

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MISTER	)	FRIDAY, THE 21st
	)	
JUSTICE MCEWEN	)	DAY OF FEBRUARY, 2020

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 AGMEDICA BIOSCIENCE INC.,
2472602 ONTARIO INC., 2642466 ONTARIO INC., 8895309
CANADA INC., WELLWORTH HEALTH CORP., 8050678
CANADA INC., 8326851 CANADA INC., TAVIVAT
NATURALS INC., WORLDWIDE BEVERAGE
INNOVATIONS INC., UNIQUE BEVERAGES (USA) INC.,
and ESEELA INC.

(each an "Applicant" and, collectively, the "Applicants")

APPROVAL AND VESTING ORDER
(Sale of 650 Riverview Property)

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 approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the 2642466 Ontario Inc., as vendor (the "**Vendor**"), and 1803299 Ontario Inc. (the "**Purchaser**"), as purchaser, dated January 31, 2020 (the "**Sale Agreement**"), a copy of which is attached as Confidential Exhibit "A" to the Affidavit of Trevor Henry sworn February 18, 2020 for all of the Vendor's right, title and interest in and to the property described as the "Real Property" in the Sale Agreement including

all of the lands and premises municipally described as 650 Riverview Drive, Chatham, Ontario (the "**Purchased Assets**") and vesting in the Purchaser, or as it may direct in accordance with the Sale Agreement, the Purchased Assets, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Trevor Henry dated February 18, 2020 and the Fifth Report of the Monitor dated February 20, 2020 and appendices thereto, and on hearing the submissions of counsel for the Applicants, and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Owen Gaffney sworn February 18, 2020, filed,

APPROVAL OF SALE AGREEMENT AND TRANSACTION

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Vendor is hereby authorized and approved. The Vendor is hereby authorized to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser, or as it may direct.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Monitor's Certificate**"), all of the Vendor's right, title and interest in and to the Purchased Assets, including without limitation the subject real property identified in **Schedule "B"** hereto (the "**Real Property**"), shall vest absolutely in the Purchaser, or as it may direct, 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, leases, notices of lease, subleases, licences, restrictions, contractual rights, options, judgments, liabilities (direct, indirect, absolute or contingent), obligations, 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 Amended and Restated Order of the Honourable Justice McEwen dated December 12, 2019; (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; and (iii) those Claims listed on **Schedule "C"** 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 "D"**) and, for greater certainty, this Court orders and declares that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets and are non-enforceable and non-binding as against the Purchaser.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Kent (No. 24) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser, or as it may direct, as the owner of the subject Real Property in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "C"** hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead

of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Vendor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Vendor,

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

SEALING

7. **THIS COURT ORDERS** that Confidential Schedule "A" to the Affidavit of Trevor Henry sworn February 14, 2020 shall be and is hereby sealed, kept confidential and shall not form part of the public record unless and until the Monitor files the Monitor's Certificate in accordance with paragraph 5 hereof.

GENERAL

9. **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 Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

FEB 21 2020

PER / PAR: 

SCHEDULE "A"
FORM OF MONITOR'S CERTIFICATE

Court File No. CV-19-00632052-00CL

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 **AGMEDICA BIOSCIENCE INC.,**
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MONITOR'S CERTIFICATE

RECITALS

1. Pursuant to an Amended and Restated Order of the Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated December 12, 2019 (as amended, the "**Initial Order**"), Ernst & Young Inc. was appointed as monitor (in such capacity, the "**Monitor**") of the Applicants.

2. Pursuant to an Order of the Court dated February 21, 2020, the Court approved the agreement of purchase and sale between 2642466 Ontario Inc., as vendor (the "**Vendor**"), and 1803299 Ontario Inc., as purchaser (the "**Purchaser**"), dated January 31, 2020 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser, or as it may direct in accordance with

the Sale Agreement, of all of the Vendor's right, title and interest in and to all of the Vendor's right, title and interest in and to the property described as the "Real Property" in the Sale Agreement including all of the lands and premises municipally described as 650 Riverview Drive, Chatham, Ontario (the "**Purchased Assets**"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Monitor.

3. The Monitor has been advised by the Vendor and/or the Purchaser, as applicable, that: (i) the Purchaser has paid and the Vendor has received the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement; (ii) the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser, as applicable, in accordance with their terms; and (iii) aside from the delivery of this certificate, the transaction has been completed.

4. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Vendor has received, the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser, as applicable, in accordance with their terms;

3. The transaction has been completed to the satisfaction of the Monitor; and

This Certificate was delivered by the Monitor at _____ [TIME] on _____
[DATE].

ERNST & YOUNG INC., solely in its capacity as
court appointed monitor of the Applicants, and not
in its personal capacity or in any other capacity

Per: _____

Name:

Title:

SCHEDULE "B"
LEGAL DESCRIPTION OF THE REAL PROPERTY

650 Riverview Drive, Chatham, Ontario

PIN 00528-0218 (LT)

PT LT 19 CON 1 RALEIGH, DESIGNATED AS PTS 1 & 2 PL 24R5827 EXCEPT PT 5 PL 24R1370 & PTS 1 & 2 PL 24R10089; SUBJECT TO AN EASEMENT AS IN 277488; MUNICIPALITY CHATHAM-KENT

SCHEDULE "C"
INSTRUMENTS TO BE DELETED FROM PIN NO. 00528-0218 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
CK158944	2019/05/31	Charge	\$20,000,000	2642466 Ontario Inc.	Stabilis GP V, LLC
CK167114	2019/12/05	APL Court Order	n/a	Ontario Superior Court of Justice	Hillmount Capital Inc.
CK167729	2019/12/18	APL Court Order	n/a	Ontario Superior Court of Justice	Stabilis GP V, LLC

SCHEDULE "D"
PERMITTED ENCUMBRANCES FROM PIN NO. 00528-0218 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
24R872	1974/09/13	Plan Reference	n/a	n/a	n/a
277488	1974/11/01	Transfer Easement	\$1,291	Motor Wheel Corporation of Canada Ltd.	Union Gas Limited
483252	1989/11/24	Bylaw	n/a	City of Chatham	n/a
24R5827	1997/01/08	Plan Reference	n/a	n/a	n/a

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Court File No. CV-19-00632052-00CL

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

Proceedings commenced at Toronto

APPROVAL AND VESTING ORDER

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