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. 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"**)

Applicants

MOTION RECORD
Returnable March 9, 2020

March 3, 2020

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TAB 1

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

Applicants

NOTICE OF MOTION

(Re: Stay Extension, Sale Approval and Vesting Order, and KERP)
(Returnable March 9, 2020)

The Applicants will make a motion to a Judge presiding over the Commercial List on March 9, 2020, at 10:00 a.m. (EST), or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING:

This motion is to be heard orally.

THIS MOTION IS FOR:

1. an Order substantially in the form attached to the Motion Record at Tab 3 (the "**Stay Extension/KERP Order**"):

   (a) extending the stay of proceedings to and including June 30, 2020;

   (b) approving the proposed key employee retention plan (the "**KERP**");

(c) sealing Confidential Exhibit "E" to the Affidavit of Trevor Henry sworn March 4, 2020 (the "**Henry Affidavit**") which contains certain commercially sensitive and personal information relating to the KERP and the Key Employees, until further Order of the Court;

(d) granting a charge over the property of the Applicants in favour of the Key Employees (as defined below) (the "**KERP Charge**");

2. an Order substantially in the form attached to the Motion Record at Tab 4 (the "**Sale Approval and Vesting Order**"):

(a) approving the transaction contemplated by the agreement (the "**APS**") entered into between 2472602 Ontario Inc. (the "**Vendor**") and Dancor Lands Corporation In Trust (the "**Purchaser**") dated December 2, 2019, wherein the Purchaser agreed to purchase the real property located at 1095 Wilton Grove Road, London, Ontario (the "**London Property**") from the Vendor, subject to the terms and conditions of the APS; and

(b) sealing Confidential Exhibit "C" to the Henry Affidavit, until the completion of the transaction contemplated by the APS;

3. an Order substantially in the form attached to the Motion Record at Tab 5 (the "**Distribution Order**") approving the distribution of the net proceeds from the sale of the London Property (the "**Net Proceeds**");

4. such further and other relief as this Court deems just.

THE GROUNDS FOR THIS MOTION ARE:

Stay Extension

5. The Applicants are seeking an extension of the stay of proceedings to and including June 30, 2020 (the "**Stay Extension**").

6. The Stay Extension is required in order to allow the Applicants to continue to operate in the ordinary course during the SISP while they implement their operational and financial restructuring strategy.

7. The Applicants have acted in good faith and with due diligence during the course of these CCAA proceedings.

8. The Stay Extension should be approved by this Honourable Court.

The KERP

9. The Applicants seek approval of the KERP and the KERP Charge (as defined below).

10. The Applicants, with the assistance of the Monitor, have developed a KERP that is acceptable to the DIP Lender and the Monitor. The KERP is in the best interests of the Applicants and their stakeholders generally.

11. The proposed recipients of the KERP described in Appendix "A" of the KERP, which is appended to the Henry Affidavit (the "**Key Employees**") are instrumental to, among other things: (i) servicing client commitments; (ii) helping acquire and deliver on future contracts; and (iii) allowing the Applicants' business to continue as a going concern.

The KERP Charge

12. The KERP Order contemplates the establishment of a charge on the Property (as that term is defined in the Initial Order) of the Applicants in the amount of $200,000 to retain the Key Employees (the "**KERP Charge**"). The KERP Charge is proposed to rank immediately behind all of the existing security granted by the Applicants in favour of their secured creditors, but ahead of any of the Applicants' unsecured creditors.

13. The KERP and the KERP Charge should be approved by this Honourable Court.

Sealing Order – Key Employee Retention Plan

14. A redacted copy of KERP has been appended to the Henry Affidavit. An unredacted copy of the KERP is attached to the Henry Affidavit as Confidential Exhibit "E".

15. The KERP contains commercially sensitive and personal information. As such, the unredacted version of the KERP should remain sealed and not form part of the public record pending further Order of the Court.

London Property Agreement of Purchase and Sale

16. The Applicants are seeking Court approval of the APS and the Sale Approval and Vesting Order with respect to the London Property.

17. The purchase price contemplated by the APS is greater than $500,000. As such, the transaction contemplated by the APS requires, and is conditional upon, the approval of this Honourable Court.

18. On December 12, 2019, the Applicants obtained an Order (the "**Non-Core Real Estate Order**"), authorizing the Applicants to dispose of their Non-Core Real Property (as defined therein), including the London Property, with the assistance of CBRE Limited ("**CBRE**").

