bonds and cash collateral in the amount of \$833,000 to secure the Applicants' excise tax obligations. The Applicants' current exposure to CRA for excise taxes is approximately \$1.682 million (being \$1.181 million of unpaid pre-filing excise taxes, plus \$1.334 million of unpaid post-filing excise taxes, less \$833,000 of cash collateral and surety bonds).
- It is expected that all post-filing amounts due to CRA that are secured under the Directors' Charge (i.e., Excise Taxes, Source Deductions and HST) will be paid in full from the proceeds generated from the Transaction and the liquidation of the remaining assets not sold as part of the Transaction.

<sup>2</sup> This CRA website currently shows an amount of approximately \$800,000, however, the Applicants believe this is likely an error and have filed a notice of dispute with the CRA in respect of the same.

5. The amounts reflected above do not include the results of an HST audit conducted by the CRA shortly after the commencement of the CCAA proceedings. The Monitor understands that the focus of the audit was to determine the amount of input tax credits claimed by the Applicants prior to the CCAA proceedings in respect of invoices that are stayed and have not been paid as a result of these CCAA proceedings. The Monitor understands it is the practice of the CRA to reverse input tax credits claimed on such amounts, resulting in an increase in pre-filing HST payable.
6. The aggregate amount of the pre-filing input tax credits denied by the CRA is approximately \$651,000. The Applicants have not accepted the CRA's assessment at this time.

### 3.2 Manitou Lease

1. In accordance with subsection 32(1) of the CCAA, on November 23, 2022, TJAC, with the approval of the Monitor, gave notice to Homer Land Corp. ("Homer"), the landlord of the Manitou Facility, that it intended to disclaim the Manitou lease effective December 23, 2022. Homer did not dispute the disclaimer and it became effective on December 23, 2022.
2. As previously reported, TJAC has not made post-filing rent payments in cash to Homer, rather it has directed Homer, which is in possession of a \$600,000 security deposit (approximately two months' rent), to apply the security deposit against post-filing rent. TJAC also requested that the balance of the security deposit be returned following the effective date of the disclaimer of the Manitou Facility lease. Homer expressed the view that all post-filing rent should be paid in cash and the security deposit used to satisfy any losses incurred by Homer in connection with the disclaimer of the lease. In late December 2022, Homer advised the Applicants that it intends to bring a motion requiring TJAC to pay all post-filing rent if the issue is not resolved. To date, Homer has not brought that motion.

### 3.3 Unsecured Creditors and Other Claims

1. The Applicants' unsecured obligations as of November 1, 2022, totalled approximately \$28.2 million and are summarized in the table below. The unsecured obligations<sup>3</sup> consist primarily of the following:

(\$000s; unaudited)				
Applicant	Intercompany	Trade and other vendors	IMCC Promissory Note	Total
Trichome	-	894	12,500	13,394
TJAC	4,149	5,130	-	9,279
MYM	-	593	-	593
Highland	4,152	823	-	4,975
<b>Total</b>	<b>8,301</b>	<b>7,440</b>	<b>12,500</b>	<b>28,241</b>

<sup>3</sup> Excludes accrued professional fees, potential litigation and amounts owing to the CRA, which are discussed separately.

2. Neither TRC nor MYMB had any material unsecured obligations as of November 1, 2022.
3. Of the amounts reflected above, virtually all trade payables were in significant arrears as of the date of the Initial Order. The Monitor understands that apart from approximately \$250,000 of pre-filing obligations that were paid during the CCAA proceedings in accordance with the Initial Order and the ARIO to suppliers considered essential to the continuing operations of the Applicants, these obligations remain outstanding as at the date of this Report.
4. During the CCAA proceedings, the Applicants, with the approval of the Monitor, have disclaimed certain of their contracts. In addition, the Applicants have terminated the employment of approximately 137 of their employees.

### **3.4 Post-Filing Payables**

1. As set out in the Third Report, the Applicants do not have the necessary liquidity or availability under the DIP Facility to pay all post-filing operating expenses, and accordingly, certain post-filing suppliers have not been paid (in an amount totaling approximately \$750,000<sup>4</sup>, virtually all of which is in arrears).
2. As discussed further below, even after considering the proceeds from the Transaction, the DIP Lender is projected to incur a shortfall on the DIP Facility. Accordingly, the Applicants are not expected to have sufficient liquidity to pay certain post-filing suppliers.
3. In an effort to mitigate further risk to suppliers, since the date of the Third Report (February 22, 2023), the Applicants have been operating on a limited operating budget, incurring only those expenses which are critical to maintaining the Applicants' going concern operations while they explored the possibility of a transaction pursuant to the EOIs. As a result, the Applicants are projected to have sufficient liquidity to pay all post-filing expenses incurred following the date of the Third Report.

## **4.0 Update on EOIs**

1. An overview of the results of the SISP was provided in the Section 4.1 of the Third Report, and is not repeated herein. An excerpt of Section 4.1 of the Third Report is attached as Appendix "C".
2. In its Fourth Report, the Monitor advised that the Applicants received two EOIs expressing an interest in acquiring the IP as well as certain of the Applicants' cannabis inventory, and that it would take approximately two weeks to determine whether either of the EOIs represented a viable transaction.
3. After reviewing the information provided by the interested parties and engaging with the interested parties, the Applicants, in consultation with the Monitor and the DIP Lender, determined that the EOI from the Purchaser represented the best available transaction.

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<sup>4</sup> In the Third Report, the Monitor advised the amount was \$600,000. The Applicants have since advised the Monitor there was an additional \$150,000 of payables that had accrued that had not been posted in its accounting system as of the time of the Third Report.

4. On March 6, 2023, a party related to the Purchaser and certain of the Applicants entered into a term sheet (as amended and restated on March 17, 2023) (the “Term Sheet”) pursuant to which the parties agreed to enter into a transaction whereby the Purchaser would acquire the business and operations of TJAC, MYM and Highland, subject to the terms and conditions of a definitive agreement to be entered into by the parties (being the SPA).
5. Following the execution of the Term Sheet, the Applicants, with the consent of the Monitor and the DIP Lender, negotiated and entered into the SPA. The SPA contemplates that the transaction would be completed through a reverse vesting order, pursuant to which the Purchaser will acquire the Purchased Shares, free and clear of all encumbrances. The Transaction would provide for the continuation of the cannabis operations as a going concern.

## 5.0 Transaction

1. A copy of the SPA is attached as Appendix “D”.

### 5.1 SPA<sup>5</sup>

1. A summary of the key terms the SPA is as follows:
  - **Vendor:** Trichome.
  - **Purchaser:** 1000370759 Ontario Inc., an affiliate of True North Cannabis Co., an Ontario based cannabis retail chain.
  - **Purchased Shares:** the Purchaser will purchase all of the issued and outstanding shares in the capital of TJAC and MYM owned by Trichome. The Purchaser will also indirectly acquire all of the issued and outstanding shares in the capital of MYMB, Highland and TRC.
  - **Purchased Entities:** TJAC, MYM, MYMB, Highland and TRC.
  - **Purchase Price (before Deferred Consideration):** the purchase price for the Purchased Shares is \$3.375 million, to be paid as follows:
    - a) **Deposit:** \$500,000 (5% of the Purchase Price), which was received by the Monitor on March 9, 2023, and is being held in trust pending Closing;
    - b) **Cash Payment:** \$500,000 to be paid to the Monitor on the Closing Date and released to the Vendor on Closing;

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<sup>5</sup> Capitalized terms in this section have the meaning provided to them in the SPA unless otherwise defined herein. The following constitutes a summary only of the material terms of the SPA. Reference should be made to the SPA for a complete understanding of its terms and conditions.

- c) Secured Promissory Note: the Purchaser shall issue in favour of Trichome a secured interest-bearing promissory note, a form of which is attached as Schedule “J” to the SPA (the “Secured Promissory Note”). Key components of the Secured Promissory Note include:
  - i. Face Value: \$2.375 million;
  - ii. Interest: 10% per annum;
  - iii. Maturity Date: 6 months following the Closing Date;
  - iv. Security: each of the following granted by 2767888 Ontario Inc. (the “Guarantor”) in favour of Trichome, (i) a guarantee, (ii) a general security interest in, among other things, all of the present and after-acquired personal property of the Guarantor, and (iii) mortgages registered against each of the Collateral Properties;
  - v. Other: the face value of the Secured Promissory Note shall be reduced on a dollar-for-dollar basis by the Assumed Liabilities Employee Amount (as defined below).
- **Excluded Liabilities**: include, among other things:
  - a) all debts, obligations and liabilities of or against any Purchased Entity or relating to any Retained Asset, other than the Assumed Liabilities;
  - b) liabilities relating to any change of control provision that may arise in connection with the Transaction;
  - c) liabilities under the Excluded Contracts and Excluded Assets, or arising in connection with the vesting of any of the Excluded Contracts and Excluded Assets from any Purchased Entity to its corresponding Residual Co.;
  - d) liabilities for employees or independent contractors whose employment with any Purchased Entity or its Affiliates is terminated on or before Closing;
  - e) liabilities to or in respect of any Purchased Entity’s Affiliates; and
  - f) those Excluded Liabilities specifically detailed in Schedule “E” of the SPA, which include, for each of the Purchased Entities:
    - i. Professional Costs;
    - ii. any amounts owing in respect of the DIP Facility;
    - iii. any intercompany debt (excluding Deferred Consideration); and
    - iv. liabilities in connection with any contracts and leases disclaimed during the CCAA proceedings, if applicable.

- **Assumed Liabilities:** include:
  - a) Liabilities specifically and expressly designated by the Purchaser as assumed Liabilities in Schedule “G” to the SPA (which list may be amended by the Purchaser until 5:00 p.m. (Eastern Time) on March 31, 2023);
  - b) Liabilities which relate to the Business or the Retained Assets, including Liabilities under any Assumed Contracts, Permits and Licenses or Permitted Encumbrances (in each case, to the extent forming part of the Retained Assets) arising out of events or circumstances that occur after the Closing, subject to certain exceptions;
  - c) Liabilities of the Purchased Entities which are to be performed after the Closing that are not specifically identified as Excluded Liabilities;
  - d) the Deferred Consideration Notes (provided that such Liabilities shall be paid in accordance with the terms of the SPA);
  - e) Liabilities for (i) wages, vacation pay and Benefit Plans owing by any Purchased Entity to any Employee accruing to and after the Closing Time and (ii) vacation pay owing by any Purchased Entity to any Employee which accrued prior to the Closing Time (the net dollar amount of such Liabilities described in this paragraph (e) which accrued prior to the Closing Time, being the “Assumed Liabilities Employee Amounts”).
  
- **Retained Assets:** includes all of the assets owned by each Purchased Entity immediately prior to Closing, including its Anticipated Inventory, Assumed Contracts, Permits and Licenses, Goodwill, Intellectual Property, Subsidiary Shares, Books and Records and those assets specifically listed on Schedule “I” of the SPA, except for inventory sold in the ordinary course of business in the Interim Period, and the Excluded Assets and Excluded Contracts.
  
- **Deferred Consideration:** as partial consideration for the assumption by the corresponding Residual Co. of its Excluded Liabilities, each of TJAC and Highland shall pay Deferred Consideration to the corresponding Residual Co. pursuant to a limited recourse promissory note, held by the Monitor on behalf of the corresponding Residual Co., in an amount equal to the initial principal amount of \$1.00, which shall be automatically increased after the Closing Date, from time to time, on a dollar-for-dollar basis by 100% of all receipts actually obtained by the applicable Purchased Entity on account of any receivables from any provincial cannabis purchasing agencies, non-government distributors, and/or direct sale retailers, due and owing to such Purchased Entity on the Closing Date, and each note shall be secured solely by such Purchased Entity’s applicable receivables.
  
- **Transfers to Residual Cos.:** on the Closing Date, prior to the sale of the Purchased Shares, each Purchased Entity shall transfer to its applicable Residual Co.:
  - a) the Excluded Assets and Excluded Contracts; and
  - b) the Excluded Liabilities.

- **Representations and Warranties:** consistent with those customarily provided in the context of an insolvency transaction on an “as is, where is” basis.
- **Target Closing Date:** April 6, 2023, or such other date as Trichome (with the consent of the Monitor) and the Purchaser may agree to in writing.
- **Outside Date:** April 11, 2023, or such other date as Trichome (with the consent of the Monitor) and the Purchaser may agree to in writing.
- **Material Conditions:** include, among other things:
  - a) (i) the RVO shall have been issued by the Court, (ii) the RVO shall not have been vacated, set aside, or stayed and (iii) the applicable appeal period to appeal the RVO have expired, subject to certain exceptions;
  - b) during the Interim Period, there shall have been no Material Adverse Effect;
  - c) the landlord in respect of the Trillium Lease shall have provided its consent to the change of control that will arise in connection with the Transaction, or the RVO shall provide that the landlord may not rely on the change of control as a basis to declare a default;
  - d) (i) all Excluded Assets and Excluded Liabilities shall, prior to Closing as part of the Closing Sequence, be transferred to the applicable Residual Cos., to another Affiliate of Trichome that is not a Purchased Entity, or Discharged; and (ii) each Purchased Entity, its business and property shall, prior to Closing as part of the Closing Sequence, be released and forever Discharged of all claims and Encumbrances (other than Assumed Liabilities and the Permitted Encumbrances, if any);
  - e) the Cannabis Licenses shall be valid and in good standing at the Closing Time; and
  - f) during the Interim Period, no order shall have been issued by a Governmental Authority which restrains or prohibits the completion of the Transaction.
- **Closing Sequence:** the Closing is required to occur in accordance with the steps set out in the Closing Sequence provided for in Section 7.2 of the SPA, which may be amended from time to time prior to the Closing Date with the prior written consent of the Monitor, Trichome and the Purchaser.
- **Termination:** the SPA can be terminated:
  - a) upon mutual written agreement of Trichome and the Purchased Entities (each with the prior written consent of the Monitor) and the Purchaser;



- b) by the Purchaser, on the one hand, or Trichome and the Purchased Entities (with consent of the Monitor), on the other hand, at any time following the Outside Date, if Closing has not occurred on or prior to the 11:59 p.m. (Eastern Time) on the Outside Date, provided that the reason for the Closing not having occurred is not due to any act or omission, or breach of the SPA, by the Party proposing to terminate the SPA;
- c) by the Purchaser, on the one hand, or Trichome and Purchased Entities (with the consent of the Monitor), on the other hand, upon notice to the other Parties if (i) the RVO has not been obtained by the Target Closing Date or (ii) the Court declines at any time to grant the RVO; in each case for reasons other than a breach of this Agreement by the Party proposing to terminate this Agreement;
- d) by the Purchaser, on the one hand, or Trichome and the Purchased Entities (with the consent of the Monitor), on the other hand, if there has been a material violation or breach by the other Party of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, the applicable Closing conditions by the Outside Date, and such violation or breach has not been waived or cured within five Business Days of a non-breaching Party providing notice to the other Party of such breach.

## **5.2 Monitor's Recommendation**

1. The Monitor recommends that the Court issue the RVO for the following reasons:
  - a) the SISP was conducted in accordance with the terms of the Stalking Horse and SISP Approval Order, which enabled the Applicants, with the assistance of an experienced financial advisor, to test the market for any potential third-party purchaser interest. The SISP generated limited interest. While multiple parties performed due diligence, no qualified bids were received prior to the bid deadline under the SISP;
  - b) following the SISP and the termination of the Stalking Horse Agreement, the EOIs were assessed by the Applicants and the Monitor, in consultation the DIP Lender, and it was determined that the EOI from the Purchaser represented the best viable transaction in the circumstances;
  - c) the proceeds from the Transaction are projected to be sufficient to satisfy the Administration Charge and Directors' Charge, but are not projected to be sufficient to satisfy the DIP Lender's Charge in full. Cortland, being the fulcrum creditor, has consented to the Transaction;
  - d) the Transaction contemplates the continuation of the Cannabis Operations of the Applicants, continued employment of approximately 27 employees and ongoing relationships with suppliers and customers. Absent the Transaction, the employment of these employees would be terminated as part of the Wind-Down;

- e) as of the date of this Report, the Applicants do not have any further availability under the DIP Facility and absent the Transaction, the DIP Lender is only prepared to fund expenses required for the purposes of the Wind-Down. In light of the Applicants' liquidity constraints, the Applicants will not be able to process, after April 6, 2023 (being the Target Closing Date), certain purchase orders made by provincial cannabis purchasing agencies. If the Applicants fail to process those purchase orders, the provincial cannabis purchasing agencies may delist those stock keeping units which could potentially materially devalue the Cannabis Operations;
  - f) despite the fact that Cortland and Trichome will suffer a significant or total shortfall under the ABL Agreement and the Trichome Secured Promissory Note, respectively, the Transaction provides for a materially better recovery than would be otherwise achieved through the Wind-Down or in a bankruptcy; and
  - g) absent the Transaction being approved and implemented by the Outside Date, the Applicants will need to cease operations immediately and complete the Wind-Down of their business.
2. The Transaction is structured as a "reverse vesting transaction". With reference to the recent guidance provided by the Court in the context of other reverse vesting transactions, the Monitor notes the following with respect to the Transaction:

a) *Why is the RVO necessary in this case?*

- A reverse vesting structure is necessary in this case as each of TJAC and Highland hold a Cannabis License as licensed producers of cannabis under the Cannabis Act, which enables them to conduct their Cannabis Operations.
- The Health Canada issued Cannabis Licenses are integral to the continuation of the Cannabis Operations, and the Monitor understands that Health Canada is of the position that such licenses cannot be sold or transferred to another entity. The reverse vesting structure enables the Cannabis Licenses to remain with TJAC and Highland, thereby preserving the Cannabis Licenses, while also facilitating the vesting out of unwanted assets and liabilities to the Residual Cos.
- The Monitor understands that the Purchaser was not prepared to proceed with a transaction in respect of the Cannabis Operations by way of an asset purchase structure because of the inability to assign the Cannabis Licenses and the timeline and uncertainty associated with obtaining new Health Canada licenses. Furthermore, based on the circumstances of this case, including, without limitation, the quantum of secured debt and the overall value of the Applicants' business and property, the Monitor understands that the Purchaser is not prepared to fund a plan of arrangement in respect of the Applicants.

b) *Does the RVO structure produce an economic result at least as favourable as any other viable alternative?*

- The reverse vesting structure produces an economic result *more* favourable than any other viable alternative. The only other alternative in the circumstances is a bankruptcy or the completion of the Applicants' previously commenced Wind-Down, as no other viable transaction has been identified, the Applicants do not have sufficient liquidity to continue to fund the Cannabis Operations or a further marketing process, and the Purchaser is not prepared to proceed with an asset sale transaction or plan of arrangement in the circumstances (for the reasons described above).
- The Monitor is of the view that the Transaction represents a better economic result for the Applicants' stakeholders than a bankruptcy or the completion of the Applicants' previously commenced Wind-Down. Further, the Transaction will result in the continuation of employment and the preservation of the Cannabis Operations for various trade partners.

c) *Is any stakeholder worse off under the RVO structure than they would have been under any other viable alternative?*

- In the Monitor's view, no stakeholders will be prejudiced by the RVO structure. As noted above, the only other alternative in the circumstances is a bankruptcy or other wind-down of the Applicants. In such a scenario, it is projected that the recoveries for Cortland on the DIP Facility would be less than through the Transaction, and there is a further risk that certain amounts secured under the Directors' Charge (i.e. amounts owing to the CRA) would be unpaid. In addition, there would be no continuation of the Cannabis Operations, resulting in the loss of employment and trade relationships.

d) *Does the consideration being paid for the debtor's business reflect the importance and value of the licenses and permits (or other intangible assets) being preserved under the RVO structure?*

- In the Monitor's view, the value of the Cannabis Licenses is the critical consideration in structuring the Transaction as a reverse vesting transaction. The consideration provided by the Purchaser is directly attributable to the importance and value of the Cannabis Licenses and their importance to the Cannabis Operations, as without the Cannabis Licenses, the Cannabis Operations are unable to continue and there is no business for the Purchaser to acquire. Accordingly, the RVO structure enhances overall value by facilitating the continuation of the Cannabis Operations, an outcome which is better for stakeholders as a whole as it maximizes value for the benefit of the Applicants' financial stakeholders while at the same time preserving employment and trade relationships that would otherwise be lost.

3. Based on the foregoing, the Monitor recommends that this Court approve the Transaction and grant the RVO.

## 6.0 Success Fee

1. As referenced above, following the termination of the Stalking Horse Agreement, the Applicants engaged Hyde to lead an informal marketing of the Applicants' assets concurrent with the Wind-Down.
2. Hyde provides various advisory and investment services to the global cannabis industry, and since its inception, has provided services in connection with 21 cannabis M&A/restructuring consultations, and has brokered the purchase and sale of numerous licensed cannabis business.
3. Hyde's marketing process commenced on February 21, 2023, and solicited interest from twelve potential bidders. Of the twelve potential bidders contacted and provided with a confidential information memorandum, seven expressed an interest in the acquisition opportunity and three provided letters of intent by March 10, 2023 (the "Interested Parties"). After reviewing the "best bid" from each of the Interested Parties, the bid submitted by the Purchaser was selected as the highest and best offer given the aggregate consideration, security and certainty provided.
4. Under its agreement with Hyde, the Applicants, in consultation with the Monitor and the DIP Lender, agreed to provide Hyde with a success fee (the "Success Fee") equal to 5% of the first \$2 million of the purchase price plus 7.5% of any amount thereafter. As the Transaction was brokered by Hyde, the proposed RVO authorizes and directs Trichome to pay the Success Fee to Hyde as follows:
  - a) \$50,000 (being 5% of \$1 million) (plus HST) within five (5) business days of the closing of the Transaction; and
  - b) 5% of the first \$1 million and 7.5% of any amounts thereafter, received by Trichome in respect of the amounts owing under the Secured Promissory Note (the "Note Proceeds"), within five (5) business days of receiving the Note Proceeds.
5. In the Monitor's view, Hyde provided value to the Applicants' informal marketing processes and effectively exposed the Applicants' business and assets to a broad scope of potential purchasers. The quantum of the Success Fee and the conditions upon which it will be payable pursuant to the proposed RVO are, in the Monitor's view, fair and reasonable in the circumstances, having regard to the results achieved and time and effort expended. The Monitor understands that the DIP Lender has consented to the Success Fees. Accordingly, the Monitor is of the view that the Court should approve the Success Fee as contemplated in the proposed RVO.

## 7.0 Extension of the Stay Period

1. The Stay Period currently expires on April 21, 2023. The Applicants are requesting an extension of the Stay Period until October 31, 2023 to allow time to collect (i) the Deferred Consideration (as defined in the SPA) and (ii) the Note Proceeds, which may be up to 6 months after closing of the Transaction (which as described above is targeted for April 6, 2023).

2. The Monitor is of the view that the request for an extension of the Stay Period pursuant to the proposed RVO is appropriate for the following reasons:
  - a) the Applicants are acting in good faith and with due diligence;
  - b) no creditor will be prejudiced if the extension is granted;
  - c) as of the date of this Report, neither the Applicants nor the Monitor is aware of any party opposed to the requested extension; and
  - d) it will provide the necessary time and flexibility to enable the Applicants to collect the proceeds pursuant to the Transaction, as described above, prior to returning to Court to seek such further relief as may be required to facilitate a wind-down of the Applicants (including the Residual Cos.) and terminate these CCAA proceedings.

## 8.0 Cash Flow

1. The Applicants prepared the Cash Flow Forecast to and including November 3, 2023 (the "Period"). The Cash Flow Forecast and the Applicants' statutory report on the cash flow prepared pursuant to subsection 10(2)(b) of the CCAA are attached as Appendix "E".
2. The expenses in the Cash Flow Forecast, following the projected closing of the Transaction, are primarily general and administrative expenses and professional fees. The Applicants project to have sufficient liquidity to pay all post-filing expenses incurred during the Period.
3. Based on the Monitor's review of the Cash Flow Forecast, there are no material assumptions which appear unreasonable. The Monitor's statutory report on the Cash Flow Forecast is attached as Appendix "F".

## 9.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the relief detailed in Section 1.1(1)(f) of this Report.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.,  
IN ITS CAPACITY AS MONITOR OF  
TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION CORP., MYM  
NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM INTERNATIONAL BRANDS  
INC., AND HIGHLAND GROW INC.  
AND NOT IN ITS PERSONAL CAPACITY**

## **Appendix “A”**



Court File No.: \_\_\_\_\_

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

THE HONOURABLE ) MONDAY, THE 7<sup>TH</sup>  
JUSTICE CONWAY ) DAY OF NOVEMBER, 2022

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF TRICHOME FINANCIAL CORP.,  
TRICHOME JWC ACQUISITION CORP., MYM  
NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM  
INTERNATIONAL BRANDS INC., AND HIGHLAND GROW  
INC. (collectively the "**Applicants**", and each an "**Applicant**")

**INITIAL ORDER**

**THIS APPLICATION**, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by judicial videoconference via Zoom.

**ON READING** the affidavit of Michael Ruscetta sworn November 7, 2022 and the Exhibits thereto (the "**Ruscetta Affidavit**"), and the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**") as the proposed monitor dated November 7, 2022, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants, counsel for KSV, counsel for Cortland Credit Lending Corporation, as agent for and on behalf of certain lenders (the "**DIP Lender**"), and such other counsel that were present, and on reading the consent of KSV to act as the monitor (in such capacity, the "**Monitor**"),

## SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

## APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that each of the Applicants is a company to which the CCAA applies.

## POSSESSION OF PROPERTY AND OPERATIONS

3. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their respective current and future assets, licences, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, contractors, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize the central cash management system currently in place as described in the Ruscetta Affidavit or, with the consent of the Monitor, replace it with another substantially similar central cash management system (the "**Cash Management System**"), and that any present or future bank providing the Cash Management System shall: (i) not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System; (ii) be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System; and (iii) be, in its capacity as



provider of the Cash Management System, an unaffected creditor under any plan of compromise or arrangement with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

5. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and employee expenses payable prior to, on, or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) with the consent of the Monitor and the DIP Lender, amounts owing for goods and services actually supplied to the Applicants prior to the date of this Order, with the Monitor considering, among other factors, whether (i) the supplier or service provider is essential to the Business and ongoing operations of the Applicants and the payment is required to ensure ongoing supply, (ii) making such payment will preserve, protect or enhance the value of the Property or the Business, (iii) making such payment is required to address regulatory concerns, and (iv) the supplier or service provider is required to continue to provide goods or services to the Applicants after the date of this Order, including pursuant to the terms of this Order;
- (c) any taxes, duties or other payments required under the Cannabis Legislation (as defined below); and
- (d) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

6. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the Definitive Documents (as defined below), the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance and tail insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants on or following the date of this Order.

7. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

8. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the applicable Applicant and the landlord from time to time ("**Rent**"),

for the period commencing from and including the date of this Order, monthly on the first day of each month, in advance (but not in arrears) in the amounts set out in the applicable lease or, with the consent of the Monitor and the DIP Lender, at such other time intervals and dates as may be agreed to between the applicable Applicant and landlord. On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. **THIS COURT ORDERS** that, except as specifically permitted herein and in the Definitive Documents, the Applicants are hereby directed, until further Order of this Court: (i) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (ii) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (iii) to not grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

10. **THIS COURT ORDERS** that each of the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents, have the right to:

- (a) sell inventory in the ordinary course of business consistent with past practice, or otherwise with the consent of the Monitor and the DIP Lender;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business.

## **NO PROCEEDINGS AGAINST THE APPLICANTS OR THEIR RESPECTIVE PROPERTY**

11. **THIS COURT ORDERS** that until and including November 17, 2022, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**", and collectively, "**Proceedings**") shall be commenced or continued against or in respect of any of the Applicants or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court or the written consent of the Applicants and the Monitor.

## **NO EXERCISE OF RIGHTS OR REMEDIES**

12. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, organization, governmental unit, body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of any of the Applicants or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower any Applicant to carry on any business which such Applicant is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

## **NO INTERFERENCE WITH RIGHTS**

13. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence, authorization or permit in favour of or held by any of the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

## **CONTINUATION OF SERVICES**

14. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements or arrangements with any of the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, accounting services, testing and irradiation services, security services, insurance, transportation services, utility or other services to the Business or any of the Applicants, 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 any of the Applicants or exercising any other remedy provided under the agreements or arrangements, and that each of the Applicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the applicable Applicant in accordance with the normal payment practices of the applicable Applicant or such other practices as may be agreed upon by the supplier or service provider and the applicable Applicant and the Monitor, or as may be ordered by this Court.

## **NON-DEROGATION OF RIGHTS**

15. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to any of the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

16. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by Subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of any of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of any of the Applicants whereby the directors or officers are alleged under any law

to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

17. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as a director or officer of any of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of such director's or officer's gross negligence or wilful misconduct.

18. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$967,000, unless permitted by further Order of this Court, as security for the indemnity provided in paragraph 17 of this Order. The Directors' Charge shall have the priority set out in paragraphs 35 and 37 herein.

19. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary: (i) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and (ii) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 17 of this Order.

### **APPOINTMENT OF MONITOR**

20. **THIS COURT ORDERS** that KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by any of the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

21. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements, including the management and use of any funds advanced by the DIP Lender to the Applicants under the DIP Agreement (as defined below);
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lender and its counsel on a bi-weekly basis, or as otherwise agreed to by the DIP Lender, of financial and other information as agreed to between the Applicants and the DIP Lender, which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (d) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than bi-weekly, or as otherwise agreed to by the DIP Lender;
- (e) monitor all payments, obligations and transfers as between the Applicants;
- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

22. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property or be deemed to take possession of the Property, pursuant to any provision of any federal, provincial or other law respecting, among other things, the manufacturing, possession, processing and distribution of cannabis or cannabis products including, without limitation, under the *Cannabis Act*, S.C. 2018, c. 16, as amended, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, as amended, the *Criminal Code*, R.S.C. 1985, c. C-46, as amended, the *Excise Act, 2001*, S.C. 2002, c. 22, as amended, the *Cannabis Licence Act, 2018*, S.O. 2018, c. 12, Sched. 2, as amended, the *Cannabis Control Act, 2017*, S.O. 2017, c. 26, Sched. 1, as amended, the *Ontario Cannabis Retail Corporation Act, 2017*, S.O. 2017, c. 26, Sched. 2, as amended, the *Cannabis Control Act*, S.N.S. 2018, c. 3, as amended, the *Cannabis Control and Licensing Act*, S.B.C. 2018, c. 29, as amended, the *Cannabis Distribution Act*, S.B.C. 2018, c. 28, as amended, the *Gaming, Liquor and Cannabis Act*, R.S.A. 2000, c. G-1, as amended, *The Cannabis Control (Saskatchewan) Act*, S.S. 2018, c. C-2.111, as amended, *The Liquor, Gaming and Cannabis Control Act*, C.C.S.M. c. L153, as amended, *Cannabis Regulation Act*, C.Q.L.R. c. C-5.3, as amended, the *Cannabis Control Act*, S.N.B. 2018, c. 2, as amended, *The Cannabis Retailers Licensing Act*, S.N.B. 2022, c. 5, s. 3, as amended, the *Cannabis Management Corporation Act*, S.N.B. 2018, c. 3, as amended, the *Cannabis Control Act*, R.S.P.E.I. 1988, c. C-1.2, as amended, the *Cannabis Management Corporation Act*, R.S.P.E.I. 1988, c. C-1.3, as amended, the *Cannabis Control Act*, S.N.L. 2018, c. C-4.1, as amended, the *Cannabis Control and Regulation Act*, S.Y. 2018, c. 4, as amended, the *Cannabis Products Act*, S.N.W.T. 2018, c. 6, Sch. A, as amended, the *Cannabis Act*, S.Nu. 2018, c. 7, as amended or other such applicable federal, provincial or other legislation or regulations (collectively, the "**Cannabis Legislation**"), and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or the Property, or any part thereof within the meaning of any Cannabis Legislation or otherwise. For greater certainty, nothing in this Order shall be construed as resulting in the Monitor being an employer or successor employer within the meaning of any statute, regulation or rule of law or equity for any purpose whatsoever.

23. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated,



might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, the *Ontario Occupational Health and Safety Act*, the *Nova Scotia Occupational Health and Safety Act*, the *Nova Scotia Water Resources Protection Act*, or the *Nova Scotia Environment Act* and regulations thereunder (collectively, "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

24. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants including, without limitation, the DIP Lender, with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

25. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its employees and representatives acting in such capacities shall incur any liability or obligation as a result of the Monitor's appointment or the carrying out by it of the provisions of this Order including, without limitation, under any Cannabis Legislation, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded to the Monitor by the CCAA or any applicable legislation.

26. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants in these proceedings shall be paid their reasonable fees and disbursements, in each

case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants in these proceedings on a monthly basis or pursuant to such other arrangements agreed to between the Applicants and such parties.

27. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

28. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$750,000, unless permitted by further Order of this Court, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order. The Administration Charge shall have the priority set out in paragraphs 35 and 37 hereof.

#### **DIP FINANCING**

29. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from the DIP Lender in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, provided that the borrowings under such credit facility shall not exceed \$4,875,000, unless permitted by further Order of this Court.

30. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Facility Agreement between the Applicants and the DIP Lender dated as of November 6, 2022 (as may be amended from time to time, the "**DIP Agreement**"), filed.

31. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Agreement or as may be reasonably required by

the DIP Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

32. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not exceed the amount of \$1,825,000, unless permitted by further Order of this Court, or secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 35 and 37 hereof.

33. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon seven (7) days' notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the DIP Agreement, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

34. **THIS COURT ORDERS AND DECLARES** that, unless agreed to by the DIP Lender, the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by any of the Applicants under the CCAA, or any proposal filed by any of the Applicants under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), with respect to any advances made under the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

35. **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors' Charge and the DIP Lender's Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$750,000);

Second – Directors' Charge (to the maximum amount of \$967,000); and

Third – DIP Lender's Charge (to the maximum amount of \$1,825,000).

36. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

37. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person notwithstanding the order of perfection or attachment; provided that the Charges shall rank behind Encumbrances in favour of any Persons that have not been served with notice of the application for this Order. The Applicants and the beneficiaries of the Charges shall be entitled to seek priority of the Charges ahead of such Encumbrances on a subsequent motion including, without limitation, on the Comeback Date (as defined below), on notice to those Persons likely to be affected thereby.

38. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any

Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor, the DIP Lender and the beneficiaries of the Charges, or further Order of this Court.

39. **THIS COURT ORDERS** that the Charges and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (iv) the provisions of any federal or provincial statutes; or (v) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds any of the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by any of the Applicants of any Agreement to which the applicable Applicant(s) is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicants pursuant to this Order, the DIP Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

40. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the applicable Applicant's interest in such real property lease.

### **SERVICE AND NOTICE**

41. **THIS COURT ORDERS** that the Monitor shall: (i) without delay, publish in the *Globe and Mail (National Edition)*, a notice containing the information prescribed under the CCAA; and (ii) within five (5) days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against any of the Applicants of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Subsection 23(1)(a) of the CCAA and the regulations made thereunder.

42. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended (the "**Rules of Civil Procedure**"). Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/trichome>.

43. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide is not practicable, the Applicants, the Monitor, and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile or other electronic transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service, distribution or notice shall be deemed to be received:

(i) if sent by courier, on the next business day following the date of forwarding thereof; (ii) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered; and (iii) if sent by ordinary mail, on the third business day after mailing.

44. **THIS COURT ORDERS** that the Applicants, the Monitor and each of their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message (including by e-mail) to the Applicants' creditors or other interested parties and their advisors, as applicable. For greater certainty, any such service or distribution shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of Subsection 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

45. **THIS COURT ORDERS** that, except with respect to any motion to be heard on the Comeback Date, and subject to further Order of this Court in respect of urgent motions, any interested party wishing to object to the relief sought in a motion brought by the Applicants or the Monitor in these CCAA proceedings shall, subject to further Order of this Court, provide the service list in these proceedings (the "**Service List**") with responding motion materials or a written notice (including by e-mail) stating its objection to the motion and the grounds for such objection by no later than 5:00 p.m. (Eastern Time) on the date that is two (2) days prior to the date such motion is returnable (the "**Objection Deadline**"). The Monitor shall have the ability to extend the Objection Deadline after consulting with the Applicants.

46. **THIS COURT ORDERS** that following the expiry of the Objection Deadline, counsel to the Monitor or counsel to the Applicants shall inform the Court, including, without limitation, by way of a 9:30 a.m. (Eastern Time) appointment, of the absence or the status of any objections to the applicable motion and the judge having carriage of such motion may determine: (i) whether a hearing in respect of the motion is necessary; (ii) if a hearing is necessary, the date and time of such hearing; (iii) whether such hearing will be in person, by telephone or videoconference, or by written submissions only; and (iv) the parties from whom submissions are required. In the absence of any such determination, a hearing will be held in the ordinary course on the date specified in the applicable Notice of Motion.

## GENERAL

47. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court on November 17, 2022 at 9:30 a.m. (Eastern Time) (the "**Comeback Date**"), and any such interested party shall give not less than two (2) business days' notice to the Service List and any other party or parties likely to be affected by the Order sought in advance of the Comeback Date; provided, however, that the Chargees shall be entitled to rely on this Order as granted and on the Charges and priorities set forth in paragraphs 35 and 37 hereof with respect to any fees, expenses and disbursements incurred, as applicable, until the date this Order may be amended, varied or stayed.

48. **THIS COURT ORDERS** that, notwithstanding paragraph 47 of this Order, each of the Applicants, the Monitor or the DIP Lender may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of its powers and duties hereunder or in the interpretation of this Order.

49. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of any of the Applicants, the Business or the Property.

50. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

51. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are 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 Monitor 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.

52. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.



Court File No.: \_\_\_\_\_

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT  
OF TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION  
CORP., MYM NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM  
INTERNATIONAL BRANDS INC., AND HIGHLAND GROW INC.**

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

Proceeding commenced at Toronto

**INITIAL ORDER**

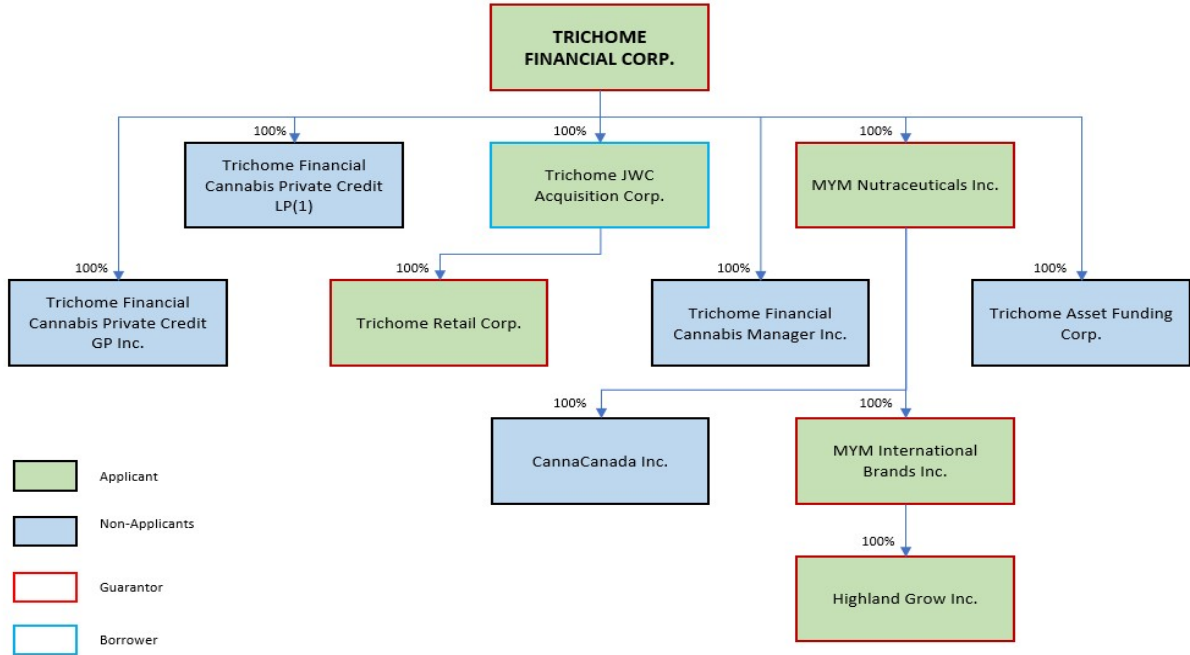
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Lawyers for the Applicants

## **Appendix “B”**



(1) Trichome Financial Cannabis Private Credit LP is considered a 100% owned subsidiary of Trichome Financial Corp. based on the requirements of IFRS 10 *Consolidated Financial Statements*. Trichome Financial Corp. does not own any equity in Trichome Financial Cannabis Private Credit LP.

## **Appendix “C”**

#### **4.1 SISP**

1. The SISP was conducted by the Applicants and Stoic, under the supervision of the Monitor, in accordance with its terms.

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<sup>4</sup> Represents the last date the Applicants filed most of their monthly tax returns.

<sup>5</sup> TFC has commenced discussions with CRA in respect of this amount, including the quantum.

2. A copy of the Stalking Horse Agreement is attached as Appendix “B”. The Stalking Horse Agreement was intended to establish an appropriate, valuable and competitive floor for bids submitted in the SISP. The Stalking Horse Agreement contemplated a reverse vesting transaction, pursuant to which L5 would acquire all of the issued and outstanding shares in the capital of TJAC and MYM owned by Trichome. L5 is controlled by Marc Lustig, a director of Trichome and the Chair of IMCC.
3. Pursuant to the SISP Order, the bid deadline was February 6, 2023. No qualified bids were submitted by the Bid Deadline.
4. On February 7, 2023, Bennett Jones LLP (“Bennett Jones”), counsel to the Applicants, wrote a letter to Blakes Cassels & Graydon LLP (“Blakes”), counsel to L5, notifying L5, among other things, that the Stalking Horse Bid was deemed to be the successful bidder in the SISP. A copy of this letter is attached as Appendix “C”.
5. On February 13, 2023, Blakes responded in a letter to Bennett Jones, advising that L5 would not be completing the transaction, would not dispute the forfeiture of the deposit it paid under the Stalking Horse Agreement (\$250,000) to the Applicants, and would not dispute the Applicants’ termination of the Stalking Horse Agreement in accordance with Section 9.1(e) under the circumstances.<sup>6</sup> A copy of this letter is attached as Appendix “D”.
6. On February 16, 2023, Bennett Jones wrote a further letter to Blakes advising, among other things, that the Applicants were terminating the Stalking Horse Agreement pursuant to Section 9.1(e) and that L5’s deposit constitutes property of the Applicants in accordance with the terms of the Stalking Horse Agreement. A copy of this letter is attached as Appendix “E”.
7. Despite the termination of the Stalking Horse Agreement, the Applicants, the Monitor and Stoic continue to market the Applicants’ business and assets for sale, including the brands and other intellectual property owned by the Applicants (the “IP”). As of the date of this Report, certain parties have expressed an interest in the IP.
8. If consummated, the transaction contemplated by the Staking Horse Agreement was projected to repay Cortland in full, make partial distributions to Trichome in respect of its advances to certain Applicants and to make partial distributions to certain of the Applicants’ unsecured creditors. As discussed below, the termination of the Stalking Horse Agreement is now projected to result in a shortfall to Cortland. However, a sale of the IP could significantly reduce or eliminate Cortland’s projected loss.

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<sup>6</sup> Section 9.1(e) of the Stalking Horse Agreement provides as follows: “This Agreement may be terminated on or prior to the Closing Date: [...] (e) by the Vendor and the Purchased Entities (with the consent of the Monitor), if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty of the Purchaser in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 8.2, as applicable, by the Outside Date and such violation or breach has not been waived by the Vendor and the Purchased Entities or cured by the Purchaser within five (5) Business Days of the Vendor providing notice to the Purchaser of such breach, unless the Vendor is in material breach of its obligations under this Agreement at such time”.

## **Appendix “D”**



**TRICHOME FINANCIAL CORP.**

**- AND -**

**TRICHOME JWC ACQUISITION CORP.**

**- AND -**

**TRICHOME RETAIL CORP.**

**- AND -**

**MYM NUTRACEUTICALS INC.**

**- AND -**

**MYM INTERNATIONAL BRANDS INC.**

**- AND -**

**HIGHLAND GROW INC.**

**- AND -**

**1000370759 ONTARIO INC.**

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**SHARE PURCHASE AGREEMENT**

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**DATED MARCH 28, 2023**

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## SHARE PURCHASE AGREEMENT

**THIS SHARE PURCHASE AGREEMENT** dated March 28, 2023 (this "**Agreement**") is made by and between **TRICHOME FINANCIAL CORP.**, a corporation incorporated under the laws of Ontario ("**Trichome**" or the "**Vendor**"), **TRICHOME JWC ACQUISITION CORP.**, a corporation incorporated under the laws of Ontario ("**TJAC**"), **TRICHOME RETAIL CORP.**, a corporation incorporated under the laws of Ontario ("**TRC**"), **MYM NUTRACEUTICALS INC.**, a corporation continued under the laws of Ontario ("**MYM**"), **MYM INTERNATIONAL BRANDS INC.**, a corporation continued under the laws of Ontario ("**MYMB**"), **HIGHLAND GROW INC.**, a corporation incorporated under the laws of Nova Scotia ("**Highland**") and **1000370759 ONTARIO INC.**, a corporation incorporated under the laws of Ontario (the "**Purchaser**").

### RECITALS:

**WHEREAS** pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 7, 2022 (as amended and restated on November 17, 2022, and as may be further amended, restated or varied from time to time, the "**Initial Order**"), Trichome, TJAC, MYM, MYMB, Highland and TRC (collectively, the "**CCA Applicants**") obtained relief under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCA**") and KSV Restructuring Inc. was appointed as monitor (the "**Monitor**");

**AND WHEREAS** Trichome is the owner of the Purchased Shares (as defined below);

**AND WHEREAS** pursuant to an Amended and Restated Term Sheet dated March 17, 2023, among the Purchaser, TJAC, MYM, Highland and Trichome (the "**Amended and Restated Term Sheet**"), the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Purchased Shares on the terms and subject to the conditions set forth in this Agreement, subject to obtaining the Approval and Vesting Order (as defined below);

**NOW THEREFORE** in consideration of the covenants and mutual promises set forth in this Agreement (including the recitals hereof) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties (as defined below) hereby agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions.

In this Agreement, in addition to the terms defined in the preamble and the recitals, above, the following terms shall have the following meanings:

"**Action**" means any claim, action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before a Governmental Authority.

"**Affiliate**" means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to "control" another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term "controlled" shall have a similar meaning.

**"Anticipated Inventory"** means, in respect of a Purchased Entity, the on-hand cannabis inventory and consumable (non-biological) supplies expected to be held by such Purchased Entity at Closing set out in Schedule "B" hereto.

**"Applicable Law"** means, with respect to any Person, property, transaction, event or other matter, any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order (including any securities laws or requirements of stock exchanges and any consent decree or administrative Order) or other requirement having the force of law ("**Law**"), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

**"Approval and Vesting Order"** means an order of the Court in the form attached hereto as Schedule "A" and otherwise satisfactory to the Parties and the Monitor, each acting reasonably, among other things, approving this Agreement and the Transactions contemplated hereby, adding the Residual Cos. as applicants in the CCAA Proceedings, terminating the CCAA Proceedings in respect of the Purchased Entities, vesting in and to the Residual Cos. the Excluded Assets, the Excluded Contracts and the Excluded Liabilities, and vesting all of the Vendor's right, title and interest in and to the Purchased Shares to the Purchaser free and clear of all Encumbrances.

**"Assumed Contracts"** means all Contracts of each Purchased Entity listed in Schedule "D", an amended list of which, subject to Section 4.3, may be delivered by the Purchaser to the Vendor no later than 5:00 p.m. (Eastern Time) on March 31, 2023.

**"Assumed Liabilities"** means: (a) Liabilities specifically and expressly designated by the Purchaser as assumed Liabilities in Schedule "G" (which, subject to Section 4.3, may be amended by the Purchaser by submitting an amended list no later than 5:00 p.m. (Eastern Time) on March 31, 2023); (b) Liabilities which relate to the Business or the Retained Assets, including Liabilities under any Assumed Contracts, Permits and Licenses or Permitted Encumbrances, in each case, to the extent forming part of the Retained Assets and arising out of events or circumstances that occur after the Closing, exclusive of any Liabilities relating to or in connection with (i) any event, occurrence or circumstance or (ii) failure to perform, improper performance, breach, default or violation by a Purchased Entity, in each case, at any time prior to the Closing; (c) Liabilities of the Purchased Entities which are to be performed after the Closing that are not specifically identified as Excluded Liabilities; (d) the Deferred Consideration Notes (provided that such Liabilities shall be paid in accordance with Section 6.7); and (e) Liabilities for (i) wages, vacation pay and Benefit Plans owing by any Purchased Entity to any Employee accruing to and after the Closing Time and (ii) vacation pay owing by any Purchased Entity to any Employee which accrued prior to the Closing Time.

**"Assumed Liabilities Employee Amount"** means the net dollar amount of those Liabilities described under paragraph (e) of the definition of "Assumed Liabilities" which accrued prior to the Closing Time.

**"Authorization"** means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person's property or business and affairs (including any zoning approval, mining permit, development permit or building permit) or from any Person in connection with any easements, contractual rights or other matters.

**"Benefit Plans"** means all plans with respect to the Employees to which any of the Purchased Entities is a party to or bound by or to which any of the Purchased Entities has an obligation to contribute relating to retirement savings, pensions, bonuses, profit sharing, deferred compensation, share purchase or share option, share appreciation, phantom stock, incentive compensation, life or accident insurance,

hospitalization, health, medical or dental treatment or expenses, disability, unemployment insurance benefits, employee loans, vacation pay, severance or termination pay or other benefit plan.

**"Books and Records"** means all books, records, files, papers, books of account and other financial data including Tax Returns related to the Retained Assets in the possession, custody or control of the Vendor or any Purchased Entity, including sales and advertising materials, sales and purchase data, trade association files, research and development records, lists of present and former customers and suppliers, personnel, employment and other records, and all records, data and information stored electronically, digitally or on computer-related media.

**"Business"** means the business and operations carried on by each Purchased Entity as at the date of this Agreement and as at the Closing Date pertaining to the sale, processing and cultivation of cannabis and all things ancillary thereto.

**"Business Day"** means any day except Saturday, Sunday or any day on which banks are generally not open for business in the Province of Ontario.

**"Cannabis Act and Cannabis Regulations"** means the *Cannabis Act* (Canada), all regulations in force thereunder from time to time, and any federal and provincial laws or regulations governing the cultivation, manufacture, production, storage, marketing or sale of cannabis that may be in effect from time to time.

**"Cannabis Licenses"** means all Authorizations related to cannabis and issued by Health Canada to the Purchased Entities, including Authorizations to plant, grow, cultivate, extract, produce, process, store, destroy, sell, provide, ship, deliver, transport and/or distribute cannabis under Applicable Law.

**"Cash Payment"** has the meaning set out in Section 2.2(b).

**"CCAA Proceedings"** means the proceedings commenced by the CCAA Applicants under the CCAA.

**"Charges"** has the meaning ascribed to it in the Initial Order.

**"Closing"** means the completion of the Transactions in accordance with the Closing Sequence and the other provisions of this Agreement.

**"Closing Date"** means the date on which Closing occurs.

**"Closing Date Purchased Entity Receivables"** means any receivables of any Purchased Entity from any provincial cannabis purchasing agencies, non-government distributors, and/or direct sale retailers in respect of the period prior to the Closing Date.

**"Closing Sequence"** has the meaning set out in Section 7.2.

**"Closing Time"** means the time on the Closing Date at which Closing occurs, as evidenced by the Monitor's Certificate.

**"Collateral Properties"** means collectively, the properties municipally known as (a) 85 King St W Chatham, Ontario, N7M 1C7 (b) 16 Steel St Welland, Ontario, L3B 3L9 (c) 326 Ottawa St N Hamilton, Ontario, L8H 4A1 (d) 4695 Queen St Niagara Falls, Ontario, L2E 2L9 (e) 129 Mitton St S Sarnia, Ontario, N7T 3C5 (f) 349 King St Port Colborne, Ontario, L3K 4H2 (g) 1368 Ottawa St Windsor, Ontario, N8X 2E8 (h) 125 Muskoka Rd S Gravenhurst, Ontario, P1P 1X3 (i) 51 Front St W Strathroy, Ontario, N7G 1X5 (j) 30 Main St E Huntsville, Ontario, P0H 0A9 (k) 22 Robinson St Simcoe, Ontario, N3Y 1W4 (l) 673

Ontario St Stratford, Ontario, N5A 3J6 (m) 780 Wallace Ave N Listowel, Ontario, N4W 1M2 (n) 740/750 James St Wallaceburg, Ontario, N8A 2P5 (o) 2107 Parkdale Ave Brockville, Ontario, K6V 0B4 (p) 3-11 Erie St S Leamington, Ontario, N8H 3A7 (q) 20 Bridge St Belleville, Ontario, K8P 1H7 (r) 153 West St Brantford, Ontario, N3T 3G4 (s) 92 Pelham Rd St Catharines, Ontario, L2S 1T1 (t) 115 Talbot St W Aylmer, Ontario, N5H 1J6 (u) 201 Jarvis Street Fort Erie, Ontario, L2A 2S7 (v) 82 Division St. Quinte West/Trenton, Ontario, K8V 4W5 (w) 1262.5 Wellington St W Ottawa, Ontario, K1Y 3A5 (x) 520 Dundas St Woodstock, Ontario, N4S 1C5 (y) 1720 Algonquine North Bay, Ontario, P1B 4Y9 (z) 496 Main St North Bay, Ontario, P1B 1B5 (aa) 372 Riverside Sudbury, Ontario, P3E 1H7 (bb) 892-893 Queen St Sault St. Marie, Ontario, P6A 2B4 (cc) 513 11th Avenue Hanover, Ontario, N4N 2S3 (dd) 978 3rd Avenue E Owen Sound, N4K 2K9 (ee) 4 Courthouse Square Goderich, Ontario, N7A 1M3 (ff) 25-27 Second St E Cornwall, Ontario, K6H 1Y2 (gg) 214 Third Ave City of Timmins, Ontario, P4E 1E1 (hh) 7 Market Square Napanee, Ontario, K7R 1R3 (ii) 670 Riverside Dr Timmins, Ontario, P4N 3V9 (jj) 52 Bridge Street E Campbellford, Ontario, K0L 1L0 (kk) 212 King St Midland, Ontario, L4R 3L9 (ll) 34 Seguin St Parry Sound, Ontario, P2A 1B1 (mm) 324 Whitewood Ave W New Liskeard, Ontario, P0J 1P0 and (nn) 18 Circle St Kapuskasing, Ontario, P5N 1T4.

"**Conditions Certificates**" has the meaning set out in Section 8.3.

"**Contracts**" means all written contracts, agreements, leases, understandings and arrangements that are Related to the Business to which any Purchased Entity is a party or by which any Purchased Entity is bound or in which any Purchased Entity has, or will at Closing have, any rights.

"**Deferred Consideration**" has the meaning set out in Section 4.4.

"**Deferred Consideration Note**" has the meaning set out in Section 4.4.

"**Deferred Consideration Note Amount**" means, in respect of a Deferred Consideration Note issued by a Purchased Entity, the initial principal amount of \$1.00, which shall be automatically and immediately increased following the Closing Date, from time to time, on a dollar-for-dollar basis by the amount of any applicable Closing Date Purchased Entity Receivable actually received by such applicable Purchased Entity from and following Closing.

"**Deposit**" has the meaning set out in Section 2.2.

"**Direct Purchased Entities**" means, collectively, TJAC and MYM.

"**Discharged**" means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, including all proceeds thereof, the full, final, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.

"**Employees**" means all individuals who, as of the Closing Time, are employed or engaged as an independent contractor by a Purchased Entity, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not expired, but, for certainty, excludes any employees or independent contractors who are to be terminated pursuant to Section 8.1(i), and "**Employee**" means any one of them.

"**Encumbrances**" means all claims, Liabilities (direct, indirect, absolute or contingent), obligations, prior claims, rights of retention, liens, security interests, charges, hypothecs, trusts, deemed trusts (statutory or otherwise), judgments, writs of seizure or execution, notices of sale, contractual rights (including purchase



options, rights of first refusal, rights of first offer or any other pre-emptive contractual rights) and encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise.

**"Encumbrances To Be Discharged"** means all Encumbrances on the Purchased Shares and Retained Assets, including without limitation the Encumbrances listed in Schedule "F", and excluding only the Permitted Encumbrances, which, subject to Section 4.3, may be amended by the Purchaser by submitting an amended list no later than 5:00 p.m. (Eastern Time) on March 31, 2023.

**"Excluded Assets"** means those assets of each Purchased Entity listed in Schedule "C", an amended list of which, subject to Section 4.3, may be delivered by the Purchaser to the Vendor no later than 5:00 p.m. (Eastern Time) on March 31, 2023.

**"Excluded Assets Bill of Sale"** has the meaning set out in Section 4.2.

**"Excluded Contracts"** means all Contracts of each Purchased Entity other than the Assumed Contracts, including those set forth in Schedule "M".

**"Excluded Liabilities"** means all debts, obligations, Liabilities, Encumbrances, indebtedness, Contracts, leases, agreements, undertakings, claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) of or against any Purchased Entity or relating to any Retained Asset, save and except for the Assumed Liabilities. For greater certainty, and without limiting the generality of the foregoing, "Excluded Liabilities" includes: (i) those certain Liabilities set forth in Schedule "E" (which, subject to Section 4.3, may be revised by the Purchaser at any time prior to 5:00 p.m. (Eastern Time) on March 31, 2023); (ii) any and all Liabilities relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which any Purchased Entity may be bound as at the Closing Time; (iii) all Liabilities relating to or under the Excluded Contracts and Excluded Assets; (iv) Liabilities for employees or independent contractors whose employment or engagement with any Purchased Entity or its Affiliates is terminated on or before Closing; (v) all Liabilities to or in respect of any Purchased Entity's Affiliates; (vi) any Liabilities (including Tax Liabilities, if any) of a Purchased Entity arising in connection with the assignment of the Excluded Liabilities and Excluded Contracts to its corresponding Residual Co. and the assumption by such Residual Co. of same; and (vii) any Liabilities (including Tax Liabilities, if any) arising in connection with the transfer and/or vesting of any Excluded Contracts and Excluded Assets from any Purchased Entity to its corresponding Residual Co.

**"Excluded Liability Assumption Agreement"** has the meaning set out in Section 4.1.

**"Goodwill"** means the goodwill of the Business and relating to the Retained Assets, and information and documents relevant thereto including lists of customers and suppliers, credit information, telephone and facsimile numbers, email addresses, internet addresses and domain names used in connection with the Business, research materials, research and development files and the exclusive right of each of the Purchased Entities to represent itself as carrying on the Business and to all rights in respect of the names "WAGNERS" and "Highland Grow" and any variations of such names.

**"Governmental Authority"** means the government of Canada, or any other nation, or of any political subdivision thereof, whether state, provincial, territorial, municipal or local, and any agency, authority, instrumentality, regulatory body, court, arbitrator or arbitrators, tribunal, central bank or other entity exercising executive, legislative, judicial or arbitral, taxing, regulatory or administrative powers or functions (including any applicable stock exchange).

"**Guarantee and GSA**" has the meaning set out in Section 2.2(c).

"**Guarantor**" has the meaning set out in Section 2.2(c).

"**Highland Residual Co.**" means a corporation to be incorporated as a wholly owned subsidiary of MYMB, to which any Excluded Assets and Excluded Liabilities of Highland will be transferred as part of the Closing Sequence.

"**HST**" means the goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada).

"**Indirect Purchased Entities**" means, collectively, TRC, MYMB and Highland.

"**Intellectual Property**" means all intellectual property and industrial property used by the Vendor or any Purchased Entity or otherwise associated with the Goodwill, throughout the world, whether or not registrable, patentable or otherwise formally protectable, and whether or not registered, patented, otherwise formally protected or the subject of a pending application for registration, patent or any other formal protection, including all rights, titles, interests, and benefits in and to (a) trade-marks, service marks, trade dress, corporate, partnership and business names, fictitious names and other trade names, (b) inventions, patent rights, arts, processes, machines, manufactures, compositions of matter, (c) works, copyrights, neighbouring rights, moral rights, software and databases, (d) designs and industrial designs, (e) know-how, trade secrets, proprietary information, formulae, recipes, systems, methods and techniques and related documentation, customer and supplier information, and market and survey information, (f) telephone numbers, domain names and social media identities, and all derivatives, modifications and improvements of the foregoing.

"**Interim Period**" means the period from the date that this Agreement is entered into by the Parties to the Closing Time.

"**Investment Canada Act**" means the *Investment Canada Act* (Canada).

"**Legal Proceeding**" means any litigation, Action, application, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any court or other tribunal or Governmental Authority and includes any appeal or review thereof and any application for leave for appeal or review.

"**Liabilities**" means, with respect to any Person, all costs, expenses, charges, debts, liabilities, commitments or obligations of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

"**Material Adverse Effect**" means any change, event, development, occurrence, facts, condition or effect (each, an "**Effect**") that is, or would reasonably be expected to be, individually or in the aggregate with all other Effects, materially adverse to the Business or that would reasonably be expected to prevent, materially delay or materially impair the ability of the Vendor and the Purchased Entities to consummate the Transactions, provided that (a) an epidemic, pandemic or disease outbreak (and any public health measures enacted in response to a pandemic, including travel restrictions or lockdowns), including without limitation COVID-19, (b) a change in sales or forecasted sales, (c) a change in general economic, business, political or market conditions, or a development in the financial, banking, credit, debt, currency, capital or securities

markets in general, including changes in interest rates; or (d) any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the Vendor or other CCAA Applicants with any third party, including any of the CCAA Applicants' customers, employees, shareholders, financing sources, vendors, distributors, partners or suppliers as a direct result of the execution, announcement or performance of this Agreement, shall not qualify as a Material Adverse Effect, except in the cases of (a) and (c), where such Effect materially disproportionately affects the Business versus other businesses in the same industry and geographic location as the Purchased Entities in which case such Effect will constitute a Material Adverse Effect for the purposes of this Agreement.

**"Monitor's Certificate"** means the certificate, substantially in the form to be attached as Schedule "B" to the Approval and Vesting Order, to be delivered by the Monitor to the Vendor, the Purchased Entities and the Purchaser in accordance with Section 8.3, and thereafter filed by the Monitor with the Court.

**"Mortgage Documents"** has the meaning set out in Section 2.2(c).

**"Motion Date"** means the date on which the motion of the Vendor and the other CCAA Applicants for the Approval and Vesting Order is heard by the Court, which date shall be no later than the Target Closing Date.

**"MYM Residual Co."** means a corporation to be incorporated as a wholly owned subsidiary of Trichome, to which any Excluded Assets and Excluded Liabilities of MYM will be transferred as part of the Closing Sequence.

**"MYMB Residual Co."** means a corporation to be incorporated as a wholly owned subsidiary of MYM, to which any Excluded Assets and Excluded Liabilities of MYMB will be transferred as part of the Closing Sequence.

**"Order"** means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

**"Organizational Documents"** means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

**"Outside Date"** means April 11, 2023, or such other date as the Vendor and each Purchased Entity (with the consent of the Monitor) and the Purchaser may agree to in writing.

**"Party"** means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **"Parties"** means more than one of them.

**"Permits and Licenses"** means the permits, licenses, Authorizations, approvals or other evidence of authority Related to the Business, including: (a) the permits, licenses, Authorizations, approvals or other evidence of authority Related to the Business and issued to, granted to, conferred upon, or otherwise created for, any Purchased Entity; and (b) the Cannabis Licenses.

**"Permitted Encumbrances"** means the Encumbrances related to the Retained Assets listed in Schedule "H", an amended list of which may be agreed to by the Purchaser, the Vendor, the Purchased Entities and the Monitor prior to the granting of the Approval and Vesting Order.

"**Person**" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

"**Professional Costs**" means amounts owing to professional advisors in connection with the CCAA Proceedings and the Transactions, including, without limitation, the CCAA Applicants' counsel, the Monitor and the Monitor's counsel and any other financial advisor retained by the CCAA Applicants or the Monitor.

"**Purchased Entities**" means, collectively, the Direct Purchased Entities and the Indirect Purchased Entities, and "**Purchased Entity**" means any one of them.

"**Purchased Shares**" means, collectively, (a) all of the issued and outstanding shares in the capital of TJAC owned by Trichome, and (b) all of the issued and outstanding shares in the capital of MYM owned by Trichome.

"**Purchase Price**" has the meaning set out in Section 2.2.

"**Related to the Business**" means primarily (a) used in, (b) arising from or (c) otherwise related to the Business or any part thereof.

"**Representative**" when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

"**Residual Cos.**" means, collectively, TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co., and "**Residual Co.**" means any one of them.

"**Retained Assets**" has the meaning set out in Section 4.2.

"**Secured Debenture**" means the Secured Convertible Debenture dated August 28, 2020 issued by TJAC in favour of Trichome, as amended by a First Amendment to Secured Convertible Debenture dated July 20, 2022.

"**Secured Promissory Note**" has the meaning set out in Section 2.2(c).

"**Straddle Period Tax Returns**" has the meaning set out in Section 10.1.

"**Subsidiary Shares**" means collectively, (a) all of the issued and outstanding shares in the capital of TRC owned by TJAC, (b) all of the issued and outstanding shares in the capital of MYMB owned by MYM, and (c) all of the issued and outstanding shares in the capital of Highland owned by MYMB.

"**Target Closing Date**" means April 6, 2023, or such other date as the Vendor (with the consent of the Monitor) and the Purchaser may agree to in writing.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Tax Returns**" means all returns, reports, declarations, designations, forms, elections, notices, filings, information returns, and statements in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

"**Taxes**" or "**Tax**" means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, mining taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

"**Terminated Employees**" means all individuals employed or engaged as independent contractors by a Purchased Entity, other than those individuals whose employment or engagement, as applicable, will be retained following the Closing, as listed in a retained employee/independent contractor list to be sent by the Purchaser to the Vendor and the Purchased Entities no later than 5:00 p.m. (Eastern Time) on March 31, 2023.

"**Transactions**" means all of the transactions contemplated by this Agreement.

"**TJAC Residual Co.**" means a corporation to be incorporated as a wholly owned subsidiary of Trichome, to which any Excluded Assets and Excluded Liabilities of TJAC will be transferred as part of the Closing Sequence.

"**TRC Residual Co.**" means a corporation to be incorporated as a wholly owned subsidiary of TJAC, to which any Excluded Assets and Excluded Liabilities of TRC will be transferred as part of the Closing Sequence.

"**Trillium Lease**" means the indenture between James E. Wagner Cultivation Ltd. and Blue Top Properties (855 Trillium) Inc. dated December 13, 2013 in respect of an approximately 15,000 sq. ft. processing and packaging facility located at 855 Trillium Drive, Unit B, Kitchener, Ontario, N2R 1J9, as assigned to TJAC pursuant to a Lease Assignment Agreement dated July 28, 2020, and as amended pursuant to a Renewal Agreement of Lease dated November 25, 2020.

## **1.2 Actions on Non-Business Days**

If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

## **1.3 Currency and Payment Obligations**

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in the lawful currency of Canada.

## 1.4 Calculation of Time

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. (Eastern Time) on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. (Eastern Time) on the next succeeding Business Day.

## 1.5 Additional Rules of Interpretation

- (a) *Consents, Agreements, Approval, Confirmations and Notice to be Written.* Any consent, agreement, approval or confirmations from, or notice to, any party permitted or required by this Agreement shall be written consent, agreement, approval, confirmation, or notice, and email shall be sufficient.
- (b) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- (c) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.
- (d) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles or Sections of this Agreement, and Schedules to this Agreement.
- (e) *Words of Inclusion.* Wherever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation" and the words following "include", "includes" or "including" shall not be considered to set forth an exhaustive list.
- (f) *References to this Agreement.* The words "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.
- (g) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.
- (h) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.
- (i) *No Strict Construction.* The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party, including, without limitation, the doctrine of *contra proferentum*.

## 1.6 Exhibits and Schedules

- (a) The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

### SCHEDULES

Schedule "A"	- Approval and Vesting Order
Schedule "B"	- Anticipated Inventory
Schedule "C"	- Excluded Assets
Schedule "D"	- Assumed Contracts
Schedule "E"	- Excluded Liabilities
Schedule "F"	- Encumbrances to be discharged
Schedule "G"	- Assumed Liabilities
Schedule "H"	- Permitted Encumbrances
Schedule "I"	- Retained Assets
Schedule "J"	- Secured Promissory Note
Schedule "K"	- Guarantee and GSA
Schedule "L"	- Mortgage Documents
Schedule "M"	- Excluded Contracts
Schedule "5.2(i)"	- Cannabis Licenses

- (b) Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Exhibits and Schedules and the interpretation provisions set out in this Agreement apply to the Exhibits and Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Exhibits and Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

## ARTICLE 2 PURCHASE & ALLOCATION OF PURCHASE PRICE

### 2.1 Purchase and Sale of the Purchased Shares

Subject to the terms and conditions of this Agreement, on the Closing Date in accordance with the Closing Sequence, the Vendor shall sell, transfer, convey and assign the Purchased Shares to the Purchaser, and the Purchaser shall purchase the Purchased Shares from the Vendor, free and clear of all Encumbrances, and in consideration thereof, the Purchaser shall satisfy the Purchase Price as set out in Section 2.2.

### 2.2 Purchase Price

The purchase price (the "**Purchase Price**") for the Purchased Shares shall be \$3,375,000, to be paid and satisfied as follows, subject to the Closing Sequence:

- (a) Deposit. The \$500,000 (the "**Deposit**") paid on behalf of the Purchaser to the Monitor pursuant to the Amended and Restated Term Sheet and held in trust by the Monitor, shall be released and distributed in accordance with Section 2.3 or credited to the Vendor in accordance with the Closing Sequence.
- (b) Cash Payment. The Purchaser shall pay the sum of \$500,000 to the Monitor on the Closing Date (the "**Cash Payment**") by wire transfer of immediately available funds, which Cash Payment shall be held in escrow by the Monitor and released to the Vendor in accordance with the Closing Sequence.
- (c) Deferred Payment. The Purchaser shall issue in favour of the Vendor a secured interest bearing promissory note in the principal face amount of \$2,375,000, the form of which is attached as Schedule "J" (the "**Secured Promissory Note**"), and all obligations under which shall be secured by a (i) guarantee and general security interest granted by 2767888 Ontario Inc. (the "**Guarantor**") in favour of the Vendor in, among other things, all of the present and after-acquired property of the Guarantor (together, the "**Guarantee and GSA**"), the forms of which are attached as Schedule "K"; and (ii) mortgages registered against each of the Collateral Properties in favour of the Vendor, the form of Acknowledgment re: Standard Charge Terms and Schedule to a Charge/Mortgage with respect to the registration of such mortgages are attached as Schedule "L" (collectively, the "**Mortgage Documents**"). Notwithstanding anything else contained in this Agreement or the Secured Promissory Note, the principal face amount of the Secured Promissory Note (being \$2,375,000) shall be reduced on a dollar-for-dollar basis by the Assumed Liabilities Employee Amount.
- (d) Full Purchase Price. The Purchase Price shall be fully and indefeasibly satisfied, on the Closing Date, by (i) the crediting of the Deposit to the Vendor, (ii) the release of the Cash Payment to the Vendor, and (iii) the issuance of the Secured Promissory Note to the Vendor, in each case in accordance with the Closing Sequence.

### **2.3 Treatment of Deposit**

If the Closing does not occur for any reason other than the Agreement having been terminated by the Vendor pursuant to Section 9.1(d), the Deposit will be forthwith refunded in full to the Purchaser (without interest, offset or deduction); provided, however, that the return of the Deposit pursuant to this Section 2.3 shall be the sole and exclusive remedy as liquidated damages of the Purchaser, whether at Law or in equity, for any breach by the Vendor or any of the Purchased Entities of the terms and conditions of this Agreement. If the Agreement is terminated by the Vendor pursuant to Section 9.1(d), the full amount of the Deposit shall become the property of, and shall be transferred to, the Vendor and the Purchased Entities as liquidated damages (and not as a penalty) to compensate the Vendor and the Purchased Entities for the expenses incurred and opportunities foregone as a result of the failure to close the Transactions; provided, however, that the retention of the Deposit in accordance with this Section 2.3 shall be the sole and exclusive remedy of the Vendor and the Purchased Entities for a breach of this Agreement by the Purchaser.