19. A key component of the Applicants' operational restructuring strategy is to focus their efforts on expanding production capacity and reducing input costs with respect to the production of cannabis products at their sole production facility located at 566 Riverview Drive, Chatham-Kent, Ontario (the "**Riverview Facility**").

20. The London Property does not factor into this strategy and the Applicants have no intention of carrying on any business at the London Property at any point in the future.

21. Selling the London Property is in the best interests of the Applicants and their stakeholders generally. Doing so will generate liquidity, deleverage the business, and otherwise help the Applicants: (i) continue carrying on business in the ordinary course during these CCAA proceedings; and (ii) counterbalance negative variances, if any, in the Cash Flow Forecast.

22. The APS should be approved and this Honourable Court should grant the Sale Approval and Vesting Order.

Sealing Order – London Property Agreement of Purchase and Sale

23. The purchase price under the APS appended to the Henry Affidavit has been redacted. An unredacted version of the APS is attached to the Henry Affidavit as Confidential Exhibit "C". The purchase price is commercially sensitive information, the disclosure of which could adversely impact the Applicants and their stakeholders.

24. As such, the purchase price should remain sealed and not form part of the public record until the completion of the transaction contemplated by the APS.

Distribution of Net Proceeds from Sale of London Property

25. The proposed Distribution Order provides that, subject to the closing of the transaction contemplated by the APS, the Applicants are authorized to distribute the Net Proceeds as follows (collectively, the "**Distribution**"):

(a) $2,000,000 of the Net Proceeds to the DIP Lender as partial satisfaction of amounts owing under the DIP Facility Agreement (the "**DIP Lender Distribution**");

(b) from the remaining Net Proceeds after the DIP Lender Distribution, an amount sufficient to fully and finally repay all of the obligations owing by the Applicants to Stone Quest Capital Corp. (the "**Stone Quest Distribution**"); and

(c) from the remaining Net Proceeds after the DIP Lender Distribution and the Stone Quest Distribution, an amount sufficient to partially repay the obligations owing by the Applicants to Kathleen Glynn Philipp.

26. The proposed Distribution is fair and reasonable and should be approved by this Honourable Court.

27. In addition to the foregoing, the Applicants rely on such further and other grounds as counsel may advise and this Honourable Court may permit.

***Other Grounds*:**

28. Sections 11 and 36 of the CCAA, and the inherent and equitable jurisdiction of this Honourable Court; and

29. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

30. the Henry Affidavit;

31. the Sixth Report of the Monitor, to be filed; and

32. such further and other materials and evidence as counsel may advise and this Honourable Court may permit.

March 3, 2020

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TO: SERVICE LIST

Schedule "A"

SERVICE LIST

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

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

NOTICE OF MOTION

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TAB 2

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

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

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

Applicants

AFFIDAVIT OF TREVOR HENRY
(Sworn March 4, 2020)

I, Trevor Henry, of the Municipality of Chatham-Kent, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

I. INTRODUCTION

1. I am the Chief Executive Officer of AgMedica Bioscience Inc. ("**AgMedica**"). As AgMedica's CEO, my primary responsibilities include managing the overall operations and resources of the company, making major corporate decisions, and acting as the main point of contact between the board of directors and the corporate operations team.

2. As such, I have knowledge of the matters hereinafter deposed to, save where I have obtained information from others. Where I have obtained information from others, I have stated the source of that information and believe it to be true.

3. This affidavit is sworn in support of a motion for Orders, among other things:

(a) extending the stay of proceedings to and including June 30, 2020 (the "**Stay Extension Order**");

(b) approving the transaction contemplated by the agreement (the "**APS**") entered into between 2472602 Ontario Inc. (the "**Vendor**") and Dancor Lands Corporation In Trust (the "**Purchaser**") dated December 2, 2019, wherein the Purchaser agreed to purchase the real property located at 1095 Wilton Grove Road, London, Ontario (the "**London Property**") from the Vendor, subject to the terms and conditions of the APS (the "**Sale Approval and Vesting Order**");

(c) sealing **Confidential Exhibit "C"** to this Affidavit until the completion of the transaction contemplated by the APS;

(d) approving the distribution of the net proceeds (the "**Net Proceeds**") from the sale of the London Property (the "**Distribution Order**");

(e) approving the proposed key employee retention plan (the "**KERP Order**");

(f) granting a charge over the property of the Applicants in favour of the Key Employees (as defined below) (the "**KERP Charge**"); and

(g) sealing **Confidential Exhibit "E"** to this Affidavit, which contains certain commercially sensitive and personal information relating to the KERP and the Key Employees, until further Order of the Court.