## **ARTICLE 3 PROCEDURE**

### **3.1 Motion for Approval and Vesting Order**

As soon as practicable after the execution of this Agreement the Vendor shall, together with the other CCAA Applicants, file with the Court a motion seeking the Court's issuance of the Approval and Vesting



Order. The Purchaser shall cooperate with the CCAA Applicants in their efforts to obtain the issuance and entry of the Approval and Vesting Order. The Purchaser, at its own expense, will promptly provide to the CCAA Applicants all such information within its possession or under its control as the CCAA Applicants or the Monitor may reasonably request to assist in obtaining the Approval and Vesting Order. The Vendor and the other CCAA Applicants shall serve any party or parties as the Purchaser may reasonably request.

## **ARTICLE 4 TRANSFER OF CERTAIN ASSETS AND LIABILITIES**

### **4.1 Transfer of Excluded Liabilities to Residual Cos.**

On the Closing Date, the Excluded Liabilities of each Purchased Entity shall be assumed by the Residual Co. corresponding to that Purchased Entity, in consideration for: (a) the assignment of Excluded Assets (if any) by such Purchased Entity to such Residual Co. in accordance with Section 4.2; and (b) in the case of TJAC and Highland, the issuance by TJAC and Highland, respectively, to its corresponding Residual Co. of a Deferred Consideration Note in accordance with Section 4.4. The Excluded Liabilities shall be assumed in accordance with the Closing Sequence, pursuant to the Approval and Vesting Order and evidenced by one or more assignment and assumption agreements in form and substance acceptable to the Purchaser, the applicable Purchased Entity, the Vendor and the Monitor (each, an "**Excluded Liability Assumption Agreement**"). Notwithstanding any other provision of this Agreement, neither the Purchaser nor any Purchased Entity shall assume or have any Liability for any of the Excluded Liabilities, and all Excluded Liabilities shall be Discharged from each Purchased Entity and its assets, undertaking, business and properties as at and from and after the Closing Time, pursuant to the Approval and Vesting Order.

### **4.2 Transfer of Excluded Assets and Excluded Contracts to Residual Cos.**

On the Closing Date, each Purchased Entity shall retain all of the assets owned by it immediately prior to Closing, including its Anticipated Inventory, Assumed Contracts, Permits and Licenses, Goodwill, Intellectual Property, Subsidiary Shares, Books and Records and those assets listed on Schedule "I" (collectively, the "**Retained Assets**"), except for inventory sold in the ordinary course of business in the Interim Period, and the Excluded Assets and Excluded Contracts, and shall remain liable in respect of the Assumed Liabilities in accordance with the terms of this Agreement. Each Purchased Entity shall transfer its respective Excluded Assets and Excluded Contracts, if any, to its corresponding Residual Co., in accordance with the Closing Sequence, on the Closing Date and same shall be vested in such Residual Co. pursuant to the Approval and Vesting Order as evidenced by one or more bills of sale and assignments of contracts, in form and substance satisfactory to the Purchaser, Vendor, Purchased Entity and the Monitor (each, an "**Excluded Assets Bill of Sale**"). Each of the Parties acknowledge and agree that such transfer of such Excluded Assets and Excluded Assets as contemplated by this Agreement is for consideration that is exclusive of any applicable HST (if any) and to the extent any HST is due and payable in connection with such transfer it shall be the sole responsibility of the applicable Residual Co. and not of any Purchased Entity.

### **4.3 Selection of Excluded Assets, Assumed Contracts, Excluded Liabilities and Assumed Liabilities**

For the avoidance of doubt, the Purchaser shall be entitled, with the prior written consent of the Vendor, the applicable Purchased Entity and the Monitor, to revise the list of Excluded Assets, Assumed Contracts, Excluded Liabilities, Encumbrances to be Discharged and Assumed Liabilities set out in Schedule "C", Schedule "D", Schedule "E", Schedule "F", and Schedule "G", respectively, by adding or deleting assets, Contracts or Liabilities, at any time that is not later than 5:00 p.m. (Eastern Time) on March 31, 2023, subject to the Permitted Encumbrances and Encumbrances to be Discharged and provided that:

- (a) any addition or deletion of any Excluded Asset, Assumed Contract, Excluded Liability or Assumed Liability shall not affect the Purchase Price;
- (b) the Purchaser shall not be permitted to revise the list of Excluded Liabilities so as to include Liabilities described under paragraphs (b), (c), (d), or (e) of the definition of "Assumed Liabilities";
- (c) the Purchaser shall not be permitted to revise the list of Excluded Assets so as to include the Anticipated Inventory; and
- (d) the Purchaser shall not be permitted to revise the list of Assumed Contracts so as to exclude the Trillium Lease.

#### **4.4 Deferred Consideration**

Each of TJAC and Highland shall, as partial consideration for the assumption by the corresponding Residual Co. of its Excluded Liabilities, pay deferred consideration (each, "**Deferred Consideration**") in an amount equal to the Deferred Consideration Note Amount, which Deferred Consideration shall not be reduced following the Closing Date by any returns to such Purchased Entity that occur subsequent to the receipt of all Closing Date Purchased Entity Receivables. Each Purchased Entity shall satisfy the Deferred Consideration by delivering to the Monitor on behalf of the corresponding Residual Co., on Closing, an interest-free, limited recourse promissory note in the principal face amount of the Deferred Consideration Note Amount, in favour of such Residual Co., which shall be secured solely by such Purchased Entity's Closing Date Purchased Entity Receivables (each such note, a "**Deferred Consideration Note**").

### **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

#### **5.1 Representations and Warranties as to the Vendor**

Subject to the issuance of the Approval and Vesting Order, the Vendor represents and warrants to the Purchaser as follows and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the purchase by the Purchaser of the Purchased Shares:

- (a) Incorporation and Status. The Vendor is a corporation incorporated and existing under the laws of the Province of Ontario, is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Vendor of this Agreement has been authorized by all necessary corporate actions on the part of the Vendor.
- (c) No Conflict. The execution, delivery and performance by the Vendor of this Agreement does not or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, (i) any terms or provisions of the Organizational Documents of the Vendor, (ii) any Applicable Laws or Orders applicable to the Vendor, or (iii) result in the creation or imposition of any Encumbrance with respect to the Purchased Shares.

- (d) Consents. No Authorization, consent or approval of any Governmental Authority, court or other Person is required in connection with the execution, delivery or performance of this Agreement by the Vendor, and each of the agreements to be executed and delivered by the Vendor hereunder, and the sale of the Purchased Shares.
- (e) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding obligation of the Vendor, enforceable against it in accordance with its terms subject only to the issuance of the Approval and Vesting Order.
- (f) Title to Purchased Shares. The Vendor is the registered and beneficial owner of the Purchased Shares, free and clear of all Encumbrances.
- (g) No Other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition from the Vendor of any of the Purchased Shares or the Retained Assets.
- (h) No Commissions. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the Transactions based on any arrangement or agreement for which the Purchaser or the Purchased Entities will be liable or responsible.
- (i) Proceedings. There are no Legal Proceedings pending against the Vendor or, to the knowledge of the Vendor, threatened, with respect to, or in any manner affecting, title to the Purchased Shares, or the Retained Assets or which would reasonably be expected to enjoin, delay, restrict or prohibit the transfer of all or any part of the Purchased Shares as contemplated by this Agreement or which would reasonably be expected to delay, restrict or prevent the Vendor from fulfilling any of its obligations set forth in this Agreement.
- (j) Residence of the Vendor. The Vendor is not a non-resident of Canada within the meaning of the Tax Act.

## **5.2 Representations and Warranties as to the Purchased Entities**

Subject to the issuance of the Approval and Vesting Order, the Vendor represents and warrants to the Purchaser as follows and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the purchase by the Purchaser of the Purchased Shares:

- (a) Incorporation and Status. Each Purchased Entity is a corporation existing under the laws of the province of its incorporation or continuance, in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by each Purchased Entity of this Agreement, including with respect to TJAC and MYM, the transfer of the Purchased Shares, has been authorized by all necessary corporate action on the part of each Purchased Entity.
- (c) No Conflict. The execution, delivery and performance by each Purchased Entity of this Agreement does not or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, (i) any terms or provisions of

the Organizational Documents of any Purchased Entity, (ii) any Applicable Laws, Permits and Licenses or Orders applicable to any Purchased Entity, or (iii) result in the creation or imposition of any Encumbrance with respect to the Purchased Shares or the Retained Assets.

- (d) Consents. No Authorization, consent or approval of any Governmental Authority, court or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchased Entities, and each of the agreements to be executed and delivered by the Purchased Entities hereunder, and the purchase of the Purchased Shares.
- (e) Execution and Binding Obligation. This Agreement has been duly executed and delivered by each Purchased Entity and constitutes a legal, valid and binding obligation of such Purchased Entity, enforceable against it in accordance with its terms subject only to the issuance of the Approval and Vesting Order.
- (f) Authorized and Issued Capital.
  - (i) The authorized capital of TJAC consists of an unlimited number of common shares.
  - (ii) The authorized capital of TRC consists of an unlimited number of common shares.
  - (iii) The authorized capital of MYM consists of an unlimited number of common shares.
  - (iv) The authorized capital of MYMB consists of an unlimited number of common shares.
  - (v) The authorized capital of Highland consists of an unlimited number of common shares.

There are no issued and outstanding shares or other securities of the Direct Purchased Entities other than the Purchased Shares, there are no issued and outstanding shares or other securities of the Indirect Purchased Entities other than the shares owned by the Direct Purchased Entities (or, in the case of Highland, the shares owned by MYMB), nor are there any securities convertible into or options, equity-based awards or other rights, agreements or commitments that are held by any Person and which are convertible into or exchangeable for shares or any other securities of any Purchased Entity other than the Secured Debenture.

- (g) No Other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition from any Purchased Entity of any of the Retained Assets.
- (h) Proceedings. There are no Legal Proceedings pending against any Purchased Entity or, to the knowledge of the Vendor, threatened, with respect to, or in any manner affecting, title to the Purchased Shares or the Retained Assets, or which would reasonably be expected to enjoin, delay, restrict or prohibit the transfer of all or any part of the Purchased Shares or the Closing of the Transactions, as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent any Purchased Entity from fulfilling any of their obligations set forth in this Agreement.

- (i) Cannabis Licenses. The Cannabis Licenses are set forth in Schedule "5.2(i)" and are in full force and effect. Except for the Purchaser's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition of any interest in, or the creation of any Encumbrance in respect of, the Cannabis Licenses.
- (j) Tax. With the exception of certain of TJAC's, Highland's, and MYM's incomes taxes, excise taxes and/or HST, (i) all Taxes shown as due and owing on the Tax Returns and any related notices of assessment for each Purchased Entity for all Tax periods ending on or prior to the Closing Date have been duly and timely paid, and (ii) each Purchased Entity has withheld and collected, and has duly and timely remitted, or shall duly and timely remit, to the appropriate Governmental Authority all Taxes required by law to be withheld, collected and remitted.
- (k) Assumed Contracts. True and complete copies of the Assumed Contracts have been delivered or made available to the Purchaser.
- (l) Retained Assets. Each of the Purchased Entities are the legal and beneficial owners of the Retained Assets held by it, free and clear of all Encumbrances other than the Encumbrances to the Discharged and any Permitted Encumbrances.
- (m) No Subsidiaries. Other than (i) the Subsidiary Shares and (ii) the shares of CannaCanada Inc. held by MYM, none of the Purchased Entities directly or indirectly, own any shares or, pursuant to any Assumed Contract or other Retained Assets, any options, warrants, rights, securities, debentures, loans, notes or other instruments exercisable into, or convertible or exchangeable for, any shares, equity interests or other securities of any other Person.

### **5.3 Representations and Warranties as to the Purchaser**

The Purchaser represents and warrants to and in favour of the Vendor and each Purchased Entity as follows and acknowledges and agrees that the Vendor and each Purchased Entity are relying upon such representations and warranties in connection with the sale by the Vendor of the Purchased Shares:

- (a) Incorporation and Status. The Purchaser is incorporated and existing under the Laws of the Province of Ontario and has the corporate power and authority to enter into, deliver and perform its obligations under, this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement and the completion of the Transactions contemplated by this Agreement does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, (i) any terms or provisions of the Organizational Documents of the Purchaser or (ii) any Applicable Laws or Orders applicable to the Purchaser.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and this Agreement constitutes a legal, valid and binding obligation of

the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.

- (e) No Commissions. The Purchaser has not entered into any arrangements or agreements with respect to the payment of any brokerage commissions, finders' fees or similar compensation in connection with the Transactions.
- (f) Litigation. There are no Legal Proceedings pending, or to the knowledge of the Purchaser, threatened against the Purchaser before any Governmental Authority, which would: (i) prevent the Purchaser from paying the Purchase Price to the Vendor; (ii) prohibit or seek to enjoin, restrict or prohibit the Transactions contemplated by this Agreement; or (iii) which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.
- (g) Security Clearances. Each officer, director, or any other Person that may exercise, or is in a position to exercise, direct control over either holder of the Cannabis Licenses or of the Purchaser, have obtained security clearances as required to maintain the Cannabis Licenses under Applicable Law.
- (h) Investment Canada Act. The Purchaser is a "Canadian" or a "WTO Investor" within the meaning of the Investment Canada Act, and the regulations thereunder.
- (i) Consents. Except for (i) the issuance of the Approval and Vesting Order, and (ii) any regulatory approvals required to be obtained pursuant to this Agreement, no Authorization, consent or approval of, or filing with or notice to, any Governmental Authority, court or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser, and each of the agreements to be executed and delivered by the Purchaser hereunder, and the purchase of the Purchased Shares.
- (j) Residence of Purchaser. The Purchaser is not a non-resident of Canada within the meaning of the Tax Act.
- (k) Financial Ability. The Purchaser will have, as of the Closing Date, (i) sufficient funds available for purposes of satisfying the Purchase Price due on Closing and (ii) the resources and capabilities (financial or otherwise) to perform its obligations under this Agreement, including the Secured Promissory Note. The Purchaser has not, as of the date hereof, and will not have, as of the Closing Time, incurred any liability that would materially impair or adversely affect the Purchaser's ability to perform its obligations under this Agreement.

#### **5.4 As is, Where is**

The Purchased Shares (together with all assets held by each Purchased Entity at Closing, including the Retained Assets) shall be sold and delivered to the Purchaser on an "as is, where is" basis, subject to the representations and warranties contained in Sections 5.1 and 5.2. Other than those representations and warranties contained herein, the Purchaser acknowledges and agrees that (a) no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever, including with respect to the Purchased Shares or the Retained Assets, and (b) the Monitor has not provided any representations and warranties in respect of any matter or thing whatsoever in connection with the Transactions contemplated hereby, including with respect to the Purchased Shares or the Retained Assets. The disclaimer in this Section 5.4 is made notwithstanding the delivery or disclosure to the Purchaser or its

directors, officers, employees, agents or Representatives of any documentation or other information (including financial projections or supplemental data not included in this Agreement). Without limiting the generality of the foregoing and unless and solely to the extent expressly set forth in this Agreement or in any documents required to be delivered pursuant to this Agreement, any and all conditions, warranties or representations, expressed or implied, pursuant to Applicable Law do not apply hereto and are hereby expressly waived by the Purchaser.

Without limiting the generality of the foregoing, except as may be expressly set out in this Agreement, no representations or warranties have been given by any Party with respect to the Liability any Party has with respect to Taxes in connection with entering into this Agreement, the issuance of the Approval and Vesting Order, the consummation of the Transactions or for any other reason. Each Party is to rely on its own investigations in respect of any Liability for Taxes payable, collectible or required to be remitted by any Purchased Entity or any other Party on or after Closing and the quantum of such Liability, if any, and the Purchaser acknowledges and agrees that it has been provided adequate access to the personnel, properties, assets, premises, Books and Records, and other documents and data of the Vendor and the Purchased Entities in order to make an independent analysis of same. For certainty, the Vendor shall have no Liability for any Taxes payable, collectible or required to be remitted on or after Closing by any Purchased Entity in connection with (a) the Vendor or such Purchased Entity entering into this Agreement, (b) the issuance of the Approval and Vesting Order or (c) the consummation of the Transactions.

## **ARTICLE 6 COVENANTS**

### **6.1 Target Closing Date**

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on the Target Closing Date.

### **6.2 Interim Period**

During the Interim Period and except as contemplated or permitted by this Agreement or the Approval and Vesting Order, as necessary in connection with the CCAA Proceedings, as otherwise required by Applicable Law or provided in the Initial Order and any other Orders of the Court prior to the Closing Time, or as consented to by the Purchaser, such consent not to be unreasonably withheld, conditioned or delayed, the Vendor and each Purchased Entity shall:

- (a) continue to maintain its business and operations in substantially the same manner as conducted on the date of this Agreement;
- (b) other than the Excluded Assets and each Purchased Entity's cannabis inventory to be sold in the ordinary course pursuant to purchase orders from third parties, not transport, remove or dispose of, any of its assets out of their current locations;
- (c) subject to Section 6.2(f), not incur any incremental costs and expenses, or make disbursements, out of the ordinary course of business, unless expressly agreed to by the Vendor, the Purchaser and the Monitor;
- (d) not enter into any non-arms' length transactions involving any Purchased Entity or its assets or the Business without the prior approval of the Purchaser;

- (e) use reasonable efforts to rectify any deficiencies that the Purchaser reasonably identifies in the corporate records and minute books of any of the Purchased Entities; and
- (f) purchase cannabis inventory and shipping and packaging supplies (including excise stamps), as reasonably requested by the Purchaser in writing, provided that the Purchaser pre-pays all costs to be incurred by any Purchased Entity in connection with such purchase.

### **6.3 Access During Interim Period**

During the Interim Period, the Vendor and each Purchased Entity shall give, or cause to be given, to the Purchaser, and its Representatives, reasonable access during normal business hours to the Retained Assets, including the Books and Records, to conduct such investigations, inventory counts, inspections, surveys or tests thereof and of the financial and legal condition of the Business, the Retained Assets as the Purchaser reasonably deems necessary or desirable to further familiarize themselves with the Business and the Retained Assets. Without limiting the generality of the foregoing: (a) the Purchaser and its Representatives shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement and to the Employees; (b) any invasive testing, including with respect to any real property, shall require the prior consent of the Vendor; (c) subject to the ongoing reasonable oversight and participation of the Vendor, any applicable Purchased Entity and the Monitor, and with prior notice to the Monitor, the Purchaser and its Representatives shall be permitted to contact and discuss the transactions contemplated herein with Governmental Authorities and the Vendor's and each Purchased Entity's customers and contractual counterparties; and (d) the Purchaser and its Representatives shall be permitted to attend the Purchased Entities' premises and perform a physical count of all Anticipated Inventory and the Vendor and its Representatives shall provide reasonable assistance in connection with such inventory count. Such investigations, inventory counts, inspections, surveys and tests shall be carried out at the Purchaser's sole and exclusive risk and cost, during normal business hours, and without undue interference with any Purchased Entity's operations, and the Vendor and each Purchased Entity shall co-operate reasonably in facilitating such investigations, inventory counts, inspections, surveys and tests and shall furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser.

### **6.4 Regulatory Approvals and Consents**

- (a) Each of the Parties shall use its commercially reasonable efforts to: (i) take, or cause to be taken, all appropriate action, and do, or cause to be done, all things necessary, proper or advisable under any Applicable Law or otherwise to consummate and make effective the Transactions; (ii) obtain any consents, approvals or orders required to be obtained or made in connection with the authorization, execution and delivery of this Agreement and the consummation of the Transactions, including with respect to the Trillium Lease; and (iii) make all filings and give any notice, and thereafter make any other submissions either required or reasonably deemed appropriate by each of the Parties, with respect to this Agreement and the Transactions required under any Applicable Law. Without limiting the generality of the foregoing, the Purchaser shall, within the period of time prescribed by Applicable Law, notify the relevant Governmental Authority of the change in any individual requiring security clearance as mandated by the Cannabis Act and Cannabis Regulations.
- (b) The Parties shall use reasonable efforts to cooperate and consult with each other in connection with the making of any such filings and notices, including providing copies of all such documents to the non-filing Party and its advisors within a reasonable period of



time prior to filing or the giving of notice. Each Party shall pay for its own filing fees and other charges arising out of the actions taken under this Section 6.4.

## **6.5 Insurance Matters**

Until the Closing, the Vendor and each Purchased Entity shall keep in full force and effect all of their applicable existing insurance policies and give any notice or present any claim under any such insurance policies consistent with the respective past practices of the Vendor and each Purchased Entity in the ordinary course of business.

## **6.6 Books and Records**

The Purchaser shall cause each Purchased Entity to preserve and keep the Books and Records acquired by it pursuant to this Agreement for a period of two (2) years after Closing, or for any longer periods as may be required by any Laws applicable to such Books and Records. The Purchaser shall make such Books and Records, as well as electronic copies of such Books and Records (to the extent such electronic copies exist), available to the Monitor, the Vendor and each Residual Co., their successors, and any trustee in bankruptcy or receiver of the Vendor and each Residual Co., and shall, at such party's sole expense, permit any of the foregoing persons to take copies of such Books and Records as they may reasonably require. As soon as practicable following the Closing and in any event no later than forty-five (45) days following the Closing, the Vendor shall deliver, at the cost of the Purchaser: (a) any and all Books and Records reasonably requested by the Purchaser; and (b) an electronic copy of all of the materials relating to the Retained Assets established in connection with the Transactions, and such materials available on such electronic copy shall be unlocked, unprotected and fully available to the Purchaser. Until such electronic copy is provided to the Purchaser, the Vendor shall permit access to such materials in such data room.

## **6.7 Collection of Closing Date Purchased Entity Receivables**

For a period of eighteen (18) months after the Closing Date, the Purchaser shall, and shall cause the Purchased Entities to, use commercially reasonable efforts to collect all Closing Date Purchased Entity Receivables in the same manner that a prudent cannabis vendor would use to collect its own receivables, and to cause the Purchased Entities to use the proceeds thereof solely to repay the Deferred Consideration Notes forthwith, and in any event, on a weekly basis, provided that the Purchaser shall not be required to institute any legal proceeding and any reasonable and documented out-of-pocket expenses (with the exception of employee related expenses) incurred by the Purchaser in connection with the collection of any Closing Date Purchased Entity Receivable that are approved by the Vendor in advance shall be deducted from the amount remitted to the applicable Residual Co. The Purchaser will provide: (i) an executive officer of the Vendor, TJAC Residual Co. and Highland Residual Co. with "read-only" access to TJAC's and Highland's bank accounts for 120 days following Closing; and (ii) the Vendor and the Monitor weekly updates with respect to the Purchased Entities' efforts to collect all Closing Date Purchased Entity Receivables for 120 days following Closing, and thereafter shall timely respond to any reasonable inquiries from the Vendor or the Monitor regarding the Closing Date Purchased Entity Receivables, including requests for reconciliations of the amounts collected in TJAC's and Highland's bank accounts and remitted to TJAC Residual Co. and Highland Residual Co., respectively. The covenants in this Section 6.7 shall survive the Closing.

## **6.8 Transition Services**

Following the Closing and until and including May 31, 2023, the Vendor shall, to the extent possible, cause Howard Steinberg, William Werth and James Andrew to provide consultation services and otherwise ensure that such individuals make themselves available as reasonably requested by the Purchaser, in connection

with the transition of the Business to the Purchaser and the operation of the Business by the Purchased Entities following Closing. The Parties acknowledge and agree that neither the Vendor nor such representatives shall receive any compensation from the Purchaser or any Purchased Entity in connection with the provision of such services. The covenants in this Section 6.8 shall survive the Closing.

## **ARTICLE 7 CLOSING ARRANGEMENTS**

### **7.1 Closing**

The Closing shall take place virtually by exchange of documents in PDF format on the Closing Date, in accordance with the Closing Sequence, and shall be subject to such escrow document release arrangements as the Parties may agree.

### **7.2 Closing Sequence**

On the Closing Date, Closing shall take place in accordance with the Approval and Vesting Order, in the following sequence (the "**Closing Sequence**"), provided that, subject to the Approval and Vesting Order, the Closing Sequence may be amended at any time and from time to time prior to the Closing Date with the prior written consent of the Monitor, the Vendor and the Purchaser (which consent may not be unreasonably withheld or delayed):

- (a) first, the Purchaser shall pay the Cash Payment in immediately available funds to the Monitor, to be held in escrow and released in accordance with this Closing Sequence;
- (b) second, the following shall occur, and shall be deemed to occur, concurrently:
  - (i) each Residual Co. shall, and the Vendor and the Purchased Entities shall cause each Residual Co. to, acquire the Excluded Assets, and pursuant to the Approval and Vesting Order, all of TJAC's, TRC's, MYM's, MYMB's and Highland's right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co., respectively, and all Claims (as defined in the Approval and Vesting Order) and Encumbrances shall continue to attach to such Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
  - (ii) each Residual Co. shall, and the Vendor and the Purchased Entities shall cause each Residual Co. to, assume the Excluded Liabilities and the Excluded Contracts of TJAC, TRC, MYM, MYMB and Highland, which pursuant to the Approval and Vesting Order, shall be transferred to, assumed by and vest absolutely and exclusively in TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co. (who, in each case, shall be deemed to be party to such Excluded Contracts), and pursuant to the Approval and Vesting Order, the Excluded Liabilities and Excluded Contracts shall no longer be obligations of the Purchased Entities, each of which Purchased Entity and its Retained Assets shall be released and discharged from such Excluded Contracts and Excluded Liabilities, and all Claims and Encumbrances shall be expunged and discharged as against the Retained Assets; and

- (iii) TJAC shall issue a Deferred Consideration Note to TJAC Residual Co. and Highland shall issue a Deferred Consideration Note to Highland Residual Co.;
- (c) third, pursuant to the Approval and Vesting Order, all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person and are convertible or exchangeable for any securities of any of the Purchased Entities or which require the issuance, sale or transfer by any of the Purchased Entities, of any shares or other securities of the Purchased Entities, or otherwise evidencing a right to acquire the Purchased Shares and/or the share capital of the Purchased Entities, or otherwise relating thereto, shall be deemed terminated and cancelled without any payment or other consideration; and
- (d) fourth, the Purchaser shall acquire the Purchased Shares, the Vendor shall deliver the Purchased Shares, and the Purchase Price (including for greater certainty, the Deposit) shall be paid and satisfied as follows:
  - (i) the Deposit shall be released to the Vendor, and the Purchaser shall cease to have any claim to the return thereof;
  - (ii) the Cash Payment shall be released to the Vendor, and the Purchaser shall cease to have any claim to the return thereof; and
  - (iii) the Secured Promissory Note shall be issued by the Purchaser in favour of the Vendor.

### **7.3 The Vendor's Closing Deliveries**

At or before the Closing (as applicable), the Vendor shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Approval and Vesting Order, as issued by the Court;
- (b) if applicable, share certificates representing the Purchased Shares duly endorsed in blank for transfer, or accompanied by irrevocable stock transfer powers duly executed in blank, in either case, by the holder of record;
- (c) a certificate of status, compliance, good standing or like certificate with respect to the Vendor issued by the appropriate government official of its jurisdiction of incorporation, to the extent such certificate exists in such jurisdiction;
- (d) a certificate dated as of the Closing Date and executed by an executive officer of the Vendor confirming and certifying that each of the conditions in Sections 8.1(e), 8.1(f) and 8.1(g) have been satisfied; and
- (e) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions and the Closing Sequence provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

#### **7.4 The Purchaser's Closing Deliveries**

At or before the Closing (as applicable), the Purchaser shall deliver or cause to be delivered to the Vendor (or to the Monitor, if so indicated below), the following:

- (a) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by the appropriate government official of its jurisdiction of formation;
- (b) a certificate dated as of the Closing Date and executed by an executive officer of the Purchaser confirming and certifying that each of the conditions in Sections 8.2(d) and 8.2(e) have been satisfied;
- (c) the Cash Payment, in accordance with Section 2.2(b);
- (d) the Secured Promissory Note, signed by the Purchaser;
- (e) the Guarantee and GSA and the Mortgage Documents, signed by the Guarantor; and
- (f) such other agreements, documents and instruments as may be reasonably required by the Vendor to complete the Transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

#### **7.5 The Purchased Entities' Closing Deliveries**

At or before the Closing (as applicable), each Purchased Entity shall deliver or cause to be delivered to the Purchaser, the following:

- (a) a certificate of status, compliance, good standing or like certificate with respect to the Purchased Entity issued by the appropriate government official of its jurisdiction of incorporation or continuance, to the extent such certificate exists in such jurisdiction;
- (b) all cannabis inventory and shipping and packaging supplies purchased at the request of, and paid for in full by, the Purchaser during the Interim Period in accordance with Section 6.2(f);
- (c) resignations of the outgoing directors and officers of such Purchased Entity;
- (d) evidence of the termination of the Terminated Employees;
- (e) the minute books and corporate records with respect to such Purchased Entity;
- (f) a copy of an Excluded Liability Assumption Agreement, if any, signed by the applicable Purchased Entity and the applicable Residual Co.;
- (g) a copy of an Excluded Assets Bill of Sale, if any, signed by the applicable Purchased Entity and the applicable Residual Co.; and
- (h) the Deferred Consideration Notes issued for the applicable Deferred Consideration Note Amount, which in each case will include a limited recourse security interest granted by the applicable Purchased Entity in favour of the applicable Residual Co. solely with respect to such Purchased Entity's Closing Date Purchased Entity Receivables, signed by the

applicable Purchased Entities and in a form and substance mutually agreed to by the Parties each acting reasonably.

## **ARTICLE 8 CONDITIONS OF CLOSING**

### **8.1 The Purchaser's Conditions**

The Purchaser shall not be obligated to complete the Transactions contemplated by this Agreement, unless, at or before the commencement of the first step in the Closing Sequence, each of the conditions listed below in this Section 8.1 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser, and may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing; provided that, if the Purchaser does not waive a condition and completes the Closing, such condition(s) shall be deemed to have been waived by the Purchaser. The Vendor shall take, and cause each Purchased Entity to take, all such commercially reasonable actions, steps and proceedings as are reasonably within its control to ensure that the conditions listed below in this Section 8.1 are fulfilled at or before the Closing Time.

- (a) Court Approval. The following conditions have been met: (i) the Approval and Vesting Order shall have been issued by the Court; (ii) the Approval and Vesting Order shall not have been vacated, set aside or stayed; and (iii) the applicable appeal periods to appeal the Approval and Vesting Order have expired; provided that if the Approval and Vesting Order shall not have been subject to any unresolved material objections at the hearing at which it was approved by the Court, the applicable appeal periods need not have expired, but no appeal or leave for appeal shall have been filed.
- (b) The Vendor's Deliverables. The Vendor shall have executed and/or delivered or caused to have been executed and/or delivered to the Purchaser at the Closing all the documents contemplated in Section 7.3.
- (c) The Purchased Entities' Deliverables. The Purchased Entities shall have executed and/or delivered or caused to have been executed and/or delivered to the Purchaser at the Closing all the documents contemplated in Section 7.5.
- (d) No Violation of Orders or Law. During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of: (i) making any of the Transactions illegal; (ii) otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement; or (iii) modifying or amending the Approval and Vesting Order without the consent of Purchaser.
- (e) No Material Adverse Effect. During the Interim Period, there shall have been no Material Adverse Effect.
- (f) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement (including the Approval and Vesting Order), each of the representations and warranties contained in Sections 5.1 and 5.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.

- (g) No Breach of Covenants. The Vendor and each Purchased Entity shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendor or each Purchased Entity on or before the Closing.
- (h) Anticipated Inventory. The Purchased Entities shall have in their possession the Anticipated Inventory.
- (i) The Purchased Entity Employees. Each Purchased Entity shall have terminated the employment or engagement, as applicable, of the Terminated Employees, as requested by the Purchaser in its sole discretion, and all Liabilities owing to any such Terminated Employees in respect of such terminations or otherwise, including all amounts owing on account of statutory notice, termination payments, severance, vacation pay, benefits, bonuses or other compensation or entitlements, all of which Liabilities shall be Excluded Liabilities or shall be Discharged by the Approval and Vesting Order.
- (j) Residual Co. Pursuant to the Approval and Vesting Order: (i) all Excluded Assets and Excluded Liabilities shall, prior to Closing as part of the Closing Sequence, be transferred to the applicable Residual Cos., to another Affiliate of the Vendor that is not a Purchased Entity, or Discharged; and (ii) each Purchased Entity, its business and property shall, prior to Closing as part of the Closing Sequence, be released and forever Discharged of all claims and Encumbrances (other than Assumed Liabilities and the Permitted Encumbrances, if any); such that, from and after Closing the business and property of each Purchased Entity shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.
- (k) Landlord Consent. The landlord in respect of the Trillium Lease shall have provided its consent to the change of control that will arise in connection with the Transactions, or the Approval and Vesting Order shall provide that the landlord may not rely on the change of control as a basis to declare a default.
- (l) CCAA Proceedings. Upon Closing, the CCAA Proceedings will have been terminated in respect of each Purchased Entity, its business and property, as set out in the Approval and Vesting Order.
- (m) Cannabis Licenses. The Cannabis Licenses shall be valid and in good standing at the Closing Time with no adverse conditions or restrictions, except for routine conditions or restrictions that do not result in a finding of non-compliance or suspension.

## **8.2 The Vendor's and Purchased Entities' Conditions**

Neither the Vendor nor any Purchased Entity shall be obligated to complete the Transactions contemplated by this Agreement unless, at or before the commencement of the first step in the Closing Sequence, each of the conditions listed below in this Section 8.2 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendor and the Purchased Entities, and may be waived by the Vendor and the Purchased Entities in whole or in part, without prejudice to any of their rights of termination in the event of nonfulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor and Purchased Entities only if made in writing. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed below in this Section 8.2 are fulfilled at or before the Closing Time.

- (a) Court Approval. The following conditions have been met: (i) the Approval and Vesting Order shall have been issued by the Court; (ii) the Approval and Vesting Order shall not

have been vacated, set aside or stayed; and (iii) the applicable appeal periods to appeal the Approval and Vesting Order have expired; provided that if the Approval and Vesting Order shall not have been subject to any unresolved material objections at the hearing at which it was approved by the Court, the applicable appeal periods need not have expired, but no appeal or leave for appeal shall have been filed.

- (b) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing all the documents and payments contemplated in Section 7.4.
- (c) No Violation of Orders or Law. During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of: (i) making any of the Transactions contemplated by this Agreement illegal; (ii) otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement; or (iii) modifying or amending the Approval and Vesting Order without the consent of the Vendor.
- (d) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 5.3 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (e) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing, except for the covenant to pay the Cash Payment, which shall have been performed in all respects.

### **8.3 Monitor's Certificate**

When the conditions to Closing set out in Sections 8.1 and 8.2 have been satisfied and/or waived by the Vendor, the Purchased Entities or the Purchaser, as applicable, the Vendor, the Purchased Entities, the Purchaser or their respective counsel will each deliver to the Monitor confirmation that such conditions of Closing, as applicable, have been satisfied and/or waived (the "**Conditions Certificates**"). Upon receipt of the Conditions Certificates, the Monitor shall: (a) issue forthwith its Monitor's Certificate concurrently to the Vendor, the Purchased Entities and the Purchaser, at which time the Closing Sequence will be deemed to have commenced and be completed in the order set out in the Closing Sequence, and Closing will be deemed to have occurred; and (b) file as soon as practicable a copy of the Monitor's Certificate with the Court (and shall provide a true copy of such filed certificate to the Vendor, the Purchased Entities and the Purchaser). In the case of: (a) and (b) above, the Monitor will be relying exclusively on the basis of the Conditions Certificates without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

## **ARTICLE 9 TERMINATION**

### **9.1 Grounds for Termination**

This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual agreement of the Vendor (with the prior written consent of the Monitor), the Purchased Entities (with the prior written consent of the Monitor) and the Purchaser;

- (b) by the Purchaser, on the one hand, or the Vendor and the Purchased Entities (with the prior written consent of the Monitor), on the other hand, at any time following the Outside Date, if Closing has not occurred on or prior to 11:59 p.m. (Eastern Time) on the Outside Date, provided that the reason for the Closing not having occurred is not due to any act or omission, or breach of this Agreement, by the Party proposing to terminate this Agreement;
- (c) by the Purchaser, on the one hand, or the Vendor and Purchased Entities (with the consent of the Monitor), on the other hand, upon notice to the other Parties if (i) the Approval and Vesting Order has not been obtained by the Target Closing Date or (ii) the Court declines at any time to grant the Approval and Vesting Order; in each case for reasons other than a breach of this Agreement by the Party proposing to terminate this Agreement;
- (d) by the Vendor and the Purchased Entities (with the prior written consent of the Monitor), if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty of the Purchaser in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 8.2, as applicable, by the Outside Date and such violation or breach has not been waived by the Vendor and the Purchased Entities or cured by the Purchaser within five (5) Business Days of the Vendor providing notice to the Purchaser of such breach, unless the Vendor is in material breach of its obligations under this Agreement at such time; or
- (e) by the Purchaser, if there has been a material violation or breach by the Vendor or any Purchased Entity of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, any condition set forth in Section 8.1, by the Outside Date and such violation or breach has not been waived by the Purchaser or cured by the Vendor or applicable Purchased Entity within five (5) Business Days of the Purchaser providing notice to the Vendor and applicable Purchased Entity of such breach, unless the Purchaser is in material breach of its obligations under this Agreement at such time.

## 9.2 Effect of Termination

If this Agreement is terminated pursuant to Section 9.1:

- (a) all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Sections 2.3 (*Deposit*), 10.3 (*Expenses*), 10.4 (*Public Announcements*), 10.5 (*Notices*), 10.9 (*Waiver and Amendment*), 10.12 (*Governing Law*), 10.13 (*Dispute Resolution*), 10.14 (*Attornment*), 10.15 (*Successors and Assigns*), 10.16 (*Assignment*), 10.17 (*No Liability*), 10.18 (*Damages*) and 10.21 (*Third Party Beneficiaries*) and the corresponding interpretation provisions in Article 1, which shall survive such termination. For the avoidance of doubt, any Liability incurred by a Party prior to the termination of this Agreement shall survive such termination; and
- (b) notwithstanding anything else contained in this Agreement, if the Cash Payment has been paid to the Monitor pursuant to Section 7.2(a), and for any reason the Closing Sequence steps set out in Sections 7.2(b) through 7.2(d) have not occurred, the Monitor shall promptly return the Cash Payment to the Purchaser; provided, however, that this Section 9.2(b) shall be subject to Section 2.3 with respect to the Deposit.



## **ARTICLE 10 GENERAL**

### **10.1 Tax Returns**

The Purchaser shall: (a) prepare or cause to be prepared and file or cause to be filed all Tax Returns for each Purchased Entity for all Tax periods ending on or prior to the Closing Date and for which Tax Returns have not been filed as of such date; and (b) cause each Purchased Entity to duly and timely make or prepare all Tax Returns required to be made or prepared by them and to duly and timely file all Tax Returns required to be filed by them for periods beginning before and ending after the Closing Date. All such Tax Returns in clauses (a) and (b) of this Section 10.1 constitute the "**Straddle Period Tax Returns**". The Vendor, each Purchased Entity, the Monitor and the Purchaser shall co-operate reasonably with each other and make available to each other in a timely fashion such data and other information as may reasonably be required for the preparation of any Straddle Period Tax Return and the Purchaser shall preserve (or cause the applicable Purchased Entities to preserve) such data and other information until the expiration of any applicable limitation period under Applicable Law with respect to Taxes. The Purchaser will use commercially reasonable best efforts to provide drafts of all Straddle Period Tax Returns required to be prepared by the Purchaser or the Purchased Entities to the Vendor and the Monitor in advance of their filing with the relevant Governmental Authority. The Purchaser, the Vendor and the Monitor shall, subject only to Applicable Law, cooperate in considering any amendments to such Tax Returns as the Vendor or the Monitor may request.

### **10.2 Survival**

Subject to Sections 2.2(c) (*Deferred Payment*), the final sentence of 4.2, 5.4 (*As is, Where is*), 6.6 (*Books and Records*), 6.7 (*Collection of Closing Date Purchased Entity Receivables*), 6.8 (*Transition Services*), 10.1 (*Tax Returns*), 10.3 (*Expenses*), 10.4 (*Public Announcements*), 10.5 (*Notices*), 10.9 (*Waiver and Amendment*), 10.12 (*Governing Law*), 10.13 (*Dispute Resolution*), 10.14 (*Attornment*), 10.15 (*Successors and Assigns*), 10.16 (*Assignment*), 10.17 (*No Liability*), 10.18 (*Damages*) and 10.21 (*Third Party Beneficiaries*) and the corresponding interpretation provisions in Article 1, all representations, warranties, covenants and agreements of the Vendor or the Purchaser made in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement will merge on and shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, or as otherwise expressly provided in this Agreement.

### **10.3 Expenses**

Except as otherwise agreed by the Parties, each Party shall be responsible for its own costs and expenses (including any Taxes imposed on such expenses) incurred in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the Transactions (including the fees and disbursements of legal counsel, bankers, agents, investment bankers, accountants, brokers and other advisers).

### **10.4 Public Announcements**

The Vendor shall be entitled to disclose this Agreement to the Court and parties in interest in the CCAA Proceedings, and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein) or where required to meet timely disclosure obligations of the CCAA Applicants or any of their Affiliates (including IM Cannabis Corp.) under Applicable Laws or stock exchange rules,

the Vendor or the Purchaser shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the Transactions contemplated hereby without the prior consent of the other Parties, which shall not be unreasonably withheld or delayed.

## 10.5 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by email as follows:

(a) in the case of notice to the Vendor or the Purchased Entities (during the Interim Period) at:

**Trichome Financial Corp.**  
79 Wellington Street West, Suite 3000,  
Toronto, Ontario, M5K 1N2

Attention: Michael Ruscetta and Howard Steinberg  
Email: [mruscetta@trichomefinancial.com](mailto:mruscetta@trichomefinancial.com) and [howard@howardscapital.com](mailto:howard@howardscapital.com)

With a copy to:

**Bennett Jones LLP**  
First Canadian Place  
100 King Street West, Suite 3400  
Toronto, Ontario, M5X 1A4

Attention: Sean Zweig and Josh Foster  
Email: [zweigs@bennettjones.com](mailto:zweigs@bennettjones.com) and [fosterj@bennettjones.com](mailto:fosterj@bennettjones.com)

(b) in the case of a notice to the Purchaser at:

**1000370759 Ontario Inc.**  
43 Charles Street  
Cambridge, Ontario, N1S 2W9

Attention: Kuldip Bening  
Email: [kuldipbening@hotmail.com](mailto:kuldipbening@hotmail.com)

With a copy to:

**Torkin Manes LLP**  
151 Yonge Street, Suite 1500  
Toronto, Ontario, M5C 2W7

Attention: Hunter Forman and Jeffrey Simpson  
Email: [hforman@torkinmanes.com](mailto:hforman@torkinmanes.com) and [jsimpson@torkinmanes.com](mailto:jsimpson@torkinmanes.com)

(c) in the case of a notice to the Guarantor at:

**2767888 Ontario Inc.**  
**c/o Torkin Manes LLP**

151 Yonge Street, Suite 1500  
Toronto, Ontario, M5C 2W7

Attention: Hunter Forman and Jeffrey Simpson  
Email: [hforman@torkinmanes.com](mailto:hforman@torkinmanes.com) and [jsimpson@torkinmanes.com](mailto:jsimpson@torkinmanes.com)

(d) in the case of all communications by any Party, the Monitor shall be copied at:

**KSV Restructuring Inc.**  
150 King Street West, Suite 2308  
Toronto, Ontario, M5H 1J9

Attention: Noah Goldstein and Murtaza Tallat  
Email: [ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com) and [mtallat@ksvadvisory.com](mailto:mtallat@ksvadvisory.com)

With a copy to:

**Cassels Brock & Blackwell LLP**  
Suite 2100, Scotia Plaza  
40 King Street West  
Toronto, Ontario, M5H 3C2

Attention: Ryan Jacobs, Jane Dietrich and Jeremy Bornstein  
Email: [rjacobs@cassels.com](mailto:rjacobs@cassels.com), [jdietrich@cassels.com](mailto:jdietrich@cassels.com) and  
[jbornstein@cassels.com](mailto:jbornstein@cassels.com)

Any notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving notice to the other Party in accordance with the provisions of this Section 10.5.

#### **10.6 Time of Essence**

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Vendor and the Purchaser.

#### **10.7 Further Assurances**

The Vendor, each Purchased Entity and the Purchaser shall, at the sole expense of the requesting Party, from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Parties may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

## **10.8 Entire Agreement**

This Agreement and the agreements and other documents required to be delivered by the Parties pursuant to this Agreement in connection with the Transactions contemplated herein constitute the entire agreement between the Parties or any of them pertaining to 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, conditions, representations, warranties, obligations, understandings or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, pre-contractual, statutory or otherwise), except as explicitly set out in this Agreement and any other agreement and/or document required to be delivered by the Parties pursuant to this Agreement.

## **10.9 Waiver and Amendment**

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless: (a) executed in writing by the Vendor and Purchaser (including by way of email); and (b) the Monitor has provided its prior written consent (including by way of email). 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.

## **10.10 Severability**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

## **10.11 Remedies Cumulative**

The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

## **10.12 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

## **10.13 Dispute Resolution**

If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach of this Agreement for the purposes of Article 9, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court may direct.

## **10.14 Attornment**

Each Party agrees: (a) that any Legal Proceeding relating to this Agreement shall be brought in the Court, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (b) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Court on any jurisdictional basis, including *forum non conveniens*; and (c) not to oppose the enforcement

against it in any other jurisdiction of any Order duly obtained from the Court as contemplated by this Section 10.14. Each Party agrees that service of process on such Party as provided in this Section 10.14 shall be deemed effective service of process on such Party.

#### **10.15 Successors and Assigns**

This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns.

#### **10.16 Assignment**

Prior to Closing, the Purchaser may assign, with the prior written consent of the Vendor and the Monitor (not to be unreasonably conditioned, withheld or delayed), all or any portion of its rights and obligations under this Agreement, including the rights of the Purchaser to purchase from the Vendor the Purchased Shares prior to the issuance of the Approval and Vesting Order; provided that no such assignment shall relieve the Purchaser of any of its obligations or Liabilities under this Agreement (including the obligation to pay the Cash Payment at Closing) and further provided that such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment. Prior to Closing, neither the Vendor nor any Purchased Entity may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of their rights or obligations under this Agreement without the prior written consent of the Purchaser. Following Closing, the Vendor shall have the authority to assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement; provided that no such assignment shall relieve the Vendor of any of its obligations or Liabilities under this Agreement.

#### **10.17 No Liability**

The Purchaser acknowledges and agrees that the Monitor, acting in its capacity as the Monitor of the Vendor and the other CCAA Applicants, and the Monitor's Affiliates will have no Liability in connection with this Agreement whatsoever in their capacity as Monitor, in their personal capacity or otherwise.

#### **10.18 Damages**

Under no circumstance shall any of the Parties or their Representatives be liable for any special, punitive, exemplary, consequential or indirect damages (including loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transactions.

#### **10.19 Paramountcy**

In the event of any conflict or inconsistency between the provisions of this Agreement and any other agreement, document or instrument executed or delivered in connection with the Transactions or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

#### **10.20 Independent Legal Advice**

The Purchaser warrants that it has received independent legal advice in connection with this Agreement.

#### **10.21 Third Party Beneficiaries**

Except with respect to the Monitor pursuant to Section 10.17, this Agreement is for the sole benefit of the Parties, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other

Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

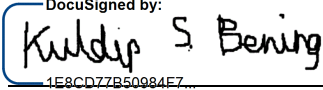
#### **10.22 Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Parties by email in PDF format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

*[Remainder of page intentionally left blank. Signature page follows.]*

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

**1000370759 ONTARIO INC.**

By:   
Name: Kuldip Bening  
Title: President

**TRICHOME FINANCIAL CORP.**

By: \_\_\_\_\_  
Name: Michael Ruscetta  
Title: Director

**TRICHOME JWC ACQUISITION CORP.**

By: \_\_\_\_\_  
Name: Howard Steinberg  
Title: Howards Capital Corp., in its capacity as Chief Executive Officer

**TRICHOME RETAIL CORP.**

\_\_\_\_\_  
Name: Michael Ruscetta  
Title: Director

**MYM NUTRACEUTICALS INC.**


By: \_\_\_\_\_  
Name: Howard Steinberg  
Title: Howards Capital Corp., in its capacity as Chief Executive Officer

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


**1000370759 ONTARIO INC.**

By: \_\_\_\_\_  
Name: Kuldip Bening  
Title: President

**TRICHOME FINANCIAL CORP.**

By:  \_\_\_\_\_  
Name: Michael Ruscetta  
Title: Director


**TRICHOME JWC ACQUISITION CORP.**

By:  \_\_\_\_\_  
Name: Howard Steinberg  
Title: Howards Capital Corp., in its  
capacity as Chief Executive Officer

**TRICHOME RETAIL CORP.**

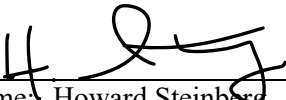
 \_\_\_\_\_  
Name: Michael Ruscetta  
Title: Director

**MYM NUTRACEUTICALS INC.**

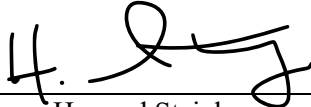
By:  \_\_\_\_\_  
Name: Howard Steinberg  
Title: Howards Capital Corp., in its  
capacity as Chief Executive Officer



**MYM INTERNATIONAL BRANDS INC.**

By:   
Name: Howard Steinberg  
Title: Howards Capital Corp., in its  
capacity as Chief Executive Officer

**HIGHLAND GROW INC.**

By:   
Name: Howard Steinberg  
Title: Howards Capital Corp., in its  
capacity as Chief Executive Officer

**SCHEDULE "A"**

**APPROVAL AND VESTING ORDER**

See attached.

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

THE HONOURABLE )  
JUSTICE ● )  
 )  
 )

●, THE ●<sup>TH</sup>  
DAY OF APRIL, 2023

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF TRICHOME FINANCIAL CORP.,  
TRICHOME JWC ACQUISITION CORP., MYM  
NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM  
INTERNATIONAL BRANDS INC., AND HIGHLAND GROW  
INC. (collectively the "**Applicants**")

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia* (i) approving the Share Purchase Agreement (the "**Sale Agreement**") among Trichome Financial Corp. (the "**Vendor**"), 1000370759 Ontario Inc. (the "**Purchaser**"), Trichome JWC Acquisition Corp. ("**TJAC**"), Trichome Retail Corp. ("**TRC**"), MYM Nutraceuticals Inc. ("**MYM**"), MYM International Brands Inc. ("**MYMB**") and Highland Grow Inc. ("**Highland**", and collectively with TJAC, TRC, MYM and MYMB, the "**Purchased Entities**" and each a "**Purchased Entity**"), dated March 28, 2023 and attached as Exhibit "●" to the affidavit of Michael Ruscetta sworn ●, 2023 (the "**Ruscetta Affidavit**"), and the transactions contemplated therein (collectively, the "**Transactions**"), including the Closing Sequence (as defined in the Sale Agreement), (ii) adding ● ("**TJAC Residual Co.**"), ● ("**TRC Residual Co.**"), ● ("**MYM Residual Co.**"), ● ("**MYMB Residual Co.**") and ● ("**Highland Residual Co.**") as Applicants to these CCAA proceedings, (iii) vesting in the Purchaser all of the Vendor's right, title and interest in and to the Purchased Shares

(as defined in the Sale Agreement), free and clear of any Encumbrances (as defined below), (iv) vesting in and to TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co. absolutely and exclusively, all of the right, title and interest of TJAC, TRC, MYM, MYMB and Highland, respectively, in and to the Excluded Assets, Excluded Contracts and Excluded Liabilities (each as defined in the Sale Agreement) and discharging all Encumbrances against the Purchased Entities and the Retained Assets other than the Permitted Encumbrances (each as defined in the Sale Agreement), and (v) granting certain related relief, was heard this day by judicial videoconference via Zoom.

**ON READING** the Notice of Motion of the Applicants, the Ruscetta Affidavit and the Exhibits thereto, the Fifth Report of KSV Restructuring Inc. ("**KSV**"), in its capacity as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**") dated ●, 2023, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the Purchaser, counsel for Cortland Credit Lending Corporation, as agent for and on behalf of certain lenders, and such other counsel that were present, no one else appearing although duly served as appears from the affidavit of service of Joshua Foster, filed:

### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

### **DEFINED TERMS**

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the Amended and Restated Initial Order of the Honourable Madam Justice Conway dated November 17, 2022 (the "**ARIO**").

### **EXTENSION OF THE STAY PERIOD**

3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until and including ●, 2023.

## **APPROVAL AND VESTING**

4. **THIS COURT ORDERS AND DECLARES** that the Sale Agreement and the Transactions are hereby approved and the execution of the Sale Agreement by the Vendor and the Purchased Entities is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary, with the approval of the Monitor. The Applicants are hereby authorized and directed to perform their obligations under the Sale Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of the Purchased Shares to the Purchaser.

5. **THIS COURT ORDERS AND DECLARES** that notwithstanding any provision of this Order, the closing of the Transactions shall be deemed to occur in the manner and sequence set out in the Closing Sequence, with such alterations, changes or amendments as may be agreed to by the Vendor and the Purchaser, with the prior written consent of the Monitor, provided that such alterations, changes or amendments do not materially alter or impact the Transactions or the consideration which the Vendor or the Applicants' stakeholders will benefit from as part of the Transactions.

6. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Vendor and the Purchased Entities to proceed with the Transactions and that no shareholder or other approval shall be required in connection therewith.

7. **THIS COURT ORDERS AND DECLARES** that, upon the delivery of the Monitor's certificate (the "**Monitor's Certificate**") to the Purchaser (the "**Effective Time**"), substantially in the form attached as Schedule "A" hereto, the following shall occur and shall be deemed to have occurred in the manner and sequence set out in the Closing Sequence:

- (a) the Purchaser shall pay the Cash Payment in immediately available funds to the Monitor, to be held in escrow and released in accordance with the Closing Sequence;
- (b) the following shall occur, and shall be deemed to occur, concurrently:

- (i) all of TJAC's, TRC's, MYM's, MYMB's and Highland's right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co., respectively, and all Claims (as defined below) and Encumbrances shall continue to attach to such Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
  - (ii) the Excluded Liabilities and the Excluded Contracts of TJAC, TRC, MYM, MYMB and Highland shall be transferred to, assumed by and vest absolutely and exclusively in TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co., respectively (who, in each case, shall be deemed to be party to such Excluded Contracts), and shall no longer be obligations of TJAC, TRC, MYM, MYMB and Highland, as applicable, each of which Purchased Entity and its Retained Assets shall be and are hereby forever released and discharged from such Excluded Contracts and Excluded Liabilities, and all Claims and Encumbrances are hereby expunged and discharged as against the Retained Assets; and
  - (iii) TJAC shall issue a Deferred Consideration Note to TJAC Residual Co. and Highland shall issue a Deferred Consideration Note to Highland Residual Co.;
- (c) all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person and are convertible or exchangeable for any securities of any of the Purchased Entities or which require the issuance, sale or transfer by any of the Purchased Entities, of any shares or other securities of the Purchased Entities, or otherwise evidencing a right to acquire the Purchased Shares and/or the share capital of the Purchased Entities, or otherwise

relating thereto, shall be deemed terminated and cancelled without any payment or other consideration;

- (d) the Purchase Price shall be paid and satisfied in accordance with Section 7.2(d) of the Sale Agreement and all of the Vendor's right, title and interest in and to the Purchased Shares shall vest absolutely and exclusively in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the ARIO or any other Order of the Court; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system, including those listed on Schedule "B" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "C" hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Shares are hereby expunged and discharged as against the Purchased Shares; and
- (e) the Purchased Entities shall and shall be deemed to cease to be Applicants in these CCAA proceedings, and the Purchased Entities shall be deemed to be released from the purview of the ARIO and all other Orders of this Court granted in respect of these CCAA proceedings, save and except for this Order, the provisions of which (as they relate to the Purchased Entities) shall continue to apply in all respects.

8. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate and deliver a copy of the Monitor's Certificate to the Service List, in each case forthwith after delivery thereof in connection with the Transactions.

9. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Vendor and the Purchaser (which notice may be by email from counsel to the Applicants and the Purchaser) regarding the satisfaction or waiver of conditions to closing under the Sale Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

10. **THIS COURT ORDERS** that, subject to paragraph 11 of this Order, for the purposes of determining the nature and priority of Claims, from and after delivery of the Monitor's Certificate, the Deposit, the Cash Payment, and any amounts received under the Secured Promissory Note (the "**Note Proceeds**") shall be allocated to the Vendor, and any amounts received under any Deferred Consideration Note (collectively with the Deposit, the Cash Payment and the Note Proceeds, the "**Proceeds**") shall be allocated to the applicable Residual Cos., and that from and after the delivery of the Monitor's Certificate, all Claims and Encumbrances shall attach to the Proceeds, with the same priority as they had with respect to the Purchased Shares and the Retained Assets immediately prior to the sale, as if (i) the Purchased Shares and the Retained Assets had remained owned by and in the possession or control of the Person who owned and had possession or control immediately prior to the Effective Time, and (ii) the Excluded Contracts and the Excluded Liabilities had not been transferred to the Residual Cos. and remained liabilities of the Purchased Entities immediately prior to the transfer.

11. **THIS COURT ORDERS** that, subject to the receipt of the Cash Payment, release of the Deposit and completion of the Transactions, the Vendor is hereby authorized and directed to:

- (a) pay from the Cash Payment received on the Closing Date the amount of \$56,500.00 (for greater certainty, being \$50,000 plus applicable HST) to Hyde Advisory & Investment Inc. within five (5) business days of the Closing Date; and
- (b) pay from the Note Proceeds (i) five (5) percent of the first \$1,000,000.00 in Note Proceeds received by the Vendor (the "**Initial Note Proceeds**"), and (ii) seven and one-half (7.5) percent of all Note Proceeds received by the Vendor in excess of the Initial Note Proceeds (the "**Additional Note Proceeds**"), in each case, plus applicable HST, to Hyde Advisory & Investment Inc. within five (5) business days of receipt of all of the Initial Note Proceeds and all of the Additional Note Proceeds, respectively.



12. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, each of the Applicants or the Monitor, as the case may be, is authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Purchased Entities' records pertaining to past and current employees of the Purchased Entities. The Purchaser shall maintain and protect the privacy of such information in accordance with applicable law 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 by the Purchased Entities prior to the Effective Time.

13. **THIS COURT ORDERS AND DECLARES** that, at the Effective Time and without limiting the provisions of paragraph 7 of this Order, the Purchaser and the Purchased Entities shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the Applicants (provided that, such release shall not apply to: (i) Taxes in respect of the business and operations conducted by any of the Purchased Entities after the Effective Time; or (ii) Taxes expressly assumed as Assumed Liabilities pursuant to the Sale Agreement), including without limiting the generality of the foregoing all Taxes that could be assessed against the Purchaser or the Purchased Entities (including their affiliates and any predecessor corporations) pursuant to section 160 or section 160.01 of the *Income Tax Act*, R.S.C. 1985, c. 1 (5<sup>th</sup> Supp.), including as a result of any future amendments or proposed amendments to such provisions or related provisions, or any provincial equivalent, in connection with the Applicants.

14. **THIS COURT ORDERS** that, except to the extent expressly contemplated by the Sale Agreement, all Contracts to which any of the Purchased Entities is a party upon the Effective Time will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no Person who is party to any such Contract may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such Contract and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the Effective Time and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of any of the Applicants);
- (b) the insolvency of any of the Applicants or the fact that the Applicants sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Sale Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these CCAA proceedings; or
- (d) any transfer or assignment, or any change of control of the Purchased Entity arising from the implementation of the Sale Agreement, the Transactions or the provisions of this Order.

15. **THIS COURT ORDERS**, for greater certainty, that: (i) nothing in paragraph 14 of this Order shall waive, compromise or discharge any obligations of any of the Purchased Entities in respect of any Assumed Liabilities; (ii) the designation of any Claim as an Assumed Liability is without prejudice to the Purchased Entities' and the Purchaser's rights to dispute the existence, validity or quantum of any such Assumed Liability; and (iii) nothing in this Order or the Sale Agreement shall affect or waive the Purchased Entities' or the Purchaser's rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Assumed Liability.

16. **THIS COURT ORDERS** that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of any of the Applicants then existing or previously committed by any of the Applicants, or caused by any of the Applicants, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any Contract, existing between such Person and any of the Purchased Entities arising directly or indirectly from the filing by the Applicants under the CCAA and the implementation of the Transactions, including without

limitation any of the matters or events listed in paragraph 14 of this Order, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Contract shall be deemed to have been rescinded and of no further force or effect; provided that, nothing herein shall be deemed to excuse any of the Purchased Entities, the Vendor or the Purchaser from performing their obligations under the Sale Agreement or be a waiver of defaults by any of the Purchased Entities, the Vendor or the Purchaser under the Sale Agreement and the related documents.

17. **THIS COURT ORDERS** that, from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, including without limitation, administrative hearings and orders, declarations and assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against any of the Purchased Entities, the Purchaser, the Purchased Shares or the Retained Assets relating in any way to or in respect of any Excluded Assets, Excluded Contracts or Excluded Liabilities and any other claims, obligations and other matters which are waived, released, expunged or discharged pursuant to this Order.

18. **THIS COURT ORDERS** that, from and after the Effective Time:

- (a) the nature of the Assumed Liabilities assumed by the Purchaser or retained by the Purchased Entities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co., as applicable;
- (c) any Person that prior to the Effective Time had a valid right or claim against any of the Purchased Entities under or in respect of any Excluded Contract and/or Excluded Liability (each an "**Excluded Liability Claim**") shall no longer have such

right or claim against the applicable Purchased Entity but will have an equivalent Excluded Liability Claim against TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and/or Highland Residual Co., as applicable, in respect of the Excluded Contract and/or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and/or Highland Residual Co., as applicable; and

- (d) the Excluded Liability Claim of any Person against TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and/or Highland Residual Co., as applicable, following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the applicable Purchased Entity prior to the Effective Time.

19. **THIS COURT ORDERS AND DECLARES** that, as of the Effective Time:

- (a) TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co. shall each be a company to which the CCAA applies; and
- (b) TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co. shall each be added as an Applicant in these CCAA proceedings and all references in any Order of this Court in respect of these CCAA proceedings to (i) an "Applicant" or the "Applicants" shall refer to and include TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co., *mutatis mutandis*, and (ii) "Property" shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co., including without limitation, any amounts received under any Deferred Consideration Note (collectively, the "**Residual Co. Property**"), and,

for greater certainty, each of the Charges shall constitute a charge on the Residual Co. Property.

20. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these CCAA proceedings;
- (b) 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 any of the Applicants or any of the Residual Cos. and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any of the Applicants or any of the Residual Cos.;

the Sale Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets, Excluded Contracts and Excluded Liabilities in and to the Residual Cos., and the transfer and vesting of the Purchased Shares in and to the Purchaser), and any payments by the Purchaser or any Purchased Entity authorized herein or pursuant to the Sale Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Applicants and/or any of the Residual Cos. and shall not be void or voidable by creditors of any of the Applicants or any of the Residual Cos., as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

21. **THIS COURT ORDERS** that nothing in this Order, including the release of the Purchased Entities from the purview of these CCAA proceedings pursuant to paragraph 7(e) of this Order and the addition of the Residual Cos. as Applicants in these CCAA proceedings, shall affect, vary, derogate from, limit or amend, and KSV shall continue to have the benefit of, any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the ARIO, this Order, any other Orders in these CCAA proceedings or otherwise, including all approvals,

protections and stays of proceedings in favour of KSV in its capacity as Monitor, all of which are expressly continued and confirmed.

**GENERAL**

22. **THIS COURT ORDERS** that, following the Effective Time, the Purchaser and the Purchased Entities shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Purchased Shares and the Retained Assets.

23. **THIS COURT ORDERS** that, following the Effective Time, the title of these CCAA proceedings is hereby changed to:

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED***

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TRICHOME FINANCIAL CORP., ●, ●, ●, ● AND ●**

24. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

25. **THIS COURT ORDERS** that the Applicants and the Monitor shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and Monitor as may be deemed necessary or appropriate for that purpose.

26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicants, the Monitor and their respective 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 Applicants and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this

Order or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

27. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing, provided that the transaction steps set out in paragraph 7 of this Order shall be deemed to have occurred in the manner and sequence set out in the set out in the Closing Sequence.

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**SCHEDULE "A"**

**FORM OF MONITOR'S CERTIFICATE**

Court File No.: CV-22-00689857-00CL

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION CORP., MYM NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM INTERNATIONAL BRANDS INC., AND HIGHLAND GROW INC.**

Applicants

**MONITOR'S CERTIFICATE**

**RECITALS**

A. The Applicants commenced these proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA Proceedings**") pursuant to an initial order (as amended and restated, the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 7, 2022. Among other things, the Initial Order appointed KSV Restructuring Inc. as monitor of the Applicants in the CCAA Proceedings (in such capacity, the "**Monitor**").

B. Pursuant to an Approval and Vesting Order of the Court dated ●, 2023 (the "**Approval and Vesting Order**"), the Court, *inter alia*: (i) approved the transactions (the "**Transactions**") contemplated by the Share Purchase Agreement (the "**Sale Agreement**") among Trichome Financial Corp. (the "**Vendor**"), Trichome JWC Acquisition Corp. ("**TJAC**"), Trichome Retail Corp. ("**TRC**"), MYM Nutraceuticals Inc. ("**MYM**"), MYM International Brands Inc. ("**MYMB**") and Highland Grow Inc. ("**Highland**", and collectively with TJAC, TRC, MYM and MYMB, the



"**Purchased Entities**"), and 1000370759 Ontario Inc. (the "**Purchaser**") dated March 28, 2023; (ii) added the Residual Cos. as Applicants in the CCAA Proceedings; (iii) vested in the Purchaser all of the Vendor's right, title and interest in and to the Purchased Shares, free and clear from any Encumbrances; and (iv) vested in and to TJAC Residual Co., TRC Residual Co., MYM Residual Co., MYMB Residual Co. and Highland Residual Co. absolutely and exclusively, all of the right, title and interest of TJAC, TRC, MYM, MYMB and Highland, respectively, in and to the Excluded Assets, Excluded Contracts and Excluded Liabilities and discharged all Encumbrances against the Purchased Entities and the Retained Assets other than Permitted Encumbrances.

C. Capitalized terms used but not defined herein have the meanings ascribed to them in the Approval and Vesting Order or the Sale Agreement, as applicable.

**THE MONITOR CERTIFIES** the following:

1. The Monitor has received written confirmation from the Purchaser and the Vendor, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Sale Agreement.
2. This Monitor's Certificate was delivered by the Monitor at \_\_\_\_\_ on, \_\_\_\_\_, 2023.

**KSV RESTRUCTURING INC., solely in its capacity as Monitor of the Applicants, and not in its personal or corporate capacity**

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "B"**

**CLAIMS AND ENCUMBRANCES TO BE VESTED FROM PROVINCIAL PERSONAL  
PROPERTY REGISTRY SYSTEMS**

<b>Jurisdiction</b>	<b>Registration and File Number</b>	<b>Date</b>	<b>Secured Party</b>	<b>Particulars</b>
<i><b>TJAC</b></i>				
Ontario	20200826 1340 1590 0316 765129519	August 26, 2020	Trichome Financial Corp.	Inventory Equipment Accounts Other Motor vehicle incl.
Ontario	20200826 1341 1590 0317 765129537	August 26, 2020	Trichome Financial Corp.	Inventory Equipment Accounts Other Motor vehicle incl.
Ontario	20210511 0938 1862 7712 772381629	May 11, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.
Ontario	20220324 1335 1901 1970 781390161	March 24, 2022	Kempfenfelt, a division of Bennington Financial Corp.	Equipment Other Motor vehicle incl.
<i><b>MYM</b></i>				
Ontario	20210823 1624 1590 1854 775673973	August 23, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.
British Columbia	196579N	August 24, 2021	Cortland Credit Lending Corporation, as agent	All of the Debtor's present and after acquired personal property
<i><b>MYMB</b></i>				
Ontario	20210823 1623 1590 1853 775673937	August 23, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.
British Columbia	196584N	August 24, 2021	Cortland Credit Lending Corporation, as agent	All of the Debtor's present and after

<b>Jurisdiction</b>	<b>Registration and File Number</b>	<b>Date</b>	<b>Secured Party</b>	<b>Particulars</b>
				acquired personal property
<b><i>Highland</i></b>				
Ontario	20210823 1626 1590 1855 775673982	August 23, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.
Nova Scotia	35017565 SM004579.645	August 23, 2021	Cortland Credit Lending Corporation, as agent	A security interest is taken in all of the debtor's present and after acquired personal property
<b><i>TRC</i></b>				
Ontario	20210823 1353 1590 1796 775668366	August 23, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.

**SCHEDULE "C"**  
**PERMITTED ENCUMBRANCES**

Nil.

**SCHEDULE "B"**  
**ANTICIPATED INVENTORY**

See attached.