II. ACTIVITIES SINCE THE AMENDED AND RESTATED INITIAL ORDER

4. The Applicants have continued carrying on business in the ordinary course since the commencement of these CCAA proceedings.

5. A key component of the Applicants' operational restructuring strategy is to focus their efforts on expanding production capacity and reducing input costs with respect to the production of cannabis products at their sole production facility located at 566 Riverview Drive, Chatham-Kent, Ontario (the "**Riverview Facility**").

6. As such, the Applicants have been actively marketing and/or selling certain non-core assets, including the Non-Core Real Property (as defined in the Non-Core Real Estate Order), which do not factor into this restructuring strategy and/or generate revenue. In addition, the Applicants have shut down their Wellworth Health Corp. ("**Wellworth**") operations, which the Applicants, with the assistance of the Monitor, determined were no longer economically viable.

7. Pursuant to the Order of Mr. Justice McEwen dated January 3, 2020 (the "**SISP Order**"), the Applicants, with the assistance of the Monitor, have been actively conducting a sale and investment solicitation process (the "**SISP**") with a view to soliciting interest in and opportunities for a sale of, or investment in, all or part of the Applicants' assets and business operations. The Applicants have worked diligently and in good faith with the Monitor to implement the SISP in accordance with the terms of the SISP Order.

8. The first deadline under the SISP, the Phase 1 Bid Deadline, is March 20, 2020. The Applicants have worked diligently with the Monitor to generate interest in a sale and/or investment opportunity and look forward to considering and assessing the Phase 1 Bids.

9. Pursuant to the Order of Mr. Justice McEwen dated February 4, 2020 (the "**Claims Procedure Order**"), the Applicants have established a claims procedure for the identification, quantification, and resolution of claims against the Applicants and their directors and officers (the "**Claims Procedure**"). The Claims Procedure will allow the Applicants to assess what impact such claims may have with respect to a future restructuring and/or a plan of arrangement. It will further provide the Applicants with an opportunity to move forward with their restructuring efforts on a timely basis for the benefit of their stakeholders generally.

10. The Claims Bar Date is March 16, 2020. I am advised by counsel that as of today's date, the Monitor has received approximately 30 claims in the amount of approximately $1,200,000, but anticipates that many more claims will be filed prior to the Claims Bar Date.

III. STAY EXTENSION

11. The Applicants seek an extension of the stay of proceedings to and including June 30, 2020 (the "**Stay Extension**").

12. The Applicants, with the assistance of the Monitor, have prepared a forecast of the projected cash flows (the "**Cash Flow Forecast**"), which demonstrates that the Applicants will have sufficient liquidity to operate their business and meet their obligations during the proposed Stay Extension. A copy of the Cash Flow Forecast is attached hereto as **Exhibit "A".**

13. The Stay Extension is required in order to allow the Applicants to continue to operate in the ordinary course while the SISP is carried out and they implement their operational and financial restructuring strategy.

14. The Applicants have acted in good faith and with due diligence during the course of these CCAA proceedings.

IV. LONDON PROPERTY AGREEMENT OF PURCHASE AND SALE

15. The Applicants are seeking Court approval of the APS and the Sale Approval and Vesting Order with respect to the London Property.

16. On December 2, 2019, the Vendor and Purchaser entered into the APS wherein the Purchaser agreed to purchase the London Property from the Vendor, subject to the terms and conditions of the APS. Although the APS is dated December 2, 2019, the parties thereto fully executed the APS on January 7, 2020, after extensive negotiations. A redacted copy of the APS is attached hereto as **Exhibit "B"**.

17. The deposit under the APS is payable by the Purchaser to the Vendor in two installments. The first installment of the deposit was paid on January 15, 2020, and the second installment of the deposit is due on March 14, 2020.

18. The Purchaser has conducted its due diligence with respect to the London Property and it is anticipated that it will waive any remaining conditions on March 7, 2020. I am advised by counsel that the Monitor will provide the Court with an update prior to, or at, the hearing of the within motion with respect to any such waiver or satisfaction of those conditions.

19. The purchase price contemplated by the APS is greater than $500,000. As such, the transaction contemplated by the APS requires, and is conditional upon, the approval of the Court.

The London Property is a Non-Core Asset

20. On December 12, 2019, the Applicants obtained an Order (the "**Non-Core Real Estate Order**"), authorizing the Applicants to dispose of their Non-Core Real Property (as defined therein), including the London Property, with the assistance of CBRE Limited ("**CBRE**").