Inventory ID	Category	Description	UOM	Quantity on Hand - March 20	Anticipated Quantity on Hand - April 6
PACK-001	Shipping Material	Vacuum Bag 18" x 28", 3 mil	CASE	3.00	3.00
PACK-002	Shipping Material	Poly Bag, 16" x 24", 3 mil	CASE	2.00	2.00
PACK-003	Shipping Material	Shrink Wrap Clear 16"	ROLL	4.00	3.00
PACK-004	Jars	JWC Concentrate Jar, 10 ml	EACH	8,030.00	8,030.00
PACK-005	Jars	JWC Concentrate Jar, 5 ml	EACH	28,280.00	28,280.00
PACK-011	Product Labels	JWC Flower Large Pouch Label	EACH	25,600.00	25,600.00
PACK-012	Product Labels	JWC Flower Small Pouch Label	EACH	7,500.00	7,500.00
PACK-013	Jars	JWC Concentrate Jar Lid 1/2 oz	EACH	73,843.00	73,843.00
PACK-014	Jars	JWC Concentrate Jar 1/2 oz	EACH	73,440.00	73,440.00
PACK-016	Product Labels	Wagners Afghani Style Hash Labels	EACH	1,250.00	1,250.00
PACK-017	Product Labels	Wagners Cherry Jam Dried Flower Labels	EACH	22,500.00	22,200.00
PACK-018	Product Labels	Wagners Cherry Jam Pre-rolls Labels	EACH	43,750.00	43,750.00
PACK-019	Product Labels	Wagners Choice Kief Labels	EACH	1,500.00	1,500.00
PACK-023	Product Labels	Wagners Dark Helmet Dried Flower labels	EACH	13,125.00	13,125.00
PACK-024	Product Labels	Wagners Dark Helmet Pre-rolls Labels	EACH	25,000.00	25,000.00
PACK-025	Product Labels	Wagners Legacy Kief Labels	EACH	3,750.00	3,750.00
PACK-026	Product Labels	Wagners Old School Black Hash Labels	EACH	45,000.00	45,000.00
PACK-027	Product Labels	Wagners Old School Pressed Hash Labels	EACH	28,750.00	28,600.00
PACK-028	Product Labels	Wagners Old School Red Hash Labels	EACH	1,250.00	1,250.00
PACK-029	Product Labels	Wagners Pink Bubba Dried Flower Labels	EACH	32,500.00	32,500.00
PACK-030	Product Labels	Wagners Pink Bubba Pre-rolls Labels	EACH	22,500.00	22,500.00
PACK-031	Product Labels	Wagners Select Kief Labels	EACH	2,500.00	2,500.00
PACK-032	Product Labels	Wagners Soap Bar Hash Labels	EACH	62,500.00	62,500.00
PACK-033	Product Labels	Wagners The Silverback #4 Dried flower labels	EACH	51,250.00	51,250.00
PACK-034	Product Labels	Wagners The Silverback #4 pre-rolls Labels	EACH	6,250.00	6,250.00
PACK-035	Product Labels	THC Symbol Labels	EACH	100,000.00	100,000.00
PACK-036	Pouches	Black Large Pouch 6.02" x 9.80" x 2.36"	EACH	52,500.00	52,500.00
PACK-037	Pouches	Black Small Pouch 3.62" x 5.86" x 1.5" -	EACH	119,000.00	119,000.00
PACK-038	Pouches	Grey - Small Pouch 3.62" x 5.86" x 1.5"	EACH	452,000.00	452,000.00
PACK-039	Pouches	Grease - Small Pouch 3.62" x 5.86" x 1.5"	EACH	91,000.00	91,000.00
PACK-040	Pouches	Black Medium Pouch 6.02" x 5.16" x 1.9"	EACH	8,000.00	8,000.00
PACK-041	Cones	Pre-roll Cone, 84/26 Standard, White	EACH	19,800.00	19,800.00
PACK-043	Shipping Material	Anti-Slip Pallet Sheets	CASE	1.00	1.00
PACK-046	Boxes	Cardboard Box 10" x 6" x 6"	EACH	575.00	575.00
PACK-047	Boxes	Cardboard Box 6" x 6" x 4"	EACH	5,300.00	2,200.00
PACK-049	Boxes	Cardboard Box 18" x 10" x 6"	EACH	700.00	700.00
PACK-051	Product Labels	S-5036 - Master Case Labels - 4" x 3"	EACH	19.00	19.00
PACK-052	Shipping Material	Tamper Evident Tape - 2" x 110 yds	ROLL	32.00	32.00
PACK-053	Shipping Material	Packing Tape - Clear - 2", 2mil	ROLL	38.00	38.00
PACK-059	Shipping Material	Thermal Transfer Ribbons - Wax/Resin	EACH	11.00	11.00
PACK-061	Shipping Material	Heat Treated Pallet - 48" x 40"	EACH	27.00	27.00
PACK-062	Boxes	Cardboard Box 14" x 14" x 10"	EACH	2,150.00	2,150.00
PACK-065	Boxes	Cardboard Box 6" x 6" x 4", White	EACH	75.00	75.00

PACK-066	Pouches	White Small Pouch 3.62" x 5.86" x 1.5"	EACH	11,000.00	11,000.00
PACK-067	Pouches	Large Pouch 6.02" x 9.80" x 2.36" - White	EACH	19,000.00	19,000.00
PACK-068	Product Labels	Wagners Blue Lime Pie Dried Flower Labels	EACH	31,250.00	31,250.00
PACK-069	Product Labels	Wagners Blue Lime Pie Pre-roll Labels	EACH	21,250.00	20,700.00
PACK-070	Product Labels	Wagners Purple Clementine Pie Dried Flower Labels	EACH	22,500.00	22,500.00
PACK-071	Product Labels	Wagners Purple Clementine Pie Pre-roll Labels	EACH	34,375.00	34,375.00
PACK-072	Jars	JWC Concentrate Jar Lid, 5 ml	EACH	12,120.00	12,120.00
PACK-073	Jars	JWC Concentrate Jar Lid, 10 ml	EACH	6,000.00	6,000.00
PACK-074	Shipping Material	48 x 48" 3 Mil Industrial Poly Bags	CASE	1.50	1.50
PACK-075	Cones	Pre-roll Cone, 98/26 Reefer, Brown	EACH	400,000.00	400,000.00
PACK-076	Jars	JWC Concentrate Plastic Jar & Lid, 15 ml, Clear	EACH	38,100.00	38,100.00
PACK-077	Product Labels	Wagners Golden Ghost Dried Flower Labels	EACH	55,000.00	55,000.00
PACK-078	Product Labels	Wagners Golden Ghost Pre-roll Labels	EACH	20,000.00	20,000.00
PACK-081	Product Labels	Wagners Rainforest Crunch Dried Flower Labels	EACH	22,500.00	22,500.00
PACK-082	Product Labels	Wagners Rainforest Crunch Pre-roll Labels	EACH	35,000.00	35,000.00
PACK-083	Product Labels	Wagners Tiki Rain Dried Flower Labels	EACH	26,250.00	26,250.00
PACK-084	Product Labels	Wagners Tiki Rain Pre-roll Labels	EACH	11,250.00	11,250.00
PACK-085	Shipping Material	5 x 7" Corrugated Insert	EACH	4,100.00	4,100.00
PACK-086	Cones	84/26 Pre-roll Cone, The GREENS, 0.5g, Unbleached	EACH	81,000.00	66,500.00
PACK-087	Product Labels	Wagners Trpy Zlrp Dried Flower Labels	EACH	16,250.00	16,250.00
PACK-088	Product Labels	Wagners Trpy Zlrp Pre-Roll Labels	EACH	17,500.00	17,500.00
PACK-089	Product Labels	Wagners Soft Black Hash	EACH	18,750.00	16,350.00
PACK-090	Pouches	Navy Blue Pouch, 6.02" x 9.80" x 2.36"	EACH	11,200.00	11,200.00
PACK-091	Product Labels	Wagners Well Made Mac Daddy Purpz Dried Flower Lbl	EACH	8,750.00	8,750.00
PACK-092	Product Labels	Wagners Well Made Chemfire Kush Dried Flower Label	EACH	3,750.00	3,750.00
PACK-093	Shipping Material	Shrink Wrap Black 18"	ROLL	3.50	3.50
PACK-094	Pouches	Cool Grey - Medium Pouch JWC 5"(W) x 8"(L) x 2"(G)	EACH	45,000.00	45,000.00
PACK-096	Product Labels	Wagners Forbidden Rntz Dried Flower Label	EACH	5,000.00	5,000.00
PACK-097	Product Labels	Wagners Forbidden Rntz Pre-Roll Label	EACH	6,875.00	6,875.00
PACK-098	Product Labels	Wagners Stone Sour Dried Flower Label	EACH	12,500.00	12,500.00
PACK-099	Product Labels	Wagners Stone Sour Pre-Roll Label	EACH	7,500.00	7,500.00
PACK-100	Product Labels	Wagners Cherry Jam Pocket Rockets Label	EACH	25,000.00	25,000.00
PACK-101	Product Labels	Wagners Pink Bubba Pocket Rockets Label	EACH	9,375.00	9,375.00
PACK-102	Product Labels	Couer Bleu - Bacio Mac Dried Flower	EACH	10,000.00	10,000.00
PACK-103	Product Labels	Couer Bleu - Golden Ghost OG Dried Flower	EACH	8,125.00	8,125.00
PACK-104	Product Labels	Wagners Blue Kerosene Dried Flower	EACH	10,000.00	10,000.00
PACK-105	Product Labels	Wagners Blue Kerosene Pre-rolls	EACH	17,500.00	17,500.00
PACK-106	Product Labels	Wagners Gas Leak Dried Flower	EACH	11,875.00	11,875.00
PACK-107	Product Labels	Wagners Gas Leak Pre-rolls	EACH	12,500.00	12,500.00
PACK-108	Product Labels	Highland White Lightning Iced Blunts	EACH	23,750.00	23,750.00
PACK-109	Product Labels	Wagners Trpy Zlrp Pocket Rocket	EACH	2,500.00	2,500.00
PACK-110	Product Labels	Pink Bubba Live Resin	EACH	5,000.00	5,000.00
PACK-111	Product Labels	Blue Lime Pie Diamonds	EACH	5,000.00	5,000.00
PACK-112	Product Labels	Cherry Jam Shatter	EACH	3,750.00	3,750.00

PACK-113	Cones	109/26 King Size Dutch Brown Cone	EACH	9,600.00	9,600.00
PACK-114	Shipping Material	Pre-Cut Parchment Paper 5x5" - Natural Brown	EACH	5,000.00	5,000.00
PACK-115	Jars	Smooth Black CR Cap - 4/5ml	EACH	12,096.00	12,096.00
PACK-116	Jars	CR Clear Glass Concentrate Jar - 4ml	EACH	11,520.00	11,520.00
PACK-117	Cones	109/26 Blunt Cone, Hemp Futurola	EACH	4,000.00	4,000.00
PACK-118	Product Labels	Purple Octane Dried Flower	EACH	13,750.00	13,750.00
PACK-119	Product Labels	Purple Octane Pre Rolls	EACH	15,000.00	15,000.00
PACK-120	Shipping Material	Edge Protectors - Light Duty - 2 x 2 x 48"	EACH	150.00	150.00
PACK-121	Boxes	Cardboard Box 6" x 6" x 6" (Highland)	EACH	950.00	950.00
PACK-122	Boxes	Cardboard Box 16" x 16" x 12"	EACH	150.00	150.00
PACK-123	Product Labels	Wagners London Fog Dried Flower	EACH	6,250.00	6,250.00
PPE-001	PPE	24" Hair Nets, White	PACK	20.00	18.00
PPE-002	PPE	Poly Aprons Blue	CASE	1.60	0.50
PPE-003	PPE	Beard Nets	CASE	2.00	2.00
PPE-004	PPE	Boot Covers	CASE	29.00	28.00
PPE-005	PPE	Poly Sleeves Blue 18"	CASE	1.40	1.00
PPE-006	PPE	Disposable Tyvex Suit - Extra Large	EACH	100.00	100.00
PPE-007	PPE	Disposable Tyvex Suit - 2X Large	EACH	400.00	400.00
PPE-008	PPE	Disposable Tyvex Suit - Large	EACH	300.00	300.00
PPE-010	PPE	Disposable Tyvex Suit - 4X Large	EACH	200.00	200.00
PPE-011	PPE	Disposable Tyvex Suit - 5X Large	EACH	100.00	100.00
PPE-012	PPE	IPM Tyvex Suit - Medium	EACH	92.00	92.00
PPE-013	PPE	IPM Tyvex Suit - Large	EACH	100.00	100.00
PPE-014	PPE	IPM Tyvex Suit - 2X Large	EACH	41.00	41.00
PPE-016	PPE	Yellow Neon Earplug Refill	BOX	2.00	2.00
PPE-017	PPE	Blue Disposable Face Masks	BOX	59.00	59.00
PPE-018	PPE	92-134 MicroFlex Nitrile Glove - Large	BOX	10.00	6.00
PPE-019	PPE	92-134 MicroFlex Nitrile Glove - Xlarge	BOX	5.00	3.00
PPE-020	PPE	92-134 MicroFlex Nitrile Glove - Medium	BOX	7.00	11.00
PPE-021	PPE	92-134 MicroFlex Nitrile Glove - Small	BOX	4.00	8.00
PPE-022	PPE	Vinyl Gloves - Large	BOX	10.00	10.00
PPE-023	PPE	Vinyl Gloves - Medium	BOX	11.00	11.00
PPE-024	PPE	Vinyl Gloves - Extra Large	BOX	14.00	14.00
PPE-025	PPE	Vinyl Gloves - Small	BOX	54.00	54.00
PPE-026	PPE	Safety Glasses Clear - OVER	EACH	10.00	10.00
PPE-027	PPE	Safety Glasses, Clear	EACH	10.00	10.00
PPE-041	PPE	24" Hair Nets, Red	PACK	5.00	5.00
PPE-043	PPE	IPM Tyvex Suit - Extra Large	EACH	185.00	185.00
PPE-044	PPE	24" Hair Nets. Blue	PACK	30.00	27.00
PPE-045	PPE	92-600 Tch N Tuff Nitrile Glove - Small	BOX-100	49.00	49.00
PPE-046	PPE	92-600 Tch N Tuff Nitrile Glove 100/DIS - Medium	BOX-100	24.00	24.00
PPE-047	PPE	92-600 Tch N Tuff Nitrile 100/DIS - Large	BOX-100	12.00	12.00
PPE-048	PPE	92-600 Tch N Tuff Nitrile 100/DIS - X-Large	BOX-100	18.00	18.00
PPE-050	PPE	KN95 Disposable Face Mask	BOX	6.00	6.00



SAN-002	Sanitation	ISO Alcohol 70% - 20 L	EACH	4.00	1.00
SAN-004	Sanitation	Bentonite Kitty Litter	BAG	47.00	45.00
SAN-005	Sanitation	Garbage Bag 35x50" XSTG Blk	CASE	8.00	8.00
SAN-006	Sanitation	Trash Liners - 33 Gallon, Red	CASE	4.00	4.00
SAN-007	Sanitation	Clear Food Grade Garbage Bag 42x48"	CASE	3.00	3.00
SAN-008	Sanitation	Tug-Tight™ Drum Seals - 9", Red	BAG	1.00	1.00
SAN-012	Sanitation	Scotch-Brite Scouring Pads #96	BOX	1.00	1.00
SAN-013	Sanitation	Jumbo Bath Tissue 2ply - 1000 Roll	CASE	4.50	4.50
SAN-015	Sanitation	Scott Essential Paper Towel	CASE	4.00	4.00
SAN-018	Sanitation	ONE STEP Hand Sanitizer	EACH	16.00	16.00
SAN-019	Sanitation	KLEENEX LUXURY FOAM CLEANSER 2/CT Hand Soap	EACH	10.00	10.00
SAN-021	Sanitation	Toilet Bowl Cleaner	EACH	3.00	3.00
SAN-026	Sanitation	Wet Shop-Vac Filter (VF7000)	EACH	2.00	2.00
SAN-027	Sanitation	Dry Shop-Vac Filter (VF7000)	EACH	1.00	1.00
SAN-028	Sanitation	Shyield Wipes	EACH	33.00	33.00
SAN-029	Sanitation	Shyield Drum	EACH	1.00	1.00
SAN-030	Sanitation	Simple Green - 5 gal	EACH	1.50	1.50
SAN-034	Sanitation	Garbage Bag Heavy Duty 2 mil 35x50"	CASE	5.00	3.00
SAN-035	Sanitation	Clean Mat with Frame - Blue 24 x 36 "	CARTON	0.00	1.00
SAN-036	Sanitation	Clean Mat Replacement Pad - Blue 24" x 36"	CARTON	0.00	1.00
SAN-039	Sanitation	3M™ Clean-Trace™ Surface ATP Test Swabs	PACK	4.10	2.00

Inventory ID	Category	Description	UOM	Quantity on Hand - March 20	Anticipated Quantity on Hand - April 6
IN0001	Boxes	6x6x6	Bundle/25	50	42
IN0002	Boxes	9x6x6	Bundle/25	105	105
IN0003	Boxes	12x9x6	Bundle/25	44	44
IN0004	Boxes	13x9x7	Bundle/25	16	16
IN0005	Boxes	26x20x6	Bundle/25	1	1
IN0006	Pouches	Small Black Pouch 3.62x5.86	Box/1000	161	161
IN0007	Pouches	Small Blue Pouch 3.62x5.86	Box/1000	151	151
IN0008	Pouches	Small Green Pouch 3.62x5.86	Box/1000	272	272
IN0009	Pouches	Small Orange Pouch 3.62x5.86	Box/1000	85	85
IN0010	Pouches	Small Red Pouch 3.62x5.86	Box/1000	327	327
IN0011	Pouches	Small Cream Pouch 3.62x5.86	Box/1000	130	130
IN0012	Pouches	Small White Pouch 3.62x5.86	Box/1000	45	45
IN0013	Pouches	Large Black Pouch 6.02x9.8x2.36	Box/1000	56	56
IN0014	Packing Tape	Clear Packing Tape	Roll	108	108
IN0015	Packing Tape	Tamper Tapefor Prodcut Boxes	Roll	70	70
IN0016	Label Ink	Epson - Black	EA	15	15
IN0017	Label Ink	Epson - Cyan	EA	7	7
IN0018	Label Ink	Epson - Mag	EA	10	10
IN0019	Label Ink	Epson - Yellow	EA	10	10
IN0020	Label Ink	Epson - Maintenance Box	EA	10	10
IN0021	Garbage Bags - FG	24x24	Box	5	5
IN0022	Garbage Bags - FG	26x36	Box	7	7
IN0023	Garbage Bags - FG	42x48	Box	3	3
IN0024	Ziplock Bags	Large	Box	3	3
IN0025	Ziplock Bags	Small	Box	2	2
IN0026	Product Labels	Blanks - 3x2.5	EA	304,000	295,552
IN0027	Product Labels	Blanks - 4x4	EA	63,000	63,000
IN0028	Product Labels	NF - Apple Mintz - PR	EA	20,700	20,700
IN0029	Product Labels	NF - Pie Face - PR	EA	13,750	13,750
IN0030	Product Labels	NF - Chemnesia - PR	EA	11,250	10,290
IN0031	Product Labels	NF - Fossil Fuel - PR	EA	14,500	14,500
IN0032	Product Labels	NF - Apple Mintz - DF	EA	16,000	15,040
IN0033	Product Labels	NF - Pie Face - DF	EA	18,750	18,750
IN0034	Product Labels	NF - Chemnesia - DF	EA	12,500	11,660
IN0035	Product Labels	NF - Fossil Fuel - DF	EA	11,650	11,650
IN0036	Moisture Packs	Boveda Mositure Packs	Box	2	2
IN0037	Shipping Material	Clear Pallet Wrap	Roll	9	9
IN0038	Shipping Material	Black Pallet Wrap	Roll	2	2
IN0039	Shipping Material	Edge Protectors	Box	1	1

IN0040	Shipping Material	Pallet Straping	Box	2	2
IN0001	Gloves	4 Mil Nitrile Acc. Free - LG	Box	25	25
IN0002	Gloves	4 Mil Nitrile Acc. Free - Med	Box	64	64
IN0003	Gloves	4 Mil Nitrile Acc, Free - Sm	Box	26	26
IN0004	Gloves	4 Mil Nitrile - XL	Box	22	22
IN0005	Gloves	4 Mil Nitrile - Lg	Box	15	15
IN0006	Gloves	4 Mil Nirtrile - Med	Box	13	13
IN0007	Gloves	4 Mil Nirtrile - Small	Box	15	15
IN0008	Gloves	4 Mil Nirtrile - Extra Small	Box	31	31
IN0009	Gloves	5 Mil Nirtrile Aloe - Lg	Box	3	3
IN0010	Gloves	5 Mil Nirtrile Aloe - Med	Box	6	6
IN0011	Gloves	5 Mil Nirtrile Aloe - Small	Box	11	11
IN0012	Hair Nets	21" Bouffant Cap	Pk	30	30
IN0013	Beard Nets	Nylon Honeycomb	Pk	8	8
IN0014	Masks	N95	PK	6	6
IN0015	Masks	Dust Masks	Pk	3	3
IN0016	Masks	Surgical Masks	Pk	90	90
IN0017	Coverall Suits	Tyvek Suit - Lg	BX	2	2
IN0018	Coverall Suits	Tyvek Suit - XL	BX	2	2
IN0019	Coverall Suits	Tyvek Suit - 2XL	BX	2	2
IN0020	Coverall Suits	Tyvek Suit - 3XL	BX	2	2
IN0021	Shoe Covers	Shoe Covers Size 12-15	PK	5	5
IN0001	Cleaner	Iso 70% 4L	EA	16	16
IN0002	Cleaner	Biogize 4L	EA	7	7
IN0003	Cleaner	F-29 Footbath Solution	EA	16	16
IN0004	Cleaner	Perox (Qwatro) 20L	EA	2	2
IN0005	Cleaner	Laundry Soap	EA	2	2
IN0006	Cleaner	Lysol Wipes	EA	2	2
IN0007	Cleaner	Bathroom Cleaner Spray	EA	3	3
IN0008	Cleaner	Toilet Bowl Cleaner	EA	3	3
IN0009	Cleaner	Vim Bathroom Cleaner	EA	3	3
IN0010	Cleaner	Mr.Claen/Retail Floor Cleaner	EA	2	2
IN0011	Sanitizer	Purell Hand Sanitizer	EA	8	8
IN0012	Paper Towel	Brown Paper Towel	EA	8	8
IN0013	Paper Towel	White Paper Towel	EA	0	0
IN0014	Garbage Bags	247L - Black	Box	3	3
IN0015	Garbage Bags	98L - Black	Box	2	2
IN0016	Garbage Bags	247L - Clear	Box	5	5
IN0017	Soap	Hand Soap	EA	2	2

IN0001	Cups	Coffee Cups	PK	17	17
IN0002	Cups	Cone Cups	Box	5	5
IN0003	Paper	Printer Paper	PK	3	3
IN0004	Printer Ink	TN211 Toner Blk	EA	1	1
IN0005	Printer Ink	TN211 Toner Cyan	EA	1	1
IN0006	Printer Ink	TN211 Toner Mag	EA	1	1
IN0007	Printer Ink	TN211 Toner Yellow	EA	1	1
IN0008	Printer Ink	TN433 Toner Blk	EA	3	3
IN0009	Printer Ink	TN433 Toner Cyan	EA	2	2
IN0010	Printer Ink	TN433 Toner Mag	EA	1	1
IN0011	Printer Ink	TN433 Toner Yellow	EA	2	2

Name	Lot ID	Lot Type	Cannabis Form	Migrated ID	Allocated - Ending April		Note
					Weight - March 20	Closing Weight - April 6	
Cherry Jam - 0001	0001F	Dried	Small Flower	CJ.2214.1 RT	32,785.8	3,948.0	28,837.8
Mac Daddy Purpz - 0002	0002F	Dried	Small Flower	SH.2216.1	204.4		204.4
Chemfire Kush - 0003	0003F	Dried	Small Flower	PB.2211.1	15,441.4		15,441.4
Mac Daddy Purpz - 0004	0004F	Dried	Small Flower	SH.2214.1	76.4		76.4
Cherry Jam - 0006	0006F	Dried	Small Flower	CJ.2216.1	67,688.1		67,688.1
Cherry Jam - 0006	0006F (Shake)	Dried	Small Flower		201.3		201.3
Stone Sour - 0007	0007F	Dried	Small Flower	DD10WI22G264M	4,856.3	840.0	4,016.3
Forbidden RNTZ - 0008	0008F	Dried	Small Flower	TC08WI22J069M	3,666.8		3,666.8
Cherry Jam - 0009	0009F	Dried	Small Flower	CJ.2220.1 RT	113,346.8		113,346.8
Cherry Jam - 0012	0012F	Dried	Small Flower	CJ.2226.1	55,084.6		55,084.6
Gas Leak - 0015	0015F	Dried	Small Flower	PB.2225.1	85,400.1		85,400.1
Pink Bubba - 0016	0016F	Dried	Small Flower	PB.2227.1	62,062.0		62,062.0
Blue Kerosene - 0017	0017F	Dried	Small Flower	MS04WI22J201M	804.7		804.7
Pink Bubba - 0020	0020F	Dried	Small Flower	PB.2234.1 (0020F)	32,731.6	840.0	31,891.6
Cherry Jam - 0023	0023F	Dried	Small Flower	CJ.2233.1 (0023F)	124,596.4		124,596.4
Cherry Jam - 0025	0025F	Dried	Small Flower	CJ.2235.1 (25F)	88,472.7		88,472.7
Cherry Jam - 0025	0025F (Shake)	Dried	Small Flower		98.1		98.1
Blue Lime Pie - 0028	0028F	Dried	Small Flower	KC01WI22H291	2,039.1		2,039.1
Purple Clementine #37 - 0031	0031F	Dried	Small Flower	Lot 0399	6,323.3		6,323.3
Purple Octane - 0047	0047F	Dried	Small Flower	MJ0022	3,964.9		3,964.9
Blue Lime Pie - 0048	0048F	Dried	Small Flower	MJ0018	11,160.3		11,160.3
Blend 4 - 0053	0053FB	Dried	Blend		26,420.9		26,420.9
Blend 5 - 0054	0054FB	Dried	Blend		15,838.3		15,838.3
Blend 6 - 0055	0055FB	Dried	Blend		8,062.3		8,062.3
Blend 7 - 0056	0056FB	Dried	Blend		22,304.9		22,304.9
London Fog - 0068	0068F	Dried	Small Flower	DH.2121A.1	21,755.5		21,755.5
Blue Lime Pie - 0069	0069F	Dried	Small Flower	SH.2212.1	15,833.7	1,176.0	14,657.7
Trpy Zlrp - 0070	0070M	Dried	Milled		17,213.2		17,213.2
BLP2221Z	BLP2221Z1	Dried	Small Flower	MAC 1 - Lot 146	2,130.8		2,130.8
CJ.2131	CJ.2131.M	Dried	Milled		268.3		268.3
Cherry Jam - CJ.2135	CJ.2135.1	Dried	Small Flower	CJ.2135.1	45,873.1		45,873.1
CJ.2142Z	CJ.2142Z.M	Dried	Milled		165.0		165.0
Cherry Jam - CJ.2206	CJ.2206.1	Dried	Small Flower	CJ.2206.1	86,816.2		86,816.2
Cherry Jam - CJ.2218	CJ.2218.1	Dried	Small Flower	CJ.2218.1	102,321.6		102,321.6
Cherry Jam - CJ.2231	CJ.2231.1	Dried	Small Flower	CJ.2231.1	128,545.8	128,545.8	0.0 Rose Life Sale
DH2150 - Dark Helmet	DH21501	Dried	Small Flower	DH.2150.1	65,783.2		65,783.2
DH2203	DH22031	Dried	Small Flower	DH.2203.1	12,571.1	1,680.0	10,891.1 Partially allocated to 0045F - Forbidden RNTZ
Golden Ghost OG - GGO2229Z	GGO2229Z1	Dried	Small Flower	S0077P3Y2D1228(1)	6,828.4		6,828.4
HG0195 - White Lightning	HG0195F	Dried	Small Flower	HG0195	556.6		556.6
HG0211 - White Lightning	HG0211F	Dried	Small Flower	HG0211	4,007.7		4,007.7
HG0224 - Sensi Wizard	HG0224F	Dried	Small Flower	HG0224	1,793.8		1,793.8
HG0284 (Reallocated to Forbidden RNTZ)	HG02841	Dried	Small Flower	HG0284.1	3,242.6		3,242.6
White Lightning - HG0293	HG0293F	Dried	Small Flower	DH.2130.1	40,198.6	40,198.6	0.0 Rose Life Sale
HG0294 - Cherry Burst	HG02941	Dried	Small Flower	HG0294	7,356.8		7,356.8
HG0323	HG03231	Dried	Small Flower	HG0323	6,687.7		6,687.7
HG0335 - Gas Tank-Pink Octane	HG03351	Dried	Small Flower	HG0335.1	14,791.4		14,791.4
Rock the Boat - HG0343	HG0343F	Dried	Small Flower	HG0343	2,645.7		2,645.7
Leviathan - HG0345	HG0345F	Dried	Small Flower	HG0345	1,432.4		1,432.4
HG0361 - Apple Mintz	HG0361F	Dried	Small Flower	KK09WI22H192	615.0		615.0
Mango Melon - MM.2122	MM.2122.1	Dried	Small Flower	MM.2122.1	2,720.2		2,720.2
MM2236Z (Output lot Golden Ghost - GGO2236Z1)	MM2236Z1	Dried	Small Flower	FLWR 1240 - IMCC	6,504.8		6,504.8
PB.2207Y	PB.2207Y.1	Dried	Small Flower	Atlas H063	19,588.6		19,588.6
PB2213 - Pink Bubba	PB22131	Dried	Small Flower	PB.2213.1 RT	44,514.6		44,514.6
PB2222FB	PB2222MB	Dried	Milled		34,493.6		34,493.6
PC.2138Z	PC.2138Z.M3	Dried	Milled		174.0		174.0
PC.2149Y	PC.2149Y.1 (Sorted)	Dried	Small Flower		1,475.8		1,475.8
PC.2149Z	PC.2149Z.1	Dried	Small Flower	21.03.22.P.126.41	4,437.2		4,437.2
SB.2207Z	SB.2207Z.1	Dried	Small Flower	Venn Cannabis CA0721010	19,848.1		19,848.1
Sundae Driver - SH.2210	SH.2210.1	Dried	Small Flower	SH.2210.1	11,624.4		11,624.4
TZ2231Z - Trpy Zlrp	TZ2231Z1 - Trpy Zlrp	Dried	Small Flower	TC08WI22D191M	587.8		587.8
WMH2226Z	WMH2226Z1	Dried	Small Flower	DD10WI21K082M	9,865.7		9,865.7

WMI2226Y	WMI2226Y	Dried	Small Flower	ZK01WI22B031M	35.6		35.6
WMI2226Z	WMI2226Z1	Dried	Small Flower	ZK01WI21L091M	4,879.9		4,879.9
WS.2137Y	WS.2137Y.1	Dried	Small Flower	SPRUN-111220-09-01	282.4		282.4
WS.2214Z	WS.2214Z	Dried	Small Flower	HG0306-Blend #12	22,170.8		22,170.8
				<b>Subtotal</b>	<b>1,556,269.0</b>	<b>177,228.4</b>	<b>1,379,040.6</b>

Name	Lot ID	Lot Type	Cannabis Form	Discrete Unit		Packaged Unit		Status	Location	Total Retained	Underwent Sterilization			Released On 6	Allocated Discrete Units - Ending April 6	Closing Discrete - April 6	Closing Discrete Unit Weight - April 6	Note
				Weight - March 20	Discrete Units - March 20	Weight - March 20	Discrete Units - March 20				Treatment	Archived	Created On					
DH2222FB	DH2222MMPR	Dried (discrete)	Pre-roll	30356.30	58,157.00	0.00	0.00	Waiting for QA	SS1		No active lab report	No	44,853.59	Unreleased	0.00	58,157.00	30,356.30	
Gas Tank - HG0342	HG0342MMPR	Dried (discrete)	Pre-roll	28400.50	53,996.00	0.00	0.00	Waiting for QA	Vault		No	No	44,978.42	44,978.56	0.00	53,996.00	28,400.50	
DH2148	DH2148MMPR	Dried (discrete)	Pre-roll	14362.84	28,137.00	0.00	0.00	QA Released	Vault		Yes	No	44,700.48	44,798.42	0.00	28,137.00	14,362.84	
Gas Leak - 0037	0037MMPR	Dried (discrete)	Pre-roll	10550.97	20,736.00	0.00	0.00	QA Released	SS1		No	No	44,942.45	44,958.44	0.00	20,736.00	10,550.97	
PB.2213Z	PB2213ZMMPR	Dried (discrete)	Pre-roll	10420.56	20,744.00	0.00	0.00	QA Released	Vault		No	No	44,705.56	44,708.51	0.00	20,744.00	10,420.56	
HG0339	HG0339MMPR	Dried (discrete)	Pre-roll	8833.30	17,419.00	0.00	0.00	Waiting for QA	SS1	91.20	No	No	44,804.63	44,805.68	0.00	17,419.00	8,833.30	
RC.2210Z	RC2210ZMMPR	Dried (discrete)	Pre-roll	6457.20	12,635.00	0.00	0.00	Waiting for QA	Vault	91.80	No active lab report	No	44,964.38	Unreleased	0.00	12,635.00	6,457.20	
Trpy Zlrp - 0033	0033MMPR	Dried (discrete)	Pre-roll	6232.89	11,756.00	0.00	0.00	QA Released	SS1		No selection made	No	44,914.49	44,917.61	0.00	11,756.00	6,232.89	
CJ2237	CJ2237HMPR	Extracts - Inhaled (discrete)	Infused Pre-rolls	5280.44	10,199.00	0.00	0.00	QA Released	SS1		No	No	44,819.58	44,834.53	0.00	10,199.00	5,280.44	
Purple Octane - 0049	0049MMPR	Dried (discrete)	Pre-roll	4581.98	8,819.00	0.00	0.00	QA Released	Vault		No	No	44,951.61	44,957.50	0.00	8,819.00	4,581.98	
DH.2134	Forbidden RNTZ - DH2134MMPR	Dried (discrete)	Pre-roll	4429.99	8,712.00	0.00	0.00	Waiting for QA	SS1		No active lab report	No	44,848.58	Unreleased	0.00	8,712.00	4,429.99	1332 grams to be used / 2664 discrete units
SB.2207Z	SB2207ZMMPR	Dried (discrete)	Pre-roll	2827.40	5,362.00	0.00	0.00	QA Released	SS1		No	No	44,854.50	44,862.40	0.00	5,362.00	2,827.40	
Blue Kerosene - 0036	0036MMPR	Dried (discrete)	Pre-roll	2524.64	4,954.00	0.00	0.00	QA Released	Vault		No	No	44,958.44	44,963.40	0.00	4,954.00	2,524.64	
Trpy Zlrp - 0071	0071PR	Extracts - Inhaled (discrete)	Infused Pre-rolls	2261.78	4,198.00	0.00	0.00	QA Released	SS1		No	No	44,993.53	45,001.46	0.00	4,198.00	2,261.78	
Golden Ghost OG - GGO2229Z	GGO2229ZMMPR	Dried (discrete)	Pre-roll	2208.24	4,299.00	0.00	0.00	QA Released	SS1		No selection made	No	44,979.60	44,984.43	0.00	4,299.00	2,208.24	
BLP2232Z - Blue Lime Pie	BLP2232ZMMPR On Hold	Dried (discrete)	Pre-roll	2143.52	3,936.00	0.00	0.00	QA Released	Vault		No selection made	No	44,867.54	44,937.48	0.00	3,936.00	2,143.52	
Trpy Zlrp - 0034	0034MMPR	Dried (discrete)	Pre-roll	1323.13	2,624.00	0.00	0.00	QA Released	Vault	90.72	Yes	No	44,939.61	44,942.36	0.00	2,624.00	1,323.13	
RC2217Z	RC2217ZMMPR	Dried (discrete)	Pre-roll	1297.80	2,440.00	0.00	0.00	QA Released	Vault		No	No	44,950.61	44,957.52	0.00	2,440.00	1,297.80	
Gas Leak - 0018	0018MMPR	Dried (discrete)	Pre-roll	1201.46	2,258.00	0.00	0.00	QA Released	SS1		No	No	44,894.38	44,904.41	0.00	2,258.00	1,201.46	
BLP2221Z	BLP2221ZMMPR	Dried (discrete)	Pre-roll	1127.13	2,161.00	0.00	0.00	QA Released	SS1		Yes	No	44,848.43	44,860.48	0.00	2,161.00	1,127.13	
Cherry Jam - 0066	0066MMPR	Dried (discrete)	Pre-roll	1086.90	2,100.00	0.00	0.00	QA Released	Vault		No selection made	No	44,974.33	44,978.40	0.00	2,100.00	1,086.90	
Tiki Rain - 0032	0032MMPR	Dried (discrete)	Pre-roll	963.89	1,802.00	0.00	0.00	QA Released	Vault		No selection made	No	44,916.32	44,916.62	0.00	1,802.00	963.89	
HG0284 (Reallocated to Forbidden RNTZ)	HG0284MMPR	Dried (discrete)	Pre-roll	607.07	1,199.00	0.00	0.00	Waiting for QA	SS1	91.00	No active lab report	No	44,810.48	Unreleased	0.00	1,199.00	607.07	
Blue Kerosene - 0017	0017MMPR	Dried (discrete)	Pre-roll	408.88	786.00	0.00	0.00	QA Released	SS1		No	No	44,883.60	44,902.47	0.00	786.00	408.88	
TZ2229Y	TZ2229YPR	Dried (discrete)	Pre-roll	316.55	631.00	0.00	0.00	QA Released	Vault	90.00	No	No	44,757.38	44,762.34	0.00	631.00	316.55	
CJ2202	CJ2202MMPR	Dried (discrete)	Pre-roll	275.14	497.00	0.00	0.00	QA Released	SS1		No	No	44,796.57	44,819.43	0.00	497.00	275.14	
CJ2210 - Cherry Jam	CJ2210MMPR	Dried (discrete)	Pre-roll	235.33	449.00	0.00	0.00	QA Released	SS1		No selection made	No	44,841.42	44,937.37	0.00	449.00	235.33	
TZ2231FB - Trpy Zlrp	TZ2231FBMMPR	Dried (discrete)	Pre-roll	188.55	361.00	0.00	0.00	QA Released	SS1		No selection made	No	44,788.44	44,796.64	0.00	361.00	188.55	
CJ.2142X	CJ.2142X.M.PRS	Dried (discrete)	Pre-roll	177.41	132.00	0.00	0.00	QA Released	Vault		No	No	44,519.63	44,519.66	0.00	132.00	177.41	
SB.2211Y	SB.2211Y.PRS	Dried (discrete)	Pre-roll	105.70	211.00	0.00	0.00	QA Released	Vault - Ready for Packaging	90.00	Yes	No	44,641.47	44,641.54	0.00	211.00	105.70	
Forbidden RNTZ - 0008	0008M2PR	Dried (discrete)	Pre-roll	94.62	35.00	0.00	0.00	QA Released	SS1		No	No	44,882.39	44,901.44	0.00	35.00	94.62	
CJ.2149	CJ2149MMPR	Dried (discrete)	Pre-roll	89.48	88.00	0.00	0.00	QA Released	SS1		Yes	No	44,785.52	44,796.50	0.00	88.00	89.48	
CJ.2119	CJ.2119.M.PRS	Dried (discrete)	Pre-roll	87.96	162.00	0.00	0.00	QA Released	Vault		No	No	44,439.60	44,446.53	0.00	162.00	87.96	
CJ.2124Z	CJ.2124Z.M2.PRS	Dried (discrete)	Pre-roll	64.32	121.00	0.00	0.00	QA Released	Vault		No	No	44,399.64	Unreleased	0.00	121.00	64.32	
CJ.2141	CJ2141M2PR	Dried (discrete)	Pre-roll	57.90	112.00	0.00	0.00	QA Released	SS1		Yes	No	44,803.58	44,817.56	0.00	112.00	57.90	
CJ.2131	CJ.2131.M.PRS	Dried (discrete)	Pre-roll	57.42	95.00	0.00	0.00	QA Released	Vault		No	No	44,543.67	44,547.52	0.00	95.00	57.42	
CJ.2124Z	CJ.2124Z.M4.PRS	Dried (discrete)	Pre-roll	56.68	95.00	0.00	0.00	QA Released	Vault		No	No	44,418.37	Unreleased	0.00	95.00	56.68	
CJ.2139	CJ.2139.M.PRS	Dried (discrete)	Pre-roll	51.44	136.00	0.00	0.00	QA Released	Vault		No	No	44,609.68	44,616.50	0.00	136.00	51.44	
Forbidden RNTZ - 0008	0008PR	Dried (discrete)	Pre-roll	50.50	90.00	0.00	0.00	QA Released	SS1		No	No	44,866.62	44,872.51	0.00	90.00	50.50	
Stone Sour - 0027	0027MMPR	Dried (discrete)	Pre-roll	45.19	85.00	0.00	0.00	QA Released	Vault		No	No	44,924.45	44,925.58	0.00	85.00	45.19	
CJ.2126	CJ.2126.M.PRS	Dried (discrete)	Pre-roll	42.38	87.00	0.00	0.00	QA Released	Vault		Yes	No	44,540.48	44,540.50	0.00	87.00	42.38	
SB.2203Z	SB.2203Z.M.PRS	Dried (discrete)	Pre-roll	42.21	84.00	0.00	0.00	QA Released	Vault		No	No	44,594.46	44,596.67	0.00	84.00	42.21	
CJ.2203Z	CJ.2203Z.M.PRS	Dried (discrete)	Pre-roll	39.84	41.00	0.00	0.00	QA Released	Vault		No	No	44,587.48	44,589.62	0.00	41.00	39.84	
PB.2203Z	PB.2203Z.M.PRS	Dried (discrete)	Pre-roll	38.75	72.00	0.00	0.00	QA Released	Vault	92.52	Yes	No	44,600.41	44,615.38	0.00	72.00	38.75	
SB.2121ZD	SB.2121ZD.PRS	Dried (discrete)	Pre-roll	34.16	65.00	0.00	0.00	QA Released	Vault		No	No	44,376.41	44,846.53	0.00	65.00	34.16	lot to be destroyed
CJ2204	CJ2204MMPR	Dried (discrete)	Pre-roll	28.38	52.00	0.00	0.00	QA Released	SS1		No	No	44,841.40	44,873.40	0.00	52.00	28.38	
DH.2136Z	DH.2136Z.M.PRS	Dried (discrete)	Pre-roll	25.71	114.00	0.00	0.00	QA Released	Vault		No	No	44,488.39	44,491.56	0.00	114.00	25.71	
CJ.2137	CJ2137MMPR	Dried (discrete)	Pre-roll	22.78	130.00	0.00	0.00	QA Released	Vault		No selection made	No	44,775.42	44,788.52	0.00	130.00	22.78	
PL5.2129A	SB.2129A.M.PRS	Dried (discrete)	Pre-roll	18.54	34.00	0.00	0.00	QA Released	Vault		No	No	44,406.46	Unreleased	0.00	34.00	18.54	
CJ.2124Z	CJ.2124Z.PRS	Dried (discrete)	Pre-roll	18.14	34.00	0.00	0.00	QA Released	Vault		No	No	44,399.63	Unreleased	0.00	34.00	18.14	
TR2225Z	TR2225ZMMPR	Dried (discrete)	Pre-roll	13.52	40.00	0.00	0.00	QA Released	Vault		No	No	44,735.69	44,736.62	0.00	40.00	13.52	
PC.2206Y	PC2206YMMPR	Dried (discrete)	Pre-roll	12.90	25.00	0.00	0.00	QA Released	SS1		No	No	44,781.66	44,783.53	0.00	25.00	12.90	
BLP.2136Z.F23	BLP.2136Z.F23.M.PRS	Dried (discrete)	Pre-roll	9.36	44.00	0.00	0.00	QA Released	Vault		No	No	44,490.38	44,496.48	0.00	44.00	9.36	
CJ2212 - Cherry Jam	CJ2212MMPR	Dried (discrete)	Pre-roll	8.53	15.00	0.00	0.00	QA Released	SS1		No selection made	No	44,847.41	44,951.42	0.00	15.00	8.53	
White Lighting Iced Blunt - HG0368	HG0368PR	Extracts - Inhaled (discrete)	Infused Pre-rolls	6.89	20.00	0.00	0.00	QA Released	SS1	92.70	No	No	44,943.66	44,944.48	0.00	20.00	6.89	
Fossil Fuel - HG0366	HG0366MMPR	Dried (discrete)	Pre-roll	4.45	5.00	0.00	0.00	QA Released	SS1	93.60	No	No	44,914.43	44,915.46	0.00	5.00	4.45	
					152209.54													
																Total		152,209.54

Lot ID	Lot Type	Cannabis Form	Migrated ID	Bulk Weight - March 20	Packaged Units - March 20	Allocated Bulk - Ending April 6	Allocated Packaged Units - Ending April 6	Closing Bulk Weight - April 6	Closing Packaged Units - Ending April 6	Note
HG0322.1	Dried	Bulk Flower	Sundae Driver	15,460.50	0.00	0	0	15460.50	0.00	
HG0341.1	Dried	Bulk Flower	ZZYSC7-P-004-DB - Diamond Breath (Scotti's Cake)	12,423.79	3,252.00	144	0	23661.79	0.00	returning packaged weight to bulk
HG0344.1	Dried	Bulk Flower	LOT#3082 - Gas Tank (Pink Sunset #33) (LA Kush Cake)	31,099.22	749.00	0	24	31099.22	725.00	
HG0346.1	Dried	Bulk Flower	MZ22W121L142M - Rock The Boat (Mandarin Zkittles)	61,938.80	0.00	0	0	61938.80	0.00	
HG0348.1	Dried	Bulk Flower	CA0122003 - Spacejager (Green Ribbon x Tahoe Alien)	23,460.68	0.00	0	0	23460.68	0.00	
HG0353.1	Dried	Bulk Flower	CJ.2208.1 - Cherry Burst (Cherry Jam)	42,546.19	0.00	96	0	42450.19	0.00	
HG0356.1	Dried	Bulk Flower	MS04W122J067M - White Lightning (Mint Sherbert)	17,214.03	1,200.00	216	1200	16998.03	0.00	
HG0358.1	Dried	Small Flower	220223P299-12 - Frost Bite (Tally Man)	853.56	0.00	0	0	853.56	0.00	
HG0359.1	Dried	Bulk Flower	KC01HI22G181 - 3.146 Face (Kush Cake)	650.61	0.00	0	0	650.61	0.00	
HG0364.1	Dried	Bulk Flower	TC08W122J081 - The Leviathan (Tiger Cake)	7,833.56	0.00	0	0	7833.56	0.00	
HG0365.1	Dried	Bulk Flower	WC01W122J172 - Fossil Fuel (Wedding Cake)	12,140.81	0.00	0	0	12140.81	0.00	
HG0369.1	Dried	Bulk Flower	WC01W122K081 - 3.1416 Face (Wedding Cake)	8,614.30	0.00	168	0	8446.30	0.00	
HG0371.1	Dried	Bulk Flower	PC06W122J272 - Chemnesia (Peach Crescendo)	742.16	0.00	0	0	742.16	0.00	
HG0372.1	Dried	Bulk Flower	MJ0015 - Apple Mintz (KK Mintz)	2,675.78	0.00	3360	0	-684.22	0.00	PO in hand for 960 x 3.5g units, inventory remaining likely will not fill PO and remainder will be used for pre-roll
HG0373.1	Dried	Bulk Flower	22-005 - Chemnesia (Tally Man)	28,780.83	0.00	2940	0	25840.83	0.00	
HG0265.1	Dried	Bulk Flower	MANC20210222 - Sensi Wizard (Mandarin Cookies)	0.00	336.00	0	48	0.00	288.00	
HG0284.1	Dried	Bulk Flower	DH.2121c.1 - Gaelic Fire (Dark Helmet)	0.00	210	0	0	0.00	210.00	
HG0294.1	Dried	Bulk Flower	CJ2129-1 - Cherry Burst (Cherry Jam)	0.00	36.00	0	0	0.00	36.00	
HG0313.1	Dried	Bulk Flower	PK211206H - Gas Tank - Island Pink (Tom Ford Pink Kush)	0.00	684.00	0	0	2394.00	0.00	returning packaged weight to bulk
HG0325.1	Dried	Bulk Flower	Lot 0336 - White Lightning (8 Ball Kush)	0.00	1,008.00	0	0	3528.00	0.00	returning packaged weight to bulk
HG0326.1	Dried	Bulk Flower	CJ.2145.1 - Cherry Burst (Cherry Jam)	0.00	2712	0	0	9492.00	0.00	returning packaged weight to bulk
HG0350.1	Dried	Bulk Flower	MO1340 - Frostbite (Mimosa)	0.00	4,156.00	0	0	14546.00	0.00	returning packaged weight to bulk
HG0352.1	Dried	Bulk Flower	CJ.2133.1 - Cherry Burst (Cherry Jam)	0.00	2,682.00	0	0	37236.00	0.00	returning packaged weight to bulk (2658 x 14g, 244x1g)
<b>Total</b>				266,434.82			<b>Total</b>	338088.82		



Lot ID	Lot Type	Cannabis Form	Discrete Units - Packaged Units -		Allocated Discrete Units - Ending April 6	Allocated		Closing Discrete Units -		Closing Packaged Units -		Note
			March 20	March 20		Packaged Units	Packaged Units	Ending April 6	Ending April 6			
HG0294.PR	Dried (discrete)	Pre-rolls	1488.00	0.00	0	0	0	0	1488.00	0.00		
HG0295.PR	Dried (discrete)	Pre-rolls	30.00	0.00	0	0	0	0	30.00	0.00		
HG0308.PR	Dried (discrete)	Pre-rolls	39.00	0.00	0	0	0	0	39.00	0.00		
HG0325.PR	Dried (discrete)	Pre-rolls	42,184.00	960.00	0	960.00	0	0	42184.00	0.00		
HG0332.PR	Dried (discrete)	Pre-rolls	2,851.00	0.00	0	0	0	0	2851.00	0.00		
HG0337.PR	Dried (discrete)	Pre-rolls	30,673.00	0.00	0	0	0	0	30673.00	0.00		
HG0340.PR	Dried (discrete)	Pre-rolls	24,150.00	0.00	0	0	0	0	24150.00	0.00		
HG0342.PR	Dried (discrete)	Pre-rolls	8,725.00	108.00	0	0	0	0	8725.00	108.00		
HG0353.PR	Dried (discrete)	Pre-rolls	113.00	24.00	0	0	0	0	113.00	24.00		
HG0357.PR	Dried (discrete)	Pre-rolls	709.00	0.00	0	0	0	0	709.00	0.00		
HG0358.PR	Dried (discrete)	Pre-rolls	79.00	0.00	0	0	0	0	79.00	0.00		
HG0359.PR	Dried (discrete)	Pre-rolls	415.00	0.00	0	0	0	0	415.00	0.00		
HG0360.PR	Dried (discrete)	Pre-rolls	58.00	0.00	0	0	0	0	58.00	0.00		
HG0361.PR	Dried (discrete)	Pre-rolls	59.00	0.00	0	0	0	0	59.00	0.00		
HG0362.PR1	Dried (discrete)	Pre-rolls	1,786.00	0.00	0	0	0	0	1786.00	0.00		
HG0363.PR	Dried (discrete)	Pre-rolls	2,539.00	0.00	0	0	0	0	2539.00	0.00		
HG0365.PR	Dried (discrete)	Pre-rolls	11,790.00	0.00	0	0	0	0	11790.00	0.00		
HG0366.PR	Dried (discrete)	Pre-rolls	163.00	0.00	0	0	0	0	163.00	0.00		
HG0366.PR1	Dried (discrete)	Pre-rolls	16.00	0.00	0	0	0	0	16.00	0.00		
HG0367.PR	Dried (discrete)	Pre-rolls	13,203.00	24.00	0	0	0	0	13203.00	24.00		
HG0369.PR	Dried (discrete)	Pre-rolls	6,680.00	0.00	0	0	0	0	6680.00	0.00		
HG0370.PR	Dried (discrete)	Pre-rolls	5,738.00	0.00	1152	0	0	0	4586.00	0.00		
HG0371.PR	Dried (discrete)	Pre-rolls	2,456.00	0.00	2448	0	0	0	8.00	0.00		
HG0372.PR	Dried (discrete)	Pre-rolls	7,421.00	0.00	0	0	0	0	7421.00	0.00		
HG0373.PR	Dried (discrete)	Pre-rolls	25.00	0.00	0	0	0	0	25.00	0.00		
HG0374.PR	Dried (discrete)	Pre-rolls	4,454.00	0.00	0	0	0	0	4454.00	0.00		
HG0280.PR	Dried (discrete)	Pre-rolls	0.00	24	0	0	0	0	0.00	24.00		
HG0283.PR	Dried (discrete)	Pre-rolls	0.00	1632	0	0	0	0	0.00	1632.00		
HG0290.PR	Dried (discrete)	Pre-rolls	0.00	48.00	0	0	0	0	0.00	48.00		
HG0259.PR	Dried (discrete)	Pre-rolls	0.00	96.00	0	0	0	0	0.00	96.00		
HG0300.PR	Dried (discrete)	Pre-rolls	0.00	344.00	0	0	0	0	0.00	344.00		
HG0303.PR	Dried (discrete)	Pre-rolls	0.00	1,656.00	0	0	0	0	0.00	1656.00		
HG0304.PR	Dried (discrete)	Pre-rolls	0.00	48.00	0	0	0	0	0.00	48.00		
HG0312.PR	Dried (discrete)	Pre-rolls	0.00	67.00	0	0	0	0	0.00	67.00		
HG0323.PR	Dried (discrete)	Pre-rolls	0.00	360.00	0	0	0	0	0.00	360.00		
HG0329.PR	Dried (discrete)	Pre-rolls	0.00	384.00	0	0	0	0	0.00	384.00		
HG0348.PR	Dried (discrete)	Pre-rolls	0.00	12.00	0	0	0	0	0.00	12.00		
HG0349.PR	Dried (discrete)	Pre-rolls	0.00	480.00	0	0	0	0	0.00	480.00	returning packaged weight to bulk	
HG0351.PR	Dried (discrete)	Pre-rolls	0.00	2,016.00	0	0	0	0	0.00	2016.00	returning packaged weight to bulk	
		<b>Total Weight</b>	83922			<b>Total Weight</b>			82122			

Lot ID	Lot Type	Cannabis Form	Allocated - Ending		Closing Weight - April 6	Note
			Weight - March 20	April 6		
0001F (Shake)	Dried	Shake	191.8		0.0	191.8
0002F (Shake)	Dried	Shake	210.2			210.2
0003F (Shake)	Dried	Shake	471.5			471.5
0004F (Shake)	Dried	Shake	422.5			422.5
0005H	Extracts - Inhaled	Hash	18.7			18.7
0007F (Shake)	Dried	Shake	81.3			81.3
0008F (Shake)	Dried	Shake	121.4			121.4
0012F (Shake)	Dried	Shake	774.2			774.2
0017F (Shake)	Dried	Shake	427.6			427.6
0020T	Dried	Trim	100,490.5	100,490.5		0.0 Motif Sale
0023T	Dried	Trim	89,383.6			89,383.6
0025T	Dried	Trim	91,928.4	91,928.4		0.0 Motif Sale
0028F (Shake)	Dried	Shake	158.4			158.4
0029H	Extracts - Inhaled	Hash	1,345.4			1,345.4
0031 (Shake)	Dried	Shake	145.8			145.8
0032F (Shake)	Dried	Shake	85.1			85.1
0040S	Extracts - Inhaled	Shatter	1,422.5			1,422.5
0045F (Shake)	Dried	Shake	279.8			279.8
0047F (Shake)	Dried	Shake	510.2			510.2
0048 Shake	Dried	Shake	127.0			127.0
0061K.A	Extracts - Inhaled	Kief	5,526.0			5,526.0
0061K.B	Extracts - Inhaled	Kief	3,758.1			3,758.1
0067F (Shake)	Dried	Shake	124.5			124.5
0068F (Shake)	Dried	Shake	16.2			16.2
BLP2221Z1 (shake)	Dried	Shake	38.6			38.6
CJ.2119.Sample	Dried	Sample	273.8			273.8
CJ.2129.2	Dried	Trim	89,198.3			89,198.3
CJ21451 (Shake)	Dried	Shake	271.5			271.5
CJ.2151.2	Dried	Trim	91,557.1			91,557.1
CJ.2153.2	Dried	Trim	87,092.7			87,092.7
CJ.2206.K	Extracts - Inhaled	Kief	6,540.4			6,540.4
CJ.2208.K	Extracts - Inhaled	Kief	8,045.1			8,045.1
CJ22121 (Shake)	Dried	Shake	415.7			415.7
CJ.2222.2	Dried	Trim	76,493.1	76,493.1		0.0 Motif Sale
CJ.2224.2	Dried	Trim	88,176.0	88,176.0		0.0 Motif Sale
CJ.2226.2	Dried	Trim	89,973.0	89,973.0		0.0 Motif Sale
CJ.2229.2	Dried	Trim	107,673.6	107,673.6		0.0 Motif Sale
CJ2231.2	Dried	Trim	99,085.7	99,085.7		0.0 Motif Sale
DH.2124.2	Dried	Trim	54,724.6	54,724.6		0.0 Motif Sale
DH.2138.2	Dried	Trim	41,869.4	41,869.4		0.0 Motif Sale
DH.2138f.2	Dried	Trim	46,948.4	46,948.4		0.0 Motif Sale
DH21501 (Shake)	Dried	Shake	222.0			222.0
DH.2203.2	Dried	Trim	57,186.0	57,186.0		0.0 Motif Sale
OSBH.2120Z.H	Extracts - Inhaled	Hash	5,354.5	624.0		4,730.5
OSBH.2120Z.H (Scraps)	Extracts - Inhaled	Hash	31.9			31.9
PB22131 (Shake)	Dried	Shake	169.4			169.4

PB.2221.2	Dried	Trim	111,238.0	111,238.0
PB.2225.2	Dried	Trim	111,998.7	111,998.7
PB.2227.2	Dried	Trim	94,309.9	94,309.9
PB.2230.2	Dried	Trim	119,833.8	119,833.8
PC.2149Y.1 (Shake)	Dried	Shake	431.7	431.7
PC.2149Z.1 (Shake)	Dried	Shake	885.0	885.0
SB.2105.1 (Shake)	Dried	Shake	187.4	187.4
SB.2108A.1 (Shake)	Dried	Shake	1,262.8	1,262.8
SB.2115.1 (Shake)	Dried	Shake	415.3	415.3
SBH.2124Z.H.Test	Extracts - InhaledHash		481.5	481.5
SBH.2127Z	Extracts - InhaledHash		81,343.8	81,343.8 Simply - Soap Bar Hash
TZ2231Z1 (Shake)	Dried	Shake	79.1	79.1
WMI2226Y (shake)	Dried	Shake	124.8	124.8
WMI2226Z (Shake)	Dried	Shake	184.8	184.8
0050FB	Dried	Trim Blend	248,298.9	248,298.9
0051FB	Dried	Trim Blend	57,875.8	57,875.8
0052FB	Dried	Trim Blend	51,128.3	51,128.3

Lot ID	Lot Type	Cannabis Form	Migrated ID	Discrete Unit Weight - March 20	Discrete Units - March 20	Packaged Units - March 20	Packaged Unit Weight - March 20	Packaged Discrete Units - March 20	Allocated Discrete Units - Ending April 6	- Allocated Packaged Units	Closing Discrete - April 6	Closing Packaged - April 6	Note
0022MPR	Dried (discrete)	Pre-roll		5919.55	11,257.00	1,752.00	2,761.15	5,256.00		0	1,752.00	11,257.00	0.00
0046H (2g)	Extracts - Inhaled (discrete)	Hash		4535.50	2,195.00	72.00	146.07	72.00		2195	72.00	0.00	0.00 Additional 4968g required for PO, will leave bulk weight at 0 as of April 6
DH.21232.M.PRS	Dried (discrete)	Pre-roll		4461.94	8,639.00	24.00	38.47	72.00		0.00	0.00	8,711.00	0.00 returning packaged inventory to discrete units - 72 Discrete Units
PB2236HPPR	Extracts - Inhaled (discrete)	Infused Pre-rolls		4334.12	8,540.00	480.00	730.56	1,440.00		0.00	480.00	8,540.00	0.00
PB22132M2PR	Dried (discrete)	Pre-roll		2534.80	5,004.00	36.00	510.44	1,008.00		0.00	36.00	5,004.00	0.00
GGO2222M2PR	Dried (discrete)	Pre-roll		681.19	1,306.00	24.00	37.54	72.00		0.00	24.00	1,306.00	0.00
HG0375PR (1g)	Extracts - Inhaled (discrete)	Infused Pre-rolls		588.20	564.00	2,544.00	2,569.44	2,544.00		0.00	0.00	564.00	2,544.00 Waiting for PO
0027M2PR	Dried (discrete)	Pre-roll		360.90	681.00	1,800.00	2,829.60	5,400.00		0.00	1,800.00	681.00	0.00
BLP2208YM2PR	Dried (discrete)	Pre-roll		281.94	531.00	228.00	517.68	984.00		0.00	228.00	531.00	0.00
DH.2136Y.M.PRS	Dried (discrete)	Pre-roll		236.65	488.00	72.00	112.97	216.00		0.00	0.00	704.00	0.00 returning packaged inventory to discrete units - 216 Discrete Units
TR2233FBM2PR	Dried (discrete)	Pre-roll		111.90	134.00	360.00	568.08	1,080.00		0.00	0.00	326.00	0.00 returning packaged inventory to discrete units - 192 Discrete Units
CJ.2147MPR	Dried (discrete)	Pre-roll		85.80	190.00	18.00	261.86	504.00		0.00	18.00	190.00	0.00
CJ.2124Z .5g Pre Roll Finished	Dried (discrete)	Pre-roll		57.83	99.00	48.00	76.65	144.00		0.00	0.00	243.00	0.00 returning packaged inventory to discrete units - 144 Discrete Units
CJ2221MBPR	Dried (discrete)	Pre-roll		55.50	106.00	6.00	87.91	168.00		0.00	6.00	106.00	0.00
BLP.2208X.M.PRS	Dried (discrete)	Pre-roll		50.27	95.00	12.00	211.88	408.00		0.00	12.00	95.00	0.00
BLP2221MBPR	Dried (discrete)	Pre-roll		50.25	75.00	12.00	172.13	336.00		0.00	12.00	75.00	0.00
CJ.2142Z.M.PRS	Dried (discrete)	Pre-roll		23.91	188.00	48.00	78.72	144.00		0.00	0.00	0.00	0.00 30g of packaged weight to be destroyed
0001F (3.5g)	Dried (discrete)	Small Flower		0.46	0.00	540.00	1,936.08	540.00		0.00	540.00	0.00	0.00
0045F (3.5g)	Dried (discrete)	Small Flower	DH22031	0.34	0.00	480.00	1,719.36	480.00		0.00	480.00	0.00	0.00
0012F (2g)	Dried (discrete)	Small Flower		0.01	0.00	24.00	675.89	24.00		0.00	24.00	0.00	0.00
HG0344 - RTV-CHBK-004855	Dried (discrete)	Small Flower	HG0344	1974.00	564.00	0.00	0.00	0.00		0.00	0.00	564.00	0.00
SB.2105.1 (28g)	Dried (discrete)	Small Flower		569.92	20.00	0.00	0.00	0.00		0.00	0.00	20.00	0.00
CJ.2126.1 (3.5g)	Dried (discrete)	Small Flower		485.45	132.00	0.00	0.00	0.00		0.00	0.00	132.00	0.00
OSPH.2131Z.H (1 g)	Extracts - Inhaled (discrete)	Hash		392.46	380.00	0.00	0.00	0.00		0.00	0.00	380.00	0.00
HG0282 - RTV-CHBK-004855	Dried (discrete)	Small Flower	HG0282	378.00	108.00	0.00	0.00	0.00		0.00	0.00	108.00	0.00
SB.2115.1 (28g)	Dried (discrete)	Small Flower		213.18	7.00	0.00	0.00	0.00		0.00	0.00	7.00	0.00
CJ.2138Z.1 (3.5g)	Dried (discrete)	Small Flower		141.22	38.00	0.00	0.00	0.00		0.00	0.00	38.00	0.00
PC.2149Y.1 (3.5g)	Dried (discrete)	Small Flower		97.22	24.00	0.00	0.00	0.00		0.00	0.00	24.00	0.00
OSPH.2124Z.H (1g)	Extracts - Inhaled (discrete)	Hash		88.00	83.00	0.00	0.00	0.00		0.00	0.00	83.00	0.00
DH.2123Z.1 (3.5g)	Dried (discrete)	Small Flower		87.50	23.00	0.00	0.00	0.00		0.00	0.00	23.00	0.00
HG0329 - RTV-CHBK-004855	Dried (discrete)	Small Flower	HG0329	63.00	18.00	0.00	0.00	0.00		0.00	0.00	18.00	0.00
HG0312 - RTV10242022	Dried (discrete)	Small Flower	HG0312	31.50	9.00	0.00	0.00	0.00		0.00	0.00	9.00	0.00
SB.2130Z.1 (3.5g)	Dried (discrete)	Small Flower		24.78	7.00	0.00	0.00	0.00		0.00	0.00	7.00	0.00
CJ.2151Z.1 (3.5g)	Dried (discrete)	Small Flower		24.48	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
CJ.2109.1 (3.5g)	Dried (discrete)	Small Flower		24.38	5.00	0.00	0.00	0.00		0.00	0.00	5.00	0.00
SFH2232H (2g)	Extracts - Inhaled (discrete)	Hash		20.34	10.00	0.00	0.00	0.00		0.00	0.00	10.00	0.00
SFH2225H (2g)	Extracts - Inhaled (discrete)	Hash		16.43	8.00	0.00	0.00	0.00		0.00	0.00	8.00	0.00
OSPH.2124Z.H (2g)	Extracts - Inhaled (discrete)	Hash		15.21	6.00	0.00	0.00	0.00		0.00	0.00	6.00	0.00
0063S (1g)	Extracts - Inhaled (discrete)	Shatter	H220603SHPH	6.80	7.00	0.00	0.00	0.00		0.00	0.00	7.00	0.00
0062S	Extracts - Inhaled (discrete)	Shatter	2203135SHPH	2.00	2.00	0.00	0.00	0.00		0.00	0.00	2.00	0.00

## SCHEDULE "C"

### EXCLUDED ASSETS

1. TJAC Excluded Assets to be transferred to TJAC Residual Co.:
  - (a) all cash, cash equivalents, moneys in possession of banks, and other depositories, term or time deposits and similar cash items, and guaranteed investment certificates, owned or held by or for the account of TJAC;
  - (b) with the exception of all Closing Date Purchased Entity Receivables, all accounts receivable, bills receivable, trade accounts and book debts and other amounts due or deemed to be due to TJAC prior to the Closing Date relating to the Business, including refunds, rebates and amounts recoverable under policies of insurance and the benefit of all security (including cash deposits), guarantees and other collateral held by TJAC relating thereto;
  - (c) all cash, cash equivalents, moneys or deposits in possession of the Canada Revenue Agency owned by or held for the account of TJAC as security for any obligation of TJAC, including TJAC's obligations under the *Excise Act, 2001* (Canada);
  - (d) any surety bond provided as security for any obligation of TJAC, including TJAC's obligations under the *Excise Act, 2001* (Canada);
  - (e) all of TJAC's right, title and interest in and to the Excluded Contracts; and
  - (f) 100% of the issued and outstanding shares in the capital of TRC Residual Co.
2. TRC Excluded Assets to be transferred to TRC Residual Co:
  - (a) all cash, cash equivalents, moneys in possession of banks, and other depositories, term or time deposits and similar cash items, and guaranteed investment certificates, owned or held by or for the account of TRC;
  - (b) all accounts receivable, bills receivable, trade accounts and book debts and other amounts due or deemed to be due to TRC prior to the Closing Date relating to the Business, including refunds, rebates and amounts recoverable under policies of insurance and the benefit of all security (including cash deposits), guarantees and other collateral held by TRC relating thereto; and
  - (c) all of TRC's right, title and interest in and to the Excluded Contracts.
3. MYM Excluded Assets to be transferred to MYM Residual Co.:
  - (a) all cash, cash equivalents, moneys in possession of banks, and other depositories, term or time deposits and similar cash items, and guaranteed investment certificates, owned or held by or for the account of MYM;
  - (b) all accounts receivable, bills receivable, trade accounts and book debts and other amounts due or deemed to be due to MYM prior to the Closing Date relating to the Business, including refunds, rebates and amounts recoverable under policies of insurance and the

benefit of all security (including cash deposits), guarantees and other collateral held by MYM relating thereto;

- (c) 100% of the issued and outstanding shares in the capital of CannaCanada Inc.;
- (d) 100% of the issued and outstanding shares in the capital of MYMB Residual Co.; and
- (e) all of MYM's right, title and interest in and to the Excluded Contracts.

4. MYMB Excluded Assets to be transferred to MYMB Residual Co.:

- (a) all cash, cash equivalents, moneys in possession of banks, and other depositories, term or time deposits and similar cash items, guaranteed investment certificates, owned or held by or for the account of MYMB;
- (b) all accounts receivable, bills receivable, trade accounts and book debts and other amounts due or deemed to be due to MYMB prior to the Closing Date relating to the Business, including refunds, rebates and amounts recoverable under policies of insurance and the benefit of all security (including cash deposits), guarantees and other collateral held by MYMB relating thereto;
- (c) 100% of the issued and outstanding shares in the capital of Highland Residual Co.; and
- (d) all of MYMB's right, title and interest in and to the Excluded Contracts.

5. Highland Excluded Assets to be transferred to Highland Residual Co.:

- (a) all cash, cash equivalents, moneys in possession of banks, and other depositories, term or time deposits and similar cash items, guaranteed investment certificates, owned or held by or for the account of Highland;
- (b) with the exception of all Closing Date Purchased Entity Receivables, all accounts receivable, bills receivable, trade accounts and book debts and other amounts due or deemed to be due to Highland prior to the Closing Date relating to the Business, including refunds, rebates and amounts recoverable under policies of insurance and the benefit of all security (including cash deposits), guarantees and other collateral held by Highland relating thereto;
- (c) all cash, cash equivalents, moneys or deposits in possession of the Canada Revenue Agency owned by or held for the account of Highland as security for any obligation of Highland, including Highland's obligations under the *Excise Act, 2001* (Canada);
- (d) any surety bond provided as security for any obligation of Highland, including Highland's obligations under the *Excise Act, 2001* (Canada); and
- (e) all of Highland's right, title and interest in and to the Excluded Contracts.