21. As described above, a key component of the Applicants' operational restructuring strategy is to focus their efforts on expanding production capacity and reducing input costs with respect to the production of cannabis products at the Riverview Facility.

22. The London Property does not factor into this strategy and the Applicants have no intention of carrying on any business at the London Property at any point in the future.

23. Selling the London Property is in the best interests of the Applicants and their stakeholders generally. Doing so will generate liquidity, deleverage the business, and otherwise help the Applicants: (i) continue carrying on business in the ordinary course during these CCAA proceedings; and (ii) counterbalance negative variances, if any, in the Cash Flow Forecast.

The Solicitation Process was Fair and Reasonable

24. As noted above, pursuant to the Non-Core Real Estate Order, the Applicants retained the services of CBRE to canvass the market for potential purchasers for the London Property (the "**Solicitation Process**").

25. As part of the Solicitation Process, I understand from CBRE that it placed signage on the London Property, created marketing materials and initiated an email marketing campaign which

included e-mails to 455 targeted industrial users and 420 co-operating commercial brokers across Southwestern Ontario.

26. Six potential purchasers viewed the Property with CBRE. The Purchaser submitted the highest and best offer.

27. The Applicants and the Monitor are of the view that the Solicitation Process was fair and reasonable in the circumstances.

London APS Should Be Approved

28. As a result of the Solicitation Process, the Applicants, with the assistance of CBRE and the Monitor, determined that the highest and best value for the London Property would be obtained by selling it on a standalone basis to the Purchaser pursuant to the APS, outside of the SISP.

29. The APS is in the best interests of the Applicants and their stakeholders generally.

30. I am advised by counsel that the Monitor is of the view that: (i) the purchase price and the terms and conditions of the APS are fair and reasonable; and (ii) selling the London Property pursuant to the APS is in the best interests of the Applicants and their stakeholders generally.

Sealing Order – London Property Agreement of Purchase and Sale

31. The purchase price under the APS has been redacted. An unredacted copy of the APS is attached hereto as **Confidential Exhibit "C"**.

32. The purchase price is commercially sensitive information the disclosure of which could adversely affect the Applicants and their stakeholders. In the event the transaction contemplated by the APS does not close, CBRE will need to go back to market with the London Property.

Disclosure of the purchase price at this juncture could negatively impact any future marketing of the London Property, to the detriment of the Applicants and their stakeholders.

33. I have been advised by counsel that the Monitor and the DIP Lender support the APS and the sealing order with respect to the confidential information contained therein.

Distribution of Net Proceeds from Sale of London Property

34. The proposed Distribution Order provides that, subject to the closing of the transaction contemplated by the APS, the Applicants are authorized to distribute the Net Proceeds as follows (collectively, the "**Distribution**"):

(a) $2,000,000 of the Net Proceeds to the DIP Lender as partial satisfaction of amounts owing under the DIP Facility Agreement (the "**DIP Lender Distribution**");

(b) from the remaining Net Proceeds after the DIP Lender Distribution, an amount sufficient to fully and finally repay all of the obligations owing by the Applicants to Stone Quest Capital Corp. (the "**Stone Quest Distribution**"); and

(c) from the remaining Net Proceeds after the DIP Lender Distribution and the Stone Quest Distribution, an amount sufficient to partially repay the obligations owing by the Applicants to Kathleen Glynn Philipp (the "**Philipp Distribution**").

35. The amounts owing to Stone Quest Capital Corp. and Kathleen Glynn Philipp currently bear interest at 18% and 24% per annum, respectively. The Applicants have continued to pay such interest during these CCAA proceedings. Accordingly, the Stone Quest Distribution and the

Philipp Distribution will significantly reduce the Applicants' interest expense, which is in the best interests of the Applicants and other stakeholders.

36. I have been advised by counsel that the Monitor and the DIP Lender support the proposed Distribution. The Distribution will be discussed in greater detail in the Sixth Report of the Monitor, which will be filed in advance of this motion.

V. THE KEY EMPLOYEE RETENION PLAN

The KERP

37. The Applicants seek approval of the Key Employee Retention Plan (the "**KERP**") and the KERP Charge (as defined below).

38. To ensure the ongoing stability of Applicants' business during these CCAA proceedings, the Applicants require the continued participation of certain key employees who are critical to the business and commercial activities of the Applicants.