## **SCHEDULE "D"**

### **ASSUMED CONTRACTS**

1. The Trillium Lease.
2. Any Contracts in respect of Employees.
3. See attached.

Entity	Vendor	Department	Nature/Description of Contract
TJAC	American Express	Finance	Corporate Services Commercial Account Agreement (#00410037.1)
TJAC	Canada Bank Note	Finance	Statement of Work No. 2 - Excise Stamp Reconciliation
TJAC	Canada Bank Note	Finance	Statement of Work No. 1 - Excise Stamp Agreement
TJAC	Canada Bank Note	Finance	Statement of Work No. 1 - Excise Stamp Conversion
TJAC	ADP Canada	HR	Amendment to Global Master Services Agreement
TJAC	ADP Canada	HR	Global Master Services Agreement
MYM/HGI	Cooperators Insurance	Insurance	Policy Number 4000956018 - F150 (VIN: 1FTFW1E53KFB52096)
MYM/HGI	NextWave Insurance	Insurance	NWIC1002207 - \$15M CGL & Equipment (Boiler-Machinery)
MYM/HGI	NextWave Insurance	Insurance	NWIC1002207 - \$15M Products Recall
MYM/HGI	NextWave Insurance	Insurance	Property & Business Interruption
TJAC	Intact Insurance	Insurance	Insurance for 2021 Ford Transit - (VIN: VMOLS7V2XM1500576)
TJAC	Next Wave Insurance	Insurance	NWIC1002207 - \$15M CGL
TJAC	Next Wave Insurance	Insurance	NWIC1002207 - \$15M Products Recall
TJAC	Next Wave Insurance	Insurance	Property-Cargo-Equipment (Boiler & Machinery)-Business Interruption
TJAC	Dynamic 365 People Software	IT	365 Cannabis - License Quote - 3 Additional Finance Full Users & Monthly Support
TJAC	Dynamic 365 People Software	IT	Rapid Deployment SaaS Licence, Support, and Services Agreement - Order Form
TJAC	Dynamic 365 People Software	IT	Rapid Deployment SaaS Licence, Support, and Services Agreement - Order Form
TJAC	Dynamic 365 People Software	IT	Rapid Deployment SaaS Licence, Support, and Services Agreement - Order Form
TJAC	Dynamic 365 People Software	IT	Rapid Deployment SaaS Licence, Support, and Services Agreement - Order Form
TJAC	Dynamic 365 People Software	IT	Rapid Deployment SaaS Licence, Support, and Services Agreement - Order Form
TJAC	Dynamic 365 People Software	IT	Rapid Deployment SaaS Licence, Support, and Services Agreement - Order Form
TJAC	Dynamic 365 People Software	IT	Rapid Deployment SaaS Licence, Support, and Services Agreement - Order Form
TJAC	Dynamic 365 People Software	IT	Rapid Deployment SaaS Licence, Support, and Services Agreement
TJAC	Blue Top Properties (855 Trillium Inc.)	Legal	Trillium Facility Lease - Original
TJAC	Blue Top Properties (855 Trillium Inc.)	Legal	Trillium Facility Lease - Renewal
TJAC	Ford Credit Canada - Woodstock Ford	Legal	Bill of Sale and Related Agreements
TJAC	Canada (IP Office)	Legal	Trademark Application: Wagners. Application #: 2-066-121
MYM/HGI	Office of the Superintendent of Licensing, Department of Finance, Government of Nunavut	Legal	NU Annual Corporate Return
TJAC	Stericycle (Shred It)	Office	Shred-It Services
MYM/HGI	Ample Organics	Operations	Master Services Agreement
TJAC	Ample Organics	Operations	Master Services Agreement
TJAC	Ample Organics	Operations	Professional Services Agreement
TJAC	Cintas	Operations	Services & Supply Agreement
TJAC	DHL	Operations	Letter of Agreement
TJAC	Fedex	Operations	Amendment #1 to Fedex Transportation Services Agreement



<b>Entity</b>	<b>Vendor</b>	<b>Department</b>	<b>Nature/Description of Contract</b>
TJAC	GS1 Canada	Operations	Intellectual Property Rights Agreement
TJAC	GS1 Canada	Operations	Contribution Agreement
TJAC	High North Laboratories	Operations	Quality Agreement
TJAC	Kitchener Utilities	Operations	Natural Gas - 855 Trillium Drive - Tenant Contact
TJAC	Kitchener Wilmot Hydro	Operations	Hydro Contract - 855 Trillium Drive
TJAC	Pathogenia	Operations	Quality Agreement
TJAC	Rogers Enterprise	Operations	Master Enterprise Customer Agreement
TJAC	Rogers Enterprise	Operations	Addendum to MECA
TJAC	Waste Connections	Operations	Service Agreement 855 Trillium Drive
MYM/HGI	Nova Scotia Power	Operations	Hydro Contract - HGI
MYM/HGI	Seaside Wireless	Operations	Internet - Nova Scotia
MYM/HGI	Alberta Lottery & Gaming Corp (ALGC)	Sales/Marketing	Standing Offer Contract #1975 - Registration #301698
MYM/HGI	BC Liquor Distribution Branch (BCLDB)	Sales/Marketing	Licensed Producer Supply Agreement for Non-Medical Cannabis
MYM/HGI	Cannabis NB Ltd.	Sales/Marketing	Production and Supply Agreement
MYM/HGI	Newfoundland & Labrador Liquor Corp (NLC)	Sales/Marketing	NLC Cannabis and Cannabis Related Product Supply Agreement
MYM/HGI	Ontario Cannabis Store (OCS)	Sales/Marketing	Master Cannabis Supply Agreement
MYM/HGI	SLGA	Sales/Marketing	License Producer Registration
MYM/HGI	Yukon Liquor Corporation	Sales/Marketing	Cannabis Purchase and Sale Agreement
TJAC	Distribution)	Sales/Marketing	SK - Exclusive Wholesale Supply and Distribution Agreement
TJAC	Alberta Lottery & Gaming Corp (ALGC)	Sales/Marketing	Standing Offer Contract #1975 - Registration #301496
TJAC	Autorite Des Marches Publics (AMP)	Sales/Marketing	Authorization to Contract with the SQDC - Confirmation Letter
TJAC	BC Liquor Distribution Branch (BCLDB)	Sales/Marketing	Licensed Producer Supply Agreement for Non-Medical Cannabis
TJAC	Cannabis NB Ltd.	Sales/Marketing	Production and Supply Agreement
TJAC	Newfoundland & Labrador Liquor Corp. (NLC)	Sales/Marketing	NLC Cannabis and Cannabis Related Product Supply Agreement
TJAC	NWT Provincial Agreement	Sales/Marketing	NWT Supply Agreement
TJAC	Ontario Cannabis Store (OCS)	Sales/Marketing	Master Cannabis Supply Agreement
TJAC	Yukon Liquor Corporation	Sales/Marketing	Cannabis Purchase and Sale Agreement

## **SCHEDULE "E"**

### **EXCLUDED LIABILITIES**

1. TJAC Excluded Liabilities to be transferred to TJAC Residual Co.:
  - (a) Professional Costs;
  - (b) any amounts owing in respect of DIP financing obtained in connection with the CCAA Proceedings;
  - (c) any Liability in connection with the Amended and Restated Lease Agreement dated February 1, 2018, between Homer Land Corp., as landlord, and James E. Wagner Cultivation Ltd., as tenant, in respect of certain leased premises situated on lands known municipally as 530 Manitou Drive, Kitchener, Ontario, as assigned by James E. Wagner Cultivation Ltd. to TJAC pursuant to a Lease Assignment Agreement dated July 28, 2020 and Consent to Assignment dated July 23, 2020, among James E. Wagner Cultivation Ltd., TJAC and Homer Land Corp., which lease was disclaimed by TJAC effective December 23, 2022 pursuant to and in accordance with section 32 of the CCAA;
  - (d) any Liability in connection with the Lease Agreement 20006383 between TJAC, as lessee, and Bennington Financial Corp., as lessor, executed by such parties on March 21, 2022 and March 25, 2022, respectively, in connection with a 2021 Hangcha Forklift having serial number R5BJ00068 and model number CPD25-XD2-C, which lease was disclaimed by TJAC effective December 23, 2022 pursuant to and in accordance with section 32 of the CCAA;
  - (e) any Liability in connection with (i) Master Security Services Terms and Conditions #00025152 between TJAC and eSentire, Inc. dated February 3, 2021, (ii) Order Form #00026377 between TJAC and eSentire, Inc. dated February 3, 2021, as amended by Amendment #00027754 between TJAC and eSentire, Inc. dated May 28, 2021 and Amendment #00034928 between TJAC and eSentire, Inc. dated November 2, 2022 and (iii) Order Form #00028855 between TJAC and eSentire, Inc. dated February 28, 2022, which agreements were disclaimed by TJAC effective January 21, 2023 pursuant to and in accordance with section 32 of the CCAA;
  - (f) any Liability in connection with (i) Abell Pest Control Management Program Service Proposal IQ0004930 between James E. Wagner Cultivation Ltd. and Abell Pest Control Inc. entered into on or around March 17, 2018, as assigned by James E. Wagner Cultivation Ltd. to TJAC by way of an Assignment of Ancillary Agreements dated August 28, 2020 and (ii) Abell Pest Control Service Proposal #051392 between James E. Wagner Cultivation Ltd. and Abell Pest Control Inc. dated November 13, 2017, as assigned to and assumed by TJAC, which agreements were disclaimed by TJAC effective January 22, 2023 pursuant to and in accordance with section 32 of the CCAA; and
  - (g) any intercompany debt excluding, for greater certainty, any Deferred Consideration.
2. TRC Excluded Liabilities to be transferred to TRC Residual Co.:
  - (a) Professional Costs;

- (b) any amounts owing in respect of DIP financing obtained in connection with the CCAA Proceedings; and
  - (c) any intercompany debt.
- 3. MYM Excluded Liabilities to be transferred to MYM Residual Co.:
  - (a) Professional Costs;
  - (b) any amounts owing in respect of DIP financing obtained in connection with the CCAA Proceedings;
  - (c) any Liability in connection with the Lease dated April 13, 2018, between The Manufacturers Life Insurance Company, as landlord, and MYM, as tenant, in respect of certain leased premises located in a building having a municipal address of 1095 West Pender Street in the City of Vancouver, British Columbia and known as Manulife Place, which lease was disclaimed by MYM pursuant to and in accordance with section 32 of the CCAA, which is currently set to become effective on December 17, 2022; and
  - (d) any intercompany debt.
- 4. MYMB Excluded Liabilities to be transferred to MYMB Residual Co.:
  - (a) Professional Costs;
  - (b) any amounts owing in respect of DIP financing obtained in connection with the CCAA Proceedings; and
  - (c) any intercompany debt.
- 5. Highland Excluded Liabilities to be transferred to Highland Residual Co.:
  - (a) Professional Costs.
  - (b) any amounts owing in respect of DIP financing obtained in connection with the CCAA Proceedings; and
  - (c) any intercompany debt excluding, for greater certainty, any Deferred Consideration.

**SCHEDULE "F"**

**ENCUMBRANCES TO BE DISCHARGED**

<b>Jurisdiction</b>	<b>Registration and File Number</b>	<b>Date</b>	<b>Secured Party</b>	<b>Particulars</b>
<i><b>TJAC</b></i>				
Ontario	20200826 1340 1590 0316 765129519	August 26, 2020	Trichome Financial Corp.	Inventory Equipment Accounts Other Motor vehicle incl.
Ontario	20200826 1341 1590 0317 765129537	August 26, 2020	Trichome Financial Corp.	Inventory Equipment Accounts Other Motor vehicle incl.
Ontario	20210511 0938 1862 7712 772381629	May 11, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.
Ontario	20220324 1335 1901 1970 781390161	March 24, 2022	Kempenfelt, a division of Bennington Financial Corp.	Equipment Other Motor vehicle incl.
<i><b>MYM</b></i>				
Ontario	20210823 1624 1590 1854 775673973	August 23, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.
British Columbia	196579N	August 24, 2021	Cortland Credit Lending Corporation, as agent	All of the Debtor's present and after acquired personal property
<i><b>MYMB</b></i>				
Ontario	20210823 1623 1590 1853 775673937	August 23, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.
British Columbia	196584N	August 24, 2021	Cortland Credit Lending Corporation, as agent	All of the Debtor's present and after acquired personal property
<i><b>Highland</b></i>				
Ontario	20210823 1626 1590 1855 775673982	August 23, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.
Nova Scotia	35017565 SM004579.645	August 23, 2021	Cortland Credit Lending Corporation, as agent	A security interest is taken in all of the debtor's present and after acquired personal property

Jurisdiction	Registration and File Number	Date	Secured Party	Particulars
<i>TRC</i>				
Ontario	20210823 1353 1590 1796 775668366	August 23, 2021	Cortland Credit Lending Corporation, as agent	Inventory Equipment Accounts Other Motor vehicle incl.

**SCHEDULE "G"**  
**ASSUMED LIABILITIES**

Nil.

**SCHEDULE "H"**

**PERMITTED ENCUMBRANCES**

Nil.

## **SCHEDULE "I"**

### **RETAINED ASSETS**

1. All chattels and equipment, including without limitation, security systems, furniture, packaging equipment, shelving and racking, hash making equipment, grinders, lights, plants, printers, stationary equipment, servers, computers and other IT hardware.
2. Bank accounts of the Purchased Entities.
3. All Tax losses (non-capital or otherwise) of the Purchased Entities, if any.
4. All SKUs/listings and all purchase orders.
5. All inventory and packaging, except for inventory sold in the ordinary course of business in the Interim Period.
6. Legal and beneficial title to the land municipally known as 861 Ohio East Road, Hillcrest, Nova Scotia, with PID 10054021.
7. 2021 Ford Transit with the following vehicle identification number: VM0LS7V2XM1500576.



**SCHEDULE "J"**

**SECURED PROMISSORY NOTE**

See attached.

## PROMISSORY NOTE

CDN \$2,375,000.00

Date: April \_\_, 2023<sup>1</sup>

### 1. Promise to Pay

**FOR VALUE RECEIVED** 1000370759 ONTARIO INC. (the "**Borrower**") unconditionally promises to pay to TRICHOME FINANCIAL CORP. (the "**Lender**"), its successors and assigns, at such location as the Lender may direct in writing, the principal sum of \$2,375,000.00 in lawful money of Canada (the "**Principal Amount**") together with interest on the Principal Amount outstanding from time to time. The Principal Amount shall be due and be paid on October \_\_, 2023<sup>2</sup> (the "**Maturity Date**"). Notwithstanding anything else contained in this Note or the Share Purchase Agreement dated March 28, 2023 between, *inter alios*, the Borrower and the Lender (the "**Share Purchase Agreement**"), the Principal Amount shall be reduced on a dollar-for-dollar basis by the Assumed Liabilities Employee Amount (as such term is defined in the Share Purchase Agreement).

### 2. Interest

The Principal Amount outstanding at any time, and from time to time, and any overdue interest, shall bear interest at the rate equal to 10% per annum, both before and after demand, default, and judgment. Such interest shall be calculated not in advance and payable when not in default on the Maturity Date and, after default, payable on demand.

### 3. Criminal Rate of Interest

In no event shall the aggregate "interest" (as defined in Section 347 (the "**Criminal Code Section**") of the *Criminal Code* (Canada)) payable to the Lender under this Note exceed the effective annual rate of interest lawfully permitted under the Criminal Code Section. Further, if any payment, collection or demand pursuant to this Note in respect of such "interest" is determined to be contrary to the provisions of the Criminal Code Section, such payment, collection, or demand shall be deemed to have been made by mutual mistake of the Lender and the Borrower and such "interest" shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in the receipt by the Lender of interest at a rate not in contravention of the Criminal Code Section.

### 4. Interest Act (Canada)

Each interest rate which is calculated under this Note on any basis other than a full calendar year (the "**deemed interest period**") is, for the purposes of the *Interest Act* (Canada), equivalent to a yearly rate calculated by dividing such interest rate by the actual number of days in the deemed interest period, then multiplying such result by the actual number of days in the calendar year (365 or 366).

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<sup>1</sup> To be dated the Closing Date (as defined in the Share Purchase Agreement).

<sup>2</sup> To be dated the 6 month anniversary date of the Closing Date.

## **5. Application of Payments**

Any payments in respect of amounts due under this Note shall be applied first in satisfaction of any accrued and unpaid interest, and then to the principal amount outstanding under this Note.

## **6. Events of Default**

All amounts due under this Note shall become due and payable without any notice to the Borrower if any one or more of the following events of default has occurred and is continuing:

- (a) the Borrower fails to make payment when due of the Principal Amount outstanding or of any accrued interest;
- (b) the Borrower is unable to meet its obligations as they generally become due; or
- (c) a proceeding in bankruptcy or insolvency of the Borrower or for a receiver or trustee for any of its property is filed by or against the Borrower.

## **7. Prepayment**

Prior to demand, the Borrower shall be entitled to prepay all or any portion of the Principal Amount and any interest outstanding under this Note without penalty, notice or bonus.

## **8. Governing Law and Successors**

This Note is made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in the Province of Ontario, and shall enure to the benefit of the Lender and its successors and assigns, and shall be binding on the Borrower and its successors and permitted assigns.

## **9. Waiver by the Borrower**

The Borrower waives presentment for payment, notice of non-payment, notice of dishonour, and notice of protest of this Note. The Borrower also waives the benefits of division and discussion and the right to assert in any action or proceeding with regard to this Note any set-offs or counterclaims which the Borrower may have.

## **10. No Waiver by the Lender**

Neither the extension of time for making any payment which is due and payable under this Note at any time or times, nor the failure, delay, or omission of the Lender to exercise or enforce any of its rights or remedies under this Note, shall constitute a waiver by the Lender of its right to enforce any such rights and remedies subsequently. The single or partial exercise of any such right or remedy shall not preclude the Lender's further exercise of such right or remedy or any other right or remedy.

*[signature page follows]*

**IN WITNESS WHEREOF** the Borrower has executed this Note as of the date first above written.

**1000370759 ONTARIO INC.**

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "K"**  
**GUARANTEE AND GSA**

See attached.

## GUARANTEE AND POSTPONEMENT OF CLAIM

**TO: TRICHOME FINANCIAL CORP. (the "Lender")**

**WHEREAS** 1000370759 Ontario Inc. (the "**Borrower**") issued a promissory note dated as of the date hereof in favour of the Lender (the "**Note**") wherein the Lender agreed to loan the principal sum of \$2,375,000.00 to the Borrower on the terms and conditions set out in the Note (the "**Loan**").

**AND WHEREAS** the Lender, in consideration for and as a condition of proceeding with the Loan, required 2767888 Ontario Inc. (the "**Guarantor**") to provide a guarantee in respect of the repayment of monies secured by the Note.

**AND WHEREAS** the Guarantor will benefit from extension of the Loan to the Borrower.

**NOW THEREFORE WITNESSETH** in consideration of the sum of Two Dollars (\$2.00) now paid by the Lender to the undersigned (the receipt and sufficiency of which is hereby acknowledged) and the Lender providing the Loan to the Borrower on the terms and conditions set out in the Note, the Guarantor hereby jointly and severally with the Borrower irrevocably, absolutely and unconditionally, as principal debtor and not as surety, guarantees to the Lender the due and punctual payment by the Borrower of all principal monies, interest and any other monies which may now or hereafter become due and owing under the terms of the Note and the observance and performance by the Borrower of all of the covenants and obligations contained therein and the Guarantor for itself and its successors and assigns covenants with the Lender that if the Borrower shall at any time make default in the punctual payment of any monies payable under the Note or fail to observe and perform any of the covenants and obligations contained therein or in the Note, they will pay all such monies to the Lender or perform any of the covenants and obligations of the Borrower forthwith after demand having been made in accordance with the notice provisions contained herein and agree to indemnify the Lender against all losses, damages, costs, charges and expenses the Lender may at any time or from time to time suffer, incur or become liable of in connection with resulting from or occasioned by any breach by the Borrower of any provisions contained in the Note. The Guarantor's liability hereunder shall bear interest from the date of such demand at the rate of interest set out in the Note.

The Guarantor further acknowledges and agrees with the Lender as follows:

1. The Lender may grant time, renewals, extensions to comply, indulgences, releases and discharge or take additional security from and give up the same in any or all of the security it is receiving from the Borrower, abstain from taking any enforcement proceedings it may be entitled to and otherwise deal with the Borrower and others as the Lender may see fit, including entering into amending agreements or dealing with the Note in any other manner other than any increased obligations under the Note as same exist as of the date hereof unless the Guarantor has consented to such amendment in writing, and may apply all monies at any time received from the Borrower or others upon such part of the obligation of the Borrower as the Lender deem best and change any such application in whole or in part, without in any way limiting or lessening the liabilities of the Guarantor to the Lender.

2. The Lender shall not be bound to exhaust its recourse against the Borrower or other covenantors or to value the security under the Note or any collateral security before requiring or being entitled to payment from the Guarantor. Provided it is understood and agreed any funds payable pursuant to this covenant to the Lender shall be applied by the Lender upon receipt of such funds to amounts due and payable under the Note.
3. No change or extension of time or other indulgence or release of the Borrower or anyone claiming through the Borrower, either before or after demand or claim against the Guarantor or any arrangement or other dealing by the Lender with the Borrower or any other person, either before or after demand or claim against the Guarantor, or the bankruptcy or insolvency of the Borrower, or the release, exchange, acceptance or failure to perfect by the Lender of any security, either before or after demand or claim against the Guarantee, shall in any way release, waive, vary, affect or prejudice the rights of the Lender against the Guarantor, notwithstanding the Lender may not give notice thereof to the Guarantor and the Guarantor hereby waives, to the maximum extent permitted by law, any requirement of notice, demand or prior action against the Borrower or any other security and hereby renounces all benefits of discussions and division.
4. All indebtedness and liability, present and future, of the Borrower to the Guarantor as well as any indebtedness or liability for amounts advanced by the Guarantor on behalf of any other covenantor pursuant to any security are hereby assigned to the Lender and postponed to the obligations contained in the Note, and all monies received by the Guarantor in respect thereof shall be received in trust for the Lender and shall be paid over to the Lender upon demand without in any way limiting or lessening the obligations imposed on the Guarantor and this assignment and postponement shall remain in full effect until repayment in full to the Lender of all amounts secured by the Note. The Guarantor acknowledges the assignment to the Lender shall not impose upon the Lender any obligation to do anything to realize on the assigned debts and claims or to ensure those debts or claims do not become statute barred by the operation of law relating to limitation of actions or otherwise.
5. The Guarantor shall have no right to be subrogated to the rights of the Lender until all liabilities and obligations of the Borrower and the Guarantor to the Lender have been satisfied in full in respect of the Note.
6. The covenants of the Guarantor shall continue for the full term of the Note unless a release in writing has been authorized by the Lender and shall be binding upon the respective successors and assigns of the Guarantor.
7. The Guarantor agrees to make payment to the Lender forthwith after demand for payment is made in writing.
8. The Guarantor acknowledges that if for any reason the Borrower has no legal existence and is or becomes under no legal obligation to discharge the monies secured by the Note or if any monies owing by the Borrower to the Lender becomes irrecoverable from the Borrower by operation of law or for any reason whatsoever, this covenant and the covenants, agreements and obligations of the Guarantor contained herein shall nevertheless be binding upon the Guarantor as principal debtor until such time as all monies owing by

the Borrower to the Lender under the Note have been paid in full and the liabilities secured thereby have been discharged.

9. This covenant shall be in addition to and not in substitution for any other guarantees or other securities which the Lender may now or hereafter hold in respect of the monies secured by the Note and the Lender shall be under no obligation to marshal in favour of the Guarantor any other covenants or other securities or any monies or other assets which the Lender may be entitled to receive or may have a claim upon; and no loss of or in respect of or unenforceability of any other covenants or other securities the Lender may now or hereafter hold in respect of the monies secured by the Note.
10. The statement in writing of the Lender of the monies owing by the Borrower to the Lender or of any Event of Default (as defined in the Note) shall be binding upon the Guarantor and conclusive against it unless an error has been made and all right to question in any way the Lender's present or future method of dealing with the Borrower or any dealing with any person or persons now or hereafter liable to the Lender for the monies hereby secured or any part thereof or with any security now or hereafter held by the Lender or with any goods or property covered by such security is hereby waived.
11. The Guarantor agrees that the Lender shall not be obliged to make any demand upon, or take any proceedings, or action against the Borrower or any other person before pursuing its rights against the Guarantor pursuant hereto. In the event the Lender in its absolute discretion makes demand upon the Guarantor, the Guarantor shall be held and be bound to the Lender directly as principal debtor in respect of the payment of the amounts hereby guaranteed. Demand for payment shall be deemed to have been effectively made upon the Guarantor if and when an envelope containing such demand addressed to the Guarantor, at the address of the Guarantor last known to the Lender, is posted, postage prepaid, in the post office. All payments hereunder shall be made to the Lender at such location as the Lender may direct in writing.
12. The Guarantor hereby further covenants and agrees in addition to any liability imposed upon the Guarantor in respect of all amounts due and payable under the Note in respect of the Loan, including any interest due thereunder, any reasonable costs related to the recovering of same by the Lender, the Guarantor shall, in addition to the foregoing, be jointly and severally liable for and fully indemnify the Lender and its respective officers, directors and employees for any and all reasonable costs, expenses, damages or liabilities (including legal fees on a substantial indemnity basis) incurred by the Lender, directly or indirectly, arising out of or attributable to the non-compliance of the Borrower or its employees or agents with the obligations imposed under the Note, which the Guarantor acknowledges having reviewed, together with all such costs, expenses, damages or liabilities which the Guarantor acknowledges shall be secured under the Note and all such liabilities and indemnities shall survive the repayment of the Loan and/or any other extinguishment of the obligations of the Borrower and the Guarantor and any other exercise by the Lender of any remedies available to it against the Borrower and Guarantor.
13. Prior to executing this Guarantee and Postponement of Claim, the Guarantor confirms and acknowledges being provided with true copies of all documentation provided by the



Borrower to the Lender in respect of the Loan and the Note, including, without limiting the generality of the foregoing, the Note and all collateral security and the Guarantor confirms it has had the meaning and import of the terms and provisions of these documents explained to it and also had an opportunity to seek independent legal advice separate and apart from the Borrower. The Guarantor further confirms that the Guarantor is fully aware of the nature and effect of this Guarantee and Postponement of Claim and the obligations which arise hereunder in respect of the Note and its liabilities and rights hereunder and has entered into this Guarantee and Postponement of Claim of its own volition and without fear, threats, compulsion, influence or pressure from the Borrower or any other covenantors in respect of the Loan.

14. The covenants herein may be assigned by the Lender and the Lender in conjunction with an assignment of the Loan and shall remain in full force and effect notwithstanding any change in the ownership or control of the Note. In the event of the foregoing the Lender agrees to use its best efforts to ensure notice of the transfer or assignment of the Note and this covenant is provided, but failure to provide such notice shall not in any way invalidate or terminate the Guarantor's obligations herein.
15. This instrument covers all agreements between the parties hereto relative to this Guarantee and Postponement of Claim, and none of the parties shall be bound by any representation, warranty or promise made by any person relative thereto which is not embodied herein.
16. This Guarantee and Postponement of Claim shall extend to and enure to the benefit of the Lender and their respective successors and assigns, and every reference herein to the Guarantor is a reference to and shall be construed as including the undersigned and its respective successors and assigns of the undersigned to and upon all of whom this Guarantee and Postponement of Claim shall extend and be binding.
17. This Guarantee and Postponement of Claim shall be governed by the laws of the Province of Ontario.
18. This Guarantee and Postponement of Claim may be executed in any number of separate counterparts with the same effect as if all parties hereto had signed the same document, each of which when executed shall be deemed to be an original. Such counterparts shall be construed as and shall constitute one and the same instrument. This Guarantee and Postponement of Claim may be executed and delivered by facsimile or electronic transmission and the execution and delivery of this Guarantee and Postponement of Claim by facsimile or electronic transmission shall be binding upon the party delivering same, and may be relied upon by the party receiving same, as if it was an originally signed document. Any party that delivers a counterpart copy of this Guarantee and Postponement of Claim by facsimile or electronic transmission shall deliver an originally executed copy of this Guarantee and Postponement of Claim promptly thereafter; provided that the failure to do so shall not affect the validity or enforceability of this Guarantee and Postponement of Claim.

**THE UNDERSIGNED HEREBY** executes and delivers this Guarantee and Postponement of Claim as of the \_\_\_\_ day of April, 2023.

**2767888 ONTARIO INC.**

Per: \_\_\_\_\_  
Name:  
Title:

[43403.0009/29417682 .1](#)

## GENERAL SECURITY AGREEMENT

**TO: TRICHOME FINANCIAL CORP. (the "Lender")**

**WHEREAS** 1000370759 Ontario Inc. (the "**Borrower**") issued a promissory note dated as of the date hereof in favour of the Lender (the "**Note**") wherein the Lender agreed to loan the principal sum of \$2,375,000.00 to the Borrower on the terms and conditions set out in the Note (the "**Loan**").

**AND WHEREAS** the Lender, in consideration for and as a condition of proceeding with the Loan, required 2767888 Ontario Inc. (the "**Guarantor**") to provide a guarantee in respect of the repayment of monies secured by the Note (the "**Guarantee**").

**AND WHEREAS** as collateral security for the obligations under the Guarantee and as a condition for the Borrower receiving the Loan, the Guarantor agreed to grant and create the collateral security constituted by this General Security Agreement as a further continuing and collateral security for the payment of the Loan and observance and performance of the Guarantee, and agrees to the terms, covenants, agreements, conditions, provisos and other matters set out in this General Security Agreement

**AND WHEREAS** the Guarantor will benefit from extension of the Loan to the Borrower.

**NOW THEREFORE IN CONSIDERATION** of the recitals, the Lender extending the Loan and for such other good and valuable consideration received by the Guarantor, the receipt and adequacy of which is acknowledged by the Guarantor, the Guarantor agrees with the Lender as follows:

### **1. SECURITY INTEREST**

- (a) As security for the payment of all obligations, indebtedness and liabilities of the Guarantor to the Lender, whether incurred prior to, at the time of or subsequent to the execution hereof, including, without limitation, all obligations, indebtedness and liabilities pursuant to the Guarantee, the Guarantor hereby grants to the Lender by way of mortgage, charge, assignment and transfer, a security interest (the "**Security Interest**") in all present and after-acquired personal property, which are now owned or hereafter owned or acquired by or on behalf of the Guarantor (including such as may be returned to or repossessed by Guarantor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (hereinafter collectively called "**Collateral**"), including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Guarantor:
  - (i) all inventory of whatever kind ("**Inventory**");
  - (ii) all equipment (other than Inventory) of whatever kind including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures, appliances and vehicles of whatsoever nature or kind belonging to and owned by the Guarantor;
  - (iii) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured which are now due, owing or accruing due to or owned by or which may hereafter become due, owing or accruing due or owned by the Guarantor or the business operated by the Guarantor including, without limitation, letters of credit and advises of credit, which are now due, owing or accruing due to or owned by

or which may hereafter become due, owing or accruing due to or owned by the Guarantor ("**Debts**");

- (iv) all deeds, documents, writings, papers, books of account and other books relating to or connected with the business operated by the Guarantor and which relate to or are records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
  - (v) all contractual rights and insurance claims and all goodwill, patents, trademarks, copyrights, and other industrial property relating to or connected with business operated by the Guarantor thereon;
  - (vi) all monies, other than trust monies lawfully belonging to others, which now are or which may at any time hereafter be due and owing to or owned by the Guarantor;
  - (vii) all the goods, chattels and fixtures and belonging to and owned by Guarantor and any replacements thereof; and
  - (viii) all property described in Schedule "A" or any schedule now or hereafter annexed hereto.
- (b) The Security Interest granted hereby shall not extend to or apply to, and the Collateral shall not include, the last date of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Guarantor shall stand possessed of such last day in trust to assign the same to any person acquiring such term;
- (c) The terms "Goods", "Chattel Paper", "Documents of Title", "Instruments", "Intangibles", "Securities", "proceeds", "Inventory", and "accessions", whenever used herein shall be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* of Ontario, R.S.O., 1990, as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "Act". Provided always that the terms "Goods" when used herein shall not include "consumer goods" of the Guarantor as that term is defined in the Act, and any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

## **2. INDEBTEDNESS SECURED**

The Security Interest granted hereby secures payment and satisfaction of any and all obligations, indebtedness and liabilities of Guarantor to the Lender (including interest thereof) secured by the Guarantee present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Guarantor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "**Indebtedness**").

## **3. OWNERSHIP OF COLLATERAL**

The Guarantor represents and warrants that the Guarantor is, or with respect to Collateral acquired after the date hereof will be, the owner of the Collateral.

**4. INSURANCE**

The Guarantor shall keep the Collateral insured against loss or damage by fire and such other risks as the Lender may reasonably require to the full insurance value thereof, and shall either assign the insurance policies to the Lender or have the loss thereunder made payable to the Lender as the Lender may require. At the request of the Lender such policies shall be delivered to and held by it. Should the Guarantor neglect to maintain such insurance the Lender may insure and any premiums paid by the Lender together with interest thereon shall be payable by the Guarantor to the Lender upon demand.

**5. LIENS, ETC.**

The Guarantor shall keep the Collateral free and clear of all taxes, assessments, claims, liens and encumbrances, and shall promptly notify the Lender of any material loss or damage to the Collateral or any part thereof. For greater certainty, the Lender acknowledges and consents to encumbrances being registered against the Collateral subsequent in priority to the Security Interest.

**6. USE OF COLLATERAL**

Until the Security Interest shall have become enforceable, the Guarantor may dispose of or deal with the Collateral in the ordinary course of its business, for the purpose of carrying on the same and in any lawful manner not inconsistent with the provisions hereof or any other agreements of the Guarantor to the Lender or with the terms of any policies of insurance relating thereto.

**7. INFORMATION AND INSPECTION**

The Guarantor shall from time to time forthwith on request furnish to the Lender in writing all information requested relating to the Collateral or any part thereof, and the Lender shall be entitled from time to time (upon reasonable notice and during business hours) to inspect the tangible Collateral wherever located including, without limitation, any books and records of the Guarantor relating to the Collateral, and for such purpose the Lender shall have access to all places where the Collateral or any part thereof is located and to all premises occupied by the Guarantor. The Guarantor shall also deliver to the Lender, as and when requested, such financial statements and other financial information relating to the Guarantor and its business as required by the Lender from time to time.

**8. DEFAULT**

- 8.1 Upon and during the continuance of an Event of Default (as defined in the Note), then the Security Interest shall become enforceable and so long as it shall remain enforceable beyond all applicable notice and cure periods, the Lender may proceed to realize the security constituted by this General Security Agreement by sale or to enforce its rights by entry, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receiver and manager or for sale of the Collateral or any part thereof or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claims and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy or other judicial proceedings relative to the Guarantor. Any such sale may be made by public auction, by public tender or by private contract, with or without advertising and without any other formality, all of which are hereby waived by the Guarantor, and such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as either the Lender, in its sole discretion, may deem advantageous and such sale may take place whether or not the Lender has taken possession of such property and assets; provided

however, that unless the Collateral is perishable or unless the Lender believes on reasonable grounds that the Collateral will decline speedily in value the Guarantor shall be entitled to not less than fifteen (15) days' notice of sale containing such information and statements as are prescribed by the Act.

- 8.2 In addition to the rights of the Lender set forth in Paragraph 8.1, whenever the Security Interest shall have become enforceable and so long as it shall remain enforceable, the Lender may, by instrument in writing, appoint any person to be a receiver (which term shall include a receiver and manager) of the Collateral including any rents and profits thereof and may remove any receiver and appoint another in his stead. Any such receiver or receivers so appointed shall be vested with all the powers and rights of the Lender and shall have power to take possession of the Collateral or any part thereof and to carry on or concur in carrying on the business of the Guarantor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or for the carrying on of such business, and to further charge the Collateral in priority to the security constituted by this General Security Agreement as security for money so borrowed, and to exercise all rights attaching or incidental to any securities owned by the Guarantor and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. Any such receiver shall for all purposes be deemed to be the agent of the Guarantor and not the agent of the Lender, and therefore, the Lender shall not be responsible for the acts or omissions of the receiver save and except for gross negligence and wilful misconduct. The Lender may from time to time fix the remuneration of such receiver and direct the payment thereof out of the Collateral. The receiver shall apply all monies from time to time received by him in such of the following modes and in such order or priority as the Lender may from time to time at its option direct, namely: in discharge of all rents, taxes, rates, insurance premiums and outgoings affecting the Collateral; in payment of the remuneration of the receiver; in keeping in good standing all liens and charges on the Collateral prior to the Security Interest; in payment of the costs of carrying out or executing any powers, duties or directions which are vested in the receiver; in payment of the interest accruing due under the Note; and in payment of the principal due and payable under the Note and residue of any monies so received shall be paid to the Guarantor. The Lender, in appointing or refraining from appointing such receiver, shall not incur any liability to the receiver, the Guarantor or otherwise.
- 8.3 In addition to the rights and remedies specifically provided herein, the Lender shall, upon and during the continuance of an Event of Default have the rights and remedies of a secured party under the Act.

## **9. RECEIVABLES**

At such time as the Security Interest shall have become enforceable, the Lender may collect, realize, sell, or otherwise deal with the Debts or any part thereof in such manner, upon such terms and conditions and at such time or times, as may seem to it advisable and without notice to the Guarantor. The Lender shall not be liable or accountable for any failure to collect, realize, sell or obtain payment of the Debts or any part thereof and shall not be bound to institute proceedings for the purpose of collecting, realizing or obtaining payment of the same or for the purpose of preserving any rights of the Lender, the Guarantor or any other person, firm or corporation in respect of the same. All monies collected or received by the Lender in respect of the Debts or other Collateral may be applied on account of the Indebtedness of the Guarantor as the Lender may, in its sole discretion, elect, or in the discretion of the Lender may be released to the Guarantor,

all without prejudice to the liability of the Guarantor or the Lender's right to hold and realize the security constituted by this General Security Agreement.

**10. CHARGES AND EXPENSES**

The Lender may charge on its own behalf and pay to others reasonable sums for expenses incurred and for services rendered (expressly including legal advice and services) in connection with the realization, disposition of, retention or collection of the Collateral or any part thereof, and such sums shall be a subordinate charge, subject to the Security Interest on the proceeds of such realization, disposition or collection and shall be added to the Indebtedness secured by this General Security Agreement and shall also be secured hereby.

**11. DEALINGS BY THIRD PARTIES**

No person dealing with the Lender or its respective agent or a receiver shall be concerned to enquire whether the Security Interest has become enforceable, or whether the powers which the Lender or its agent is purporting to exercise have become exercisable, or whether any money remains due upon the security constituted by this General Security Agreement, or as to the necessity or expediency of the stipulations and conditions to which any sale shall be made, or as to the propriety or regularity of any sale, or of any other dealing by the Lender with the Collateral, or to see to the application of any money paid to the Lender.

**12. ADDITIONAL COVENANTS**

The Guarantor hereby covenants and agrees with the Lender, so long as this General Security Agreement remains outstanding, that:

- (a) it will do, observe and perform all matters and things necessary or expedient to be done, observed or performed by virtue of any law of Canada or any province or municipality thereof for the purpose of creating and maintaining the security hereby constituted;
- (b) it will, at all times, maintain all licenses, permits and authorizations to enable it to conduct its business; will carry on and conduct its business in a proper, efficient and businesslike manner and in accordance with good business practice;
- (c) it will upon the reasonable request of the Lender, provide the Lender with such information concerning the Collateral and the business of the Guarantor as required by the Lender;
- (d) it will pay or cause to be paid all taxes, rates, government fees and dues, levies, assessed or imposed on it and its property or any part thereof as and when the same become due and payable, save and except when and so long as the validity of any such taxes, rates, fees, dues, levies, assessments or imposts is, in good faith, contested by it and will, if and when required in writing by the Lender, furnish the Lender for inspection, with receipts for any of such payments;
- (e) it will not, without the prior written consent of the Lender, which may be granted or withheld by the Lender, in its absolute discretion, sell, transfer, assign or otherwise dispose of any part of the Collateral other than in the ordinary course of its business, for the purpose of carrying on same in a lawful manner not inconsistent with the provisions of this agreement or any other agreement of the Guarantor with the Lender.

**13. FURTHER ASSURANCES**

The Guarantor shall from time to time forthwith on the Lender's request do, make and execute all such financing statements, further assignments, documents, acts, matters and things as may be required by the Lender of, or with respect to, the Collateral or any part thereof or as may be required to give effect to these presents, and the Guarantor hereby constitutes and appoints a duly authorized officer of the Lender the true and lawful attorney of the Guarantor irrevocable with full power of substitution to do, make and execute all such statements, assignments, documents, acts, matters or things with the right to use the name of the Guarantor whenever and wherever it may be deemed necessary or expedient.

**14. DEALINGS BY THE LENDER**

The Lender may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Guarantor, debtors of the Guarantor, sureties and others and with the Collateral and other securities as the Lender may see fit without prejudice to the liability to the Guarantor or the Lender's rights to hold and realize the security constituted by this General Security Agreement.

**15. NO REMEDY EXCLUSIVE**

No remedy herein conferred upon or reserved to the Lender for the realization of the Security Interest, enforcement of rights of the Lender or otherwise is intended to be exclusive of any other remedy or remedies hereunder or under any security collateral hereto, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or under any other document or agreement in respect of the obligations to the Lender owned by the Guarantor. Every power and remedy given by this General Security Agreement to the Lender may be exercised from time to time as often as may be deemed expedient by the Lender. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the monies secured hereby, shall not release or affect the security constituted by this General Security Agreement.

**16. DISCHARGE AND SATISFACTION**

Upon satisfaction by the Guarantor of all Indebtedness of the Guarantor owed to the Lender, the Lender shall, upon the request and at the expense of the Guarantor, execute and deliver to the Guarantor such releases and discharges as the Guarantor may reasonably require.

**17. WAIVER OF COVENANTS**

The Lender may waive any breach by the Guarantor of any of the provisions contained in this General Security Agreement or any failure by the Guarantor in the observance or performance of any covenant or condition required to be observed or performed by the Guarantor hereunder; provided that no such waiver by the Lender shall extend to or be taken in any manner to affect any subsequent breach or failure or the rights resulting therefrom.

**18. APPLICATION OF INSURANCE PROCEEDS**

Any insurance monies received by the Lender pursuant to this General Security Agreement may at the option of the Lender be applied to restoring, replacing or repairing the Collateral or any part thereof, or be paid to the Guarantor, or any such monies may be applied in the sole discretion of the Lender, in whole or in part, to the repayment of the obligations hereby secured or any part thereof whether then due or not, with



any partial payments to be credited against principal amounts of Indebtedness payable by the Guarantor in inverse order of maturity.

**19. ATTACHMENT**

Each of the Guarantor and the Lender acknowledges that it is its intention that the security interests herein created attach on the execution hereof by the Guarantor (save as to after-acquired property forming part of the Collateral in respect of which attachment will result forthwith upon the Guarantor acquiring rights thereto) and that value has been given.

**20. NOTICES**

Any notice required by or given under or in connection with this agreement may be effectively given if it is in written form and given in the same manner and extent as provided for in the Guarantee.

**21. GENERAL**

This General Security Agreement:

- (a) shall be a continuing agreement in every respect;
- (b) shall be governed by the laws of the Province of Ontario;
- (c) notwithstanding anything set out in this General Security Agreement, where reference to "Guarantor" is deemed to be more than one party, the obligations and covenants shall be deemed to be joint and several notwithstanding any different undivided interests each Guarantor holds in the collateral;
- (d) may be terminated by the Guarantor by written notice delivered to the Lender at the above-mentioned address at any time when the Guarantor is not indebted or liable to the Lender. For greater certainty, it is declared that any and all future loans, advances or other value which the Lender may in its discretion make or extend to or for the account of the Guarantor shall be secured by this agreement. Nothing contained in this agreement shall in any way obligate the Lender to grant, continue, renew, extend time for payment of, or accept anything which constitutes or would constitute Indebtedness; and
- (e) may be executed and delivered by facsimile or electronic transmission and the execution and delivery of this General Security Agreement by facsimile or electronic transmission shall be binding upon the party delivering same, and may be relied upon by the party receiving same, as if it was an originally signed document. Any party that delivers a counterpart copy of this General Security Agreement by facsimile or electronic transmission shall deliver an originally executed copy of this General Security Agreement promptly thereafter; provided that the failure to do so shall not affect the validity or enforceability of this General Security Agreement.

**22. BINDING EFFECT**

This General Security Agreement is binding upon the Guarantor and its successors and permitted assigns.

**23. RECEIPT**

The Guarantor acknowledges receipt of a duplicate original hereof.

**IN WITNESS WHEREOF** the Guarantor has executed this General Security Agreement as of this \_\_\_\_ day of April, 2023.

**2767888 ONTARIO INC.**

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "A"**

Nil.

[43403.0009/29422777 .1](#)

**SCHEDULE "L"**  
**MORTGAGE DOCUMENTS**

See attached.

**ACKNOWLEDGEMENT RE: STANDARD CHARGE TERMS**

TO: TRICHOME FINANCIAL CORP. (the "**Lender**")

2767888 Ontario Inc. (the "**Chargor**") hereby acknowledges having received duly completed copies of the Charge/Mortgage (together with Schedule) and Standard Charge Terms No. 200033, and agrees to be bound by the provisions of same (except as otherwise set out in the Charge/Mortgage (together with Schedule) to which this Acknowledgement relates) as if such standard charge terms had been specifically incorporated in and formed part of the Charge/Mortgage executed by the Chargor.

DATED as of the \_\_\_ day of April, 2023.

**2767888 ONTARIO INC.**

Per: \_\_\_\_\_  
Name:  
Title:

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This is a Schedule attached to a Charge/Mortgage  
between 2767888 Ontario Inc. (the "Chargor")  
and  
TRICHOME FINANCIAL CORP. (the "Chargee")

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**DEFINITIONS**

- a) "**Borrower**" means 1000370759 Ontario Inc.;
- b) "**Lands**" means the lands and premises identified in this Charge and described in the *Properties* section on Page 1 of the Charge to which this Schedule is attached;
- c) "**Contracts**" means, collectively, all of the Chargor's right, title and interest in and to all contracts, agreements, permits, and licenses, material or significant to the ownership, management, development, construction or operation of the Charged Premises, as applicable and as same may be amended from time to time;
- d) "**Indebtedness**" means the Principal Amount and interest thereon and all other amounts payable by the Chargor under this Charge as security for the Guarantee;
- e) "**Guarantee**" means the guarantee dated as of the date hereof provided by the Chargor to and in favour of the Chargee with respect to repayment of monies secured by the Note;
- f) "**Note**" means a promissory note dated as of the date hereof issued by the Borrower in favour of the Chargee wherein the Chargee agreed to loan the principal sum of \$2,375,000.00 to the Borrower on the terms and conditions set out therein; and
- g) "**Obligations**" means the Indebtedness and all other obligations of the Chargor under this Charge.

**CHARGE**

As security for the due and timely payment and performance of the Obligations, the Chargor:

- a) mortgages and charges as and by of a first fixed specific mortgage and charge to and in favour of the Chargee, its successors and assigns, all of its right, title, estate and interest, present and future, in and to: (i) the Lands; (ii) all buildings, erections, structures, improvements and fixtures now or hereafter constructed or placed in, under or upon the Lands; (iii) all easements, rights-of way, licenses and privileges appurtenant or appertaining to the Lands; and (iv) all interests in any of the foregoing and all benefits and rights to be

derived by the Chargor in respect thereof (collectively, the "**Property**"); and

- b) assigns, transfers and sets over unto and in favour of the Chargee, its successors and assigns, as and by way of a fixed and specific assignment, all of its right, title, estate and interest, present and future, in and to all Contracts and benefits, powers and advantages of the Chargor to be derived therefrom and all covenants, obligations and agreements of the tenants and counterparties thereunder or in any agreement collateral thereto (collectively with the Property, the "**Charged Premises**")

to have and to hold unto the Chargee until payment in full of the Indebtedness and performance of all of the Obligations, provided that notwithstanding the foregoing, until such time as the Chargor is in default of its Obligations beyond any applicable cure period, the Chargor shall have the right to have, hold, use, occupy, possess and enjoy the Charged Premises, and receive and take the rents and profits thereof to the Chargor's own use and benefit, without let, suit, hindrance, interruption, or denial by Chargee, or of or by any other person or persons whomsoever lawfully claiming, or who shall, or may lawfully claim by, from, under or in trust for the Chargee, in each case as would a prudent landlord or owner of same.

### **INTEREST RATE**

The Principal Amount outstanding at any time, and from time to time, and any overdue interest, shall bear interest at the rate equal to 10% per annum, both before and after demand, default, and judgment (the "**Interest Rate**"). Such interest shall be calculated not in advance when not in default on the Maturity Date and, after default, payable on demand.

### **PREPAYMENT**

The Indebtedness will be open for prepayment, in whole or in part, with prior written notice to the Chargee without any fee, bonus or penalty.

### **EVENT OF DEFAULT**

At the option of the Chargee, it shall constitute a default hereunder if the Chargor shall become insolvent or be the subject of any bankruptcy, arrangement with creditors, or proposal.

Provided and without in any way limiting anything herein contained, in the event that:

- (a) the Chargor makes default in the payment of any Indebtedness when same is required to be paid by the Chargor hereunder, which failure continues for three (3) days after notice thereof has been given to the Chargor, provided that there shall be no notice or cure period for failure to pay the full amount of the Indebtedness outstanding on the Maturity Date;
- (b) the Chargor fails to observe or perform any other covenant or agreement herein contained, which failure continues for fifteen (15) days after notice thereof has been given to the Chargor;



- (c) any representation or warranty made herein by the Chargor is at any time while this Charge is outstanding not true, in any material respect;
- (d) an execution, sequestration, extent or any other process of any court becomes enforceable against the Chargor or if a distress or analogous process is levied upon the Charged Premises or any part thereof, provided such execution, sequestration, extent, process of court, distress or analogous process is not in good faith being disputed by the Chargor;
- (e) the Chargor shall permit any sum which has been admitted as due by the Chargor or is not disputed to be due by the Chargor and which forms, or is capable of being made, a charge upon any of the Charged Premises in priority to or ranking equally with the charge of this Charge to be or remain unpaid;
- (f) any charge or encumbrance created or issued by the Chargor having the nature of a fixed and/or floating charge shall become enforceable, whether ranking in priority to, or *pari passu* with this Charge;
- (g) a lien is registered against title to the Lands pursuant to the *Construction Act* (Ontario) which is not discharged by the Chargor within 10 days after the Chargor becomes aware of such lien,

then, and in any such event, this Charge shall, at the option of the Chargee, be deemed to be in default.

### **RECEIVERSHIP**

Provided that, and notwithstanding anything herein contained, it is agreed that at any time and from time to time when this Charge shall be in default which is continuing, and whether or not the principal has been accelerated, the Chargee may, with or without entry into possession of the Charged Premises or any part thereof, and whether or not there has been such entry, by writing under its hand or at its option by application to a court of competent jurisdiction, for and during the period of such default, appoint a receiver-manager (the "**Receiver**") of the Charged Premises or any part thereof and of the rents and profits thereof, or of only the rents and profits thereof, and with or without security, and may from time to time by similar writing remove any Receiver and appoint another and that, in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. Upon the appointment of a receiver, the following provisions shall apply:

- (a) a statutory declaration of the Chargee as to default under this Charge shall be conclusive evidence thereof for the purpose of the appointment of such Receiver;
- (b) every such Receiver shall be the agent or attorney of the Chargor, whose appointment is irrevocable by the Chargor, for the collection of all rents or other money receivable in respect of the Charged Premises or any part thereof, and the Chargor covenants and agrees to cooperate with and assist the receiver and execute

such documentation as the receiver shall reasonably require, in order to effect the aforesaid purposes;

- (c) the Chargee may from time to time in writing fix the remuneration of the Receiver;
- (d) the Receiver shall so far as concerns responsibility for the Receiver's acts or omissions be deemed the agent or attorney of the Chargor and in no event the agent of the Chargee;
- (e) the appointment of the Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect, and such appointment or anything which may be done by the Receiver or the removal of the Receiver or the termination of the receivership shall not have the effect of constituting the Chargee a mortgagee in possession in respect of the Charged Premises or any part thereof;
- (f) the Receiver shall have power to exercise any of the powers or discretions of the Chargee hereunder, and may rent or license for use any part of the Charged Premises which may become vacant for such term and subject to such provisions as the Receiver may deem advisable or expedient, and in doing so the Receiver shall act as the attorney or agent of the Chargor and shall have the authority to execute under seal any lease in the name of and on behalf of the Chargor, and the Chargor undertakes to ratify and confirm whatever the Receiver may do in connection with the Charged Premises;
- (g) the Receiver shall have power to construct or complete any unfinished construction upon the Charged Premises so that the Charged Premises and the buildings thereon so completed shall be a complete structure;
- (h) the Receiver shall have power to manage, operate, amend, repair, alter or extend the Charged Premises or any part thereof as it deem expedient in the name of the Chargor and to carry on or concur in carrying on all or any part of the business of the Chargor solely in connection with the Charged Premises;
- (i) the Receiver may borrow or raise money in the security of all or any part of the Charged Premises in priority to or ranking equal with or subordinate to the charge of this Charge for such purpose as may be approved by the Chargee;
- (j) the Receiver shall not be liable to the Chargor to account for money or damages other than the money actually received by the Receiver in respect of the Charged Premises or any part thereof, and out of such money so received the Receiver shall, subject to other written directions from the Chargee, pay or make reasonable reserves for payment in the following order:
  - (i) the Receiver's reasonable remuneration and disbursements;
  - (ii) all obligations incurred by the Receiver in connection with the management, including leasing and licensing, operation, amendment, repair, alteration or

extension of the Charged Premises or any part thereof, and in borrowing or raising money on the security of the Charged Premises, or any part thereof;

- (iii) interest, principal and other money which may from time to time be or become charged upon the Charged Premises in priority to this Charge, and all taxes, insurance premiums and every other proper expenditure made or incurred by the Receiver in respect of the Charged Premises or any part thereof;
  - (iv) to the Chargee all amounts due under this Charge and to the extent elected by the Chargee, amounts to become due hereunder for no more than two (2) months; and
  - (v) thereafter any surplus remaining in the hands of the Receiver shall be payable to the Chargor; and
- (k) the Chargee may at any time and from time to time terminate any such receivership by notice in writing under its hand to the Chargor and to the Receiver.

#### **SUBSEQUENT ENCUMBRANCES**

Notwithstanding anything else contained herein, the Chargee hereby acknowledges and consents to encumbrances being registered against title to the Lands subsequent in priority to this Mortgage/Charge.

#### **STANDARD CHARGE TERMS**

In the event of any discrepancy between the provisions contained in this Schedule and the provisions contained in Standard Charge Terms No. 200033, the provisions of this Schedule shall prevail.

## **SCHEDULE "M"**

### **EXCLUDED CONTRACTS**

1. TJAC Excluded Contracts to be transferred to TJAC Residual Co.:
  - (a) Credit Agreement dated May 14, 2021, among Cortland Credit Lending Corporation, TJAC, and Trichome, as amended pursuant to an Amending Agreement No. 1 dated August 27, 2021, and as further amended pursuant to an Amending Agreement No. 2 dated March 31, 2022;
  - (b) General Security Agreement dated May 14, 2021, among Cortland Credit Lending Corporation, TJAC, and Trichome;
  - (c) Canadian Patent Security Agreement dated May 14, 2021, between TJAC and Cortland Credit Lending Corporation;
  - (d) Canadian Trademark Security Agreement dated May 14, 2021, between TJAC and Cortland Credit Lending Corporation;
  - (e) Transfer and Assignment of Insurance dated May 14, 2021, issued by Trichome and TJAC in favour of Cortland Credit Lending Corporation;
  - (f) Secured Debenture;
  - (g) Secured Grid Promissory Note dated August 28, 2020, issued by TJAC in favour of Trichome;
  - (h) DIP Facility Agreement dated November 6, 2022, among Cortland Credit Lending Corporation, TJAC, Trichome, Highland, MYM, MYMB and TRC, as amended pursuant to a First Amending Agreement dated December 14, 2022, and as further amended pursuant to a Second Amending Agreement dated January 6, 2023; and
  - (i) Promissory Note dated April 1, 2022, issued by TJAC in favour of MYM.
  
2. TRC Excluded Contracts to be transferred to TRC Residual Co.:
  - (a) Supplement to General Security Agreement dated August 27, 2021, among Cortland Credit Lending Corporation, Highland, MYM, MYMB, TRC, and SublimeCulture Inc.;
  - (b) Instrument of Assumption and Joinder dated August 27, 2021, made by Highland, MYM, MYMB, TRC, and SublimeCulture Inc. in favour of Cortland Credit Lending Corporation;
  - (c) Supplement to Guarantee dated August 27, 2021, among Cortland Credit Lending Corporation, Highland, MYM, MYMB, TRC, and SublimeCulture Inc.;
  - (d) Transfer and Assignment of Insurance dated August 27, 2021, issued by Highland, MYM, MYMB, TRC, and SublimeCulture Inc. in favour of Cortland Credit Lending Corporation; and

- (e) DIP Facility Agreement dated November 6, 2022, among Cortland Credit Lending Corporation, TJAC, Trichome, Highland, MYM, MYMB and TRC, as amended pursuant to a First Amending Agreement dated December 14, 2022, and as further amended pursuant to an Second Amending Agreement dated January 6, 2023.
3. MYM Excluded Contracts to be transferred to MYM Residual Co.:
- (a) Supplement to General Security Agreement dated August 27, 2021, among Cortland Credit Lending Corporation, Highland, MYM, MYMB, TRC, and SublimeCulture Inc.;
  - (b) Instrument of Assumption and Joinder dated August 27, 2021, made by Highland, MYM, MYMB, TRC, and SublimeCulture Inc. in favour of Cortland Credit Lending Corporation;
  - (c) Supplement to Guarantee dated August 27, 2021, among Cortland Credit Lending Corporation, Highland, MYM, MYMB, TRC, and SublimeCulture Inc.;
  - (d) Transfer and Assignment of Insurance dated August 27, 2021, issued by Highland, MYM, MYMB, TRC, and SublimeCulture Inc. in favour of Cortland Credit Lending Corporation
  - (e) DIP Facility Agreement dated November 6, 2022, among Cortland Credit Lending Corporation, TJAC, Trichome, Highland, MYM, MYMB and TRC, as amended pursuant to a First Amending Agreement dated December 14, 2022, and as further amended pursuant to an Second Amending Agreement dated January 6, 2023;
  - (f) Loan and Security Agreement between MYM, as lender, and Cultivator Catalyst Corp., as borrower, dated July 31, 2020; and
  - (g) Term Sheet Re: Settlement of Receivership Application and Loan Agreement among, MYM, Biome Grow Inc. and Cultivator Catalyst Corp dated September 9, 2022.
4. MYMB Excluded Contracts to be transferred to MYMB Residual Co.:
- (a) Supplement to General Security Agreement dated August 27, 2021, among Cortland Credit Lending Corporation, Highland, MYM, MYMB, TRC, and SublimeCulture Inc.;
  - (b) Instrument of Assumption and Joinder dated August 27, 2021, made by Highland, MYM, MYMB, TRC, and SublimeCulture Inc. in favour of Cortland Credit Lending Corporation;
  - (c) Supplement to Guarantee dated August 27, 2021, among Cortland Credit Lending Corporation, Highland, MYM, MYMB, TRC, and SublimeCulture Inc.;
  - (d) Transfer and Assignment of Insurance dated August 27, 2021, issued by Highland, MYM, MYMB, TRC, and SublimeCulture Inc. in favour of Cortland Credit Lending Corporation; and
  - (e) DIP Facility Agreement dated November 6, 2022, among Cortland Credit Lending Corporation, TJAC, Trichome, Highland, MYM, MYMB and TRC, as amended pursuant to a First Amending Agreement dated December 14, 2022, and as further amended pursuant to an Second Amending Agreement dated January 6, 2023.
5. Highland Excluded Contracts to be transferred to Highland Residual Co.:

- (a) Supplement to General Security Agreement dated August 27, 2021, among Cortland Credit Lending Corporation, Highland, MYM, MYMB, TRC, and SublimeCulture Inc.;
- (b) Instrument of Assumption and Joinder dated August 27, 2021, made by Highland, MYM, MYMB, TRC, and SublimeCulture Inc. in favour of Cortland Credit Lending Corporation;
- (c) Supplement to Guarantee dated August 27, 2021, among Cortland Credit Lending Corporation, Highland, MYM, MYMB, TRC, and SublimeCulture Inc.;
- (d) Transfer and Assignment of Insurance dated August 27, 2021, issued by Highland, MYM, MYMB, TRC, and SublimeCulture Inc. in favour of Cortland Credit Lending Corporation;
- (e) Bond No. 429,700 issued by Western Surety Company; and
- (f) DIP Facility Agreement dated November 6, 2022, among Cortland Credit Lending Corporation, TJAC, Trichome, Highland, MYM, MYMB and TRC, as amended pursuant to a First Amending Agreement dated December 14, 2022, and as further amended pursuant to an Second Amending Agreement dated January 6, 2023.

**SCHEDULE "5.2(I)"**

**CANNABIS LICENSES**

<b>Licenses</b>	<b>TJAC</b>	<b>Highland</b>
Health Canada License Number	LIC-WS1222RD05-2020	LIC-CV96ADY4K0-2020
GS1 Subscriber ID Number	370175	368650

## **Appendix “E”**



Trichome Financial Corp., Trichome JWC Acquisition Corp., MYM Nutraceuticals Inc., Trichome Retail Corp., MYM International Brands Inc. and Highland Grow Inc. (collectively, the "Companies")

**Projected Statement of Cash Flow**

For the Period Ending November 3, 2023

(Unaudited; \$CAD)

		<i>Week 1</i>	<i>Week 2</i>	<i>Week 3</i>	<i>Week 4</i>	<i>Week 5</i>	<i>Week 6</i>	<i>Week 7</i>	<i>Week 8</i>	<i>Week 9</i>	<i>Week 10</i>	<i>Week 11</i>
	Notes	<b>7-Apr</b>	<b>14-Apr</b>	<b>21-Apr</b>	<b>28-Apr</b>	<b>5-May</b>	<b>12-May</b>	<b>19-May</b>	<b>26-May</b>	<b>2-Jun</b>	<b>9-Jun</b>	<b>16-Jun</b>
<i>Receipts</i>												
Cannabis sales	2	752,771	107,142	50,301	-	5,885	168,564	-	-	10,774	25,774	-
Proceeds from Transaction	3	950,000	-	-	-	-	-	-	-	-	-	-
<b>Total receipts</b>		<b>1,702,771</b>	<b>107,142</b>	<b>50,301</b>	<b>-</b>	<b>5,885</b>	<b>168,564</b>	<b>-</b>	<b>-</b>	<b>10,774</b>	<b>25,774</b>	<b>-</b>
<i>Disbursements</i>												
<i>Operating Disbursements</i>												
Payroll and benefits	4	167,000	192,669	-	17,228	-	17,228	-	17,228	-	16,747	-
Rent	5	2,594	-	-	-	-	-	-	-	-	-	-
Consultants	6	-	-	-	56,500	-	-	-	56,500	-	-	-
Excise taxes	7	-	-	-	-	-	-	-	-	-	-	-
HST	8	-	-	-	-	-	-	-	-	-	-	-
Other	9	16,622	-	-	-	2,300	-	-	-	2,300	-	-
Contingency		5,000	-	2,000	-	2,000	-	2,000	-	2,000	-	2,000
<b>Total Operating Disbursements</b>		<b>191,216</b>	<b>192,669</b>	<b>2,000</b>	<b>73,728</b>	<b>4,300</b>	<b>17,228</b>	<b>2,000</b>	<b>73,728</b>	<b>4,300</b>	<b>16,747</b>	<b>2,000</b>
<b>Net Cash Flow Before the Undernoted</b>		<b>1,511,555</b>	<b>(85,527)</b>	<b>48,301</b>	<b>(73,728)</b>	<b>1,585</b>	<b>151,337</b>	<b>(2,000)</b>	<b>(73,728)</b>	<b>6,474</b>	<b>9,027</b>	<b>(2,000)</b>
Professional fees	10	150,000	-	-	200,000	-	-	-	-	20,000	-	-
<b>Net Cash Flow</b>		<b>1,361,555</b>	<b>(85,527)</b>	<b>48,301</b>	<b>(273,728)</b>	<b>1,585</b>	<b>151,337</b>	<b>(2,000)</b>	<b>(73,728)</b>	<b>(13,526)</b>	<b>9,027</b>	<b>(2,000)</b>
<b>Opening Cash Balance</b>		<b>304,784</b>	<b>1,666,339</b>	<b>1,580,812</b>	<b>1,629,113</b>	<b>1,355,385</b>	<b>1,356,970</b>	<b>1,508,307</b>	<b>1,506,307</b>	<b>1,432,579</b>	<b>1,419,053</b>	<b>1,428,080</b>
<b>Net Cash Flow</b>		<b>1,361,555</b>	<b>(85,527)</b>	<b>48,301</b>	<b>(273,728)</b>	<b>1,585</b>	<b>151,337</b>	<b>(2,000)</b>	<b>(73,728)</b>	<b>(13,526)</b>	<b>9,027</b>	<b>(2,000)</b>
DIP Draw/(Repayment)												
<b>Closing Cash Balance</b>		<b>1,666,339</b>	<b>1,580,812</b>	<b>1,629,113</b>	<b>1,355,385</b>	<b>1,356,970</b>	<b>1,508,307</b>	<b>1,506,307</b>	<b>1,432,579</b>	<b>1,419,053</b>	<b>1,428,080</b>	<b>1,426,080</b>

Trichome Financial Corp., Trichome JWC Acquisition Corp., MYM Nutraceuticals Inc., Trichome Retail Corp., MYM International Brands Inc. and Highland Grow Inc. (collectively, the "Companies")

**Projected Statement of Cash Flow**

For the Period Ending November 3, 2023

(Unaudited; \$CAD)

		Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22
	Notes	23-Jun	30-Jun	7-Jul	14-Jul	21-Jul	28-Jul	4-Aug	11-Aug	18-Aug	25-Aug	1-Sep
<i>Receipts</i>												
Cannabis sales	2	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Transaction	3	-	-	-	-	-	-	-	-	-	-	-
<b>Total receipts</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Disbursements</i>												
<i>Operating Disbursements</i>												
Payroll and benefits	4	4,008	-	4,008	-	4,008	-	4,008	-	4,008	-	4,008
Rent	5	-	-	-	-	-	-	-	-	-	-	-
Consultants	6	-	-	-	-	-	-	-	-	-	-	-
Excise taxes	7	-	-	-	-	-	-	-	-	-	-	-
HST	8	-	-	-	-	-	-	-	-	-	-	-
Other	9	-	-	1,800	-	-	-	1,800	-	-	-	1,800
Contingency		-	2,000	-	2,000	-	2,000	-	2,000	-	2,000	-
<b>Total Operating Disbursements</b>		<b>4,008</b>	<b>2,000</b>	<b>5,808</b>	<b>2,000</b>	<b>4,008</b>	<b>2,000</b>	<b>5,808</b>	<b>2,000</b>	<b>4,008</b>	<b>2,000</b>	<b>5,808</b>
<b>Net Cash Flow Before the Undernoted</b>		<b>(4,008)</b>	<b>(2,000)</b>	<b>(5,808)</b>	<b>(2,000)</b>	<b>(4,008)</b>	<b>(2,000)</b>	<b>(5,808)</b>	<b>(2,000)</b>	<b>(4,008)</b>	<b>(2,000)</b>	<b>(5,808)</b>
Professional fees	10	-	-	20,000	-	-	-	20,000	-	-	-	20,000
<b>Net Cash Flow</b>		<b>(4,008)</b>	<b>(2,000)</b>	<b>(25,808)</b>	<b>(2,000)</b>	<b>(4,008)</b>	<b>(2,000)</b>	<b>(25,808)</b>	<b>(2,000)</b>	<b>(4,008)</b>	<b>(2,000)</b>	<b>(25,808)</b>
<b>Opening Cash Balance</b>		<b>1,426,080</b>	<b>1,422,072</b>	<b>1,420,072</b>	<b>1,394,263</b>	<b>1,392,263</b>	<b>1,388,255</b>	<b>1,386,255</b>	<b>1,360,446</b>	<b>1,358,446</b>	<b>1,354,438</b>	<b>1,352,438</b>
<b>Net Cash Flow</b>		<b>(4,008)</b>	<b>(2,000)</b>	<b>(25,808)</b>	<b>(2,000)</b>	<b>(4,008)</b>	<b>(2,000)</b>	<b>(25,808)</b>	<b>(2,000)</b>	<b>(4,008)</b>	<b>(2,000)</b>	<b>(25,808)</b>
DIP Draw/(Repayment)												
<b>Closing Cash Balance</b>		<b>1,422,072</b>	<b>1,420,072</b>	<b>1,394,263</b>	<b>1,392,263</b>	<b>1,388,255</b>	<b>1,386,255</b>	<b>1,360,446</b>	<b>1,358,446</b>	<b>1,354,438</b>	<b>1,352,438</b>	<b>1,326,630</b>

Trichome Financial Corp., Trichome JWC Acquisition Corp., MYM Nutraceuticals Inc., Trichome Retail Corp., MYM International Brands Inc. and Highland Grow Inc. (collectively, the "Companies")

**Projected Statement of Cash Flow**

For the Period Ending November 3, 2023

(Unaudited; \$CAD)

		Week 23	Week 24	Week 25	Week 26	Week 27	Week 28	Week 29	Week 30	Week 31	
	Notes	8-Sep	15-Sep	22-Sep	29-Sep	6-Oct	13-Oct	20-Oct	27-Oct	3-Nov	Total
<i>Receipts</i>											
Cannabis sales	2	-	-	-	-	-	-	-	-	-	1,121,212
Proceeds from Transaction	3	-	-	-	-	2,335,625	-	-	-	-	3,285,625
<b>Total receipts</b>		-	-	-	-	2,335,625	-	-	-	-	4,406,837
<i>Disbursements</i>											
<i>Operating Disbursements</i>											
Payroll and benefits	4	-	4,008	-	4,008	-	16,074	-	-	-	476,241
Rent	5	-	-	-	-	-	-	-	-	-	2,594
Consultants	6	-	-	-	-	-	-	-	-	-	113,000
Excise taxes	7	-	-	-	-	1,433,635	-	-	-	-	1,433,635
HST	8	-	-	-	-	164,836	-	-	-	-	164,836
Other	9	-	-	-	-	1,800	-	-	-	1,800	30,222
Contingency		2,000	-	2,000	-	2,000	-	2,000	-	2,000	35,000
<b>Total Operating Disbursements</b>		2,000	4,008	2,000	4,008	1,602,271	16,074	2,000	-	3,800	2,142,528
<b>Net Cash Flow Before the Undernoted</b>		(2,000)	(4,008)	(2,000)	(4,008)	733,354	(16,074)	(2,000)	-	(3,800)	2,264,309
Professional fees	10	-	-	-	-	20,000	-	-	-	75,000	525,000
<b>Net Cash Flow</b>		(2,000)	(4,008)	(2,000)	(4,008)	713,354	(16,074)	(2,000)	-	(78,800)	1,739,309
<b>Opening Cash Balance</b>		1,326,630	1,324,630	1,320,621	1,318,621	1,314,613	2,027,967	2,011,893	2,009,893	2,009,893	304,784
<b>Net Cash Flow</b>		(2,000)	(4,008)	(2,000)	(4,008)	713,354	(16,074)	(2,000)	-	(78,800)	1,626,309
<b>DIP Draw/(Repayment)</b>											-
<b>Closing Cash Balance</b>		1,324,630	1,320,621	1,318,621	1,314,613	2,027,967	2,011,893	2,009,893	2,009,893	1,931,093	1,931,093

Trichome Financial Corp., Trichome JWC Acquisition Corp., MYM Nutraceuticals Inc., Trichome Retail Corp., MYM International Brands Inc. and Highland Grow Inc. (collectively, the "Companies")

## **Notes to Projected Statement of Cash Flow**

For the Period Ending November 3, 2023

(Unaudited; \$CAD)

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### **Purpose and General Assumptions**

1. The purpose of the projection is to present a cash flow forecast of the Companies for the period April 3, 2023 to November 3, 2023 (the "Period") in respect of their proceedings under the Companies' Creditors Arrangement Act ("CCAA").

The projection assumes that the transaction contemplated by the Share Purchase Agreement dated March 28, 2023 (the "Transaction"), as between the Companies and a third-party purchaser, closes on April 6, 2023.

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

### **Hypothetical Assumptions**

2. Represents collections of accounts receivables from retail and wholesale sales of all cannabis related-products.

### **Probable Assumptions**

3. Represents the net proceeds from the proposed Transaction after payment of the success fee due to Hyde.
4. Represents payroll, benefits and vacation pay for the Companies' employees. Following the closing of the Transaction, the Companies project that they will need a limited number of employees at the Trichome Financial Corp. level to assist with the orderly wind down. Approximately \$100,000 of the vacation pay is potentially disputed by the DIP Lender and excluded from the projection.
5. Represents pro-rated monthly rent for the Companies' premises located on Trillium Drive in Kitchener, Ontario.
6. Represents the payment to the Companies' Chief Restructuring Officer and certain other consultants.
7. Represents the payment of the post-filing excise taxes. These amounts are secured under the Directors' Charge.
8. Represents the payment of the post-filing HST. These amounts are secured under the Directors' Charge.
9. Represents general operating costs, including administrative costs, overhead costs and other sundry items. These costs are projected to be significantly reduced following the projected closing of the Transaction.
10. Includes the estimated payments to the Monitor, its counsel and the Companies' counsel.

COURT FILE NO.: CV-22-00689857-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c.C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION CORP., MYM  
NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM INTERNATIONAL BRANDS  
INC., AND HIGHLAND GROW INC.

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

The management of Trichome Financial Corp., Trichome JWC Acquisition Corp., MYM Nutraceuticals Inc., Trichome Retail Corp., MYM International Brands Inc. and Highland Grow Inc. (collectively, the "Applicants") have developed the assumptions and prepared the attached statement of projected cash flow as of the 31<sup>st</sup> day of March, 2023, for the period April 3, 2023 to November 3, 2023 ("Cash Flow"). All such assumptions are disclosed in the notes to the Cash Flow.

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

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

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

Dated at Toronto, Ontario this 31<sup>st</sup> day of March, 2023.

**TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION CORP., MYM  
NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM INTERNATIONAL BRANDS  
INC. AND HIGHLAND GROW INC.**

Per: Karl Grywacheski

*Karl Grywacheski*

## **Appendix “F”**

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c.C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION CORP., MYM  
NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM INTERNATIONAL BRANDS  
INC., AND HIGHLAND GROW INC.

**MONITOR'S REPORT ON CASH FLOW STATEMENT**

(paragraph 23(1)(b) of the CCAA)

The attached statement of projected cash-flow of Trichome Financial Corp., Trichome JWC Acquisition Corp., MYM Nutraceuticals Inc., Trichome Retail Corp., MYM International Brands Inc. and Highland Grow Inc. (collectively, the "Applicants") as of the 31<sup>st</sup> day of March, 2023, consisting of a weekly projected cash flow statement for the period April 3, 2023 to November 3, 2023 ("Cash Flow") has been prepared by the management of the Applicants for the purpose described in Note 1, using hypothetical and probable assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Applicants. We have reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

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

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

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

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

Dated at Toronto this 31<sup>st</sup> day of March, 2023.

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.  
IN ITS CAPACITY AS MONITOR OF  
TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION CORP., MYM  
NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM INTERNATIONAL BRANDS  
INC., AND HIGHLAND GROW INC.**



IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TRICHOME FINANCIAL CORP., TRICHOME JWC ACQUISITION CORP., MYM NUTRACEUTICALS INC., TRICHOME RETAIL CORP., MYM INTERNATIONAL BRANDS INC., AND HIGHLAND GROW INC.

Court File No.: CV-22-00689857-00CL

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

PROCEEDING COMMENCED AT  
TORONTO

**FIFTH REPORT OF KSV RESTRUCTURING INC. IN  
ITS CAPACITY AS COURT-APPOINTED MONITOR**

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