39. Accordingly, the Applicants, with the assistance of the Monitor, have developed a KERP that is acceptable to the DIP Lender and the Monitor. The KERP is in the best interests of the Applicants and their stakeholders generally.

40. The proposed recipients of the KERP described in Appendix "A" of the KERP (the "**Key Employees**") are instrumental to, among other things: (i) servicing client commitments; (ii) helping acquire and deliver on future contracts; (iii) allowing the Applicants' business to continue as a going concern; and (iv) conducting the SISP and implementing the Applicants' operational restructuring strategy.

41. These individuals are not replaceable in the near term due to their: (i) security clearances with Health Canada under the *Cannabis Act* and the *Cannabis Regulations;* (ii) specialized skills and roles with the Applicants; (iii) key relationships with clients; and (iv) the stringent deadlines that the Applicants must comply with during these CCAA proceedings. As such, it is vital that the Key Employees continue in their current roles during these challenging times.

42. The Applicants are of the view that the proposed KERP is in the best interests of the Applicants and their stakeholders generally.

The KERP Charge

43. The proposed KERP Order contemplates the establishment of a charge on the Property (as that term is defined in the Initial Order) of the Applicants in the amount of $200,000 to retain the Key Employees (the "**KERP Charge**"). The KERP Charge is proposed to rank behind the other court-ordered Charges (as defined in the Initial Order) and immediately behind all of the existing security granted by the Applicants in favour of their secured creditors, but ahead of any of the Applicants' other creditors.

44. The Applicants worked with the Monitor in determining the proposed quantum of the KERP Charge and believe that the KERP Charge is appropriate and limited to what is reasonably necessary in the circumstances.

Sealing Order – Key Employee Retention Plan

45. A redacted copy of KERP is attached hereto as **Exhibit "D".** An unredacted copy of the KERP is attached hereto as **Confidential Exhibit "E".**

46. The KERP contains commercially sensitive and personal information. As such, the proposed Order provides that Confidential Exhibit "E" be sealed and not form part of the public record pending further Order of the Court.

47. I have been advised by counsel that the Monitor and the DIP Lender supports the approval of the KERP, the creation of the KERP Charge, and the sealing order with respect to the confidential information contained in this affidavit with respect to the KERP.

VI. CONCLUSION

48. This affidavit is sworn in support of the within motion and for no other or improper purpose.

SWORN before me at the Municipality of Chatham-Kent, in the Province of Ontario, this 4th day of March, 2020.	
Commissioner for Taking Affidavits Edward T. L. Ahe (NOTARY PUBLIC / ONTARIO, CANADA -	**TREVOR HENRY**

EXHIBIT “A”

AgMedica Bioscience Inc.
Cash Flow Forecast for the period February 22, 2020 to July 3, 2020

(CDN)		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12
Week Ending	**Note**	**28-Feb-20**	**6-Mar-20**	**13-Mar-20**	**20-Mar-20**	**27-Mar-20**	**3-Apr-20**	**10-Apr-20**	**17-Apr-20**	**24-Apr-20**	**1-May-20**	**8-May-20**	**15-May-20**
Consolidated													
Opening Available Cash		491,097	1,107,032	366,768	193,088	748,052	508,011	612,178	401,403	585,216	338,625	88,381	147,087
Receipts													
Sales receipts	1	470,342	81,908	199,276	951,727	114,216	871,703	143,017	848,076	92,665	746,773	362,752	607,641
HST Refunds	2	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	3	12,988	132,078	6,260,000	-	11,035	29,794	-	-	11,035	29,794	6,782,500	-
Total Receipts		483,331	213,986	6,459,276	951,727	125,251	901,497	143,017	848,076	103,700	776,568	7,145,252	607,641
Disbursements													
Production Costs	4	58,000	53,596	53,596	53,596	53,596	53,596	53,596	53,596	53,596	53,596	53,596	53,596
Payroll and expenses	5	183,573	-	183,573	14,000	183,573	-	183,573	14,000	183,573	-	183,573	14,000
Remittance to Receiver General	6	-	88,636	-	88,636	-	88,636	-	88,636	-	88,636	-	88,636
EHT and WSIB	7	20,999	-	-	14,000	-	20,999	-	14,000	-	20,999	-	14,000
Group Benefits	8	-	21,362	-	-	-	21,362	-	-	-	21,362	-	-
Royalties and Commissions	9	-	-	-	-	-	-	-	-	-	-	-	-
Selling, General & Admininstrative	10	61,018	72,123	63,123	63,123	63,123	80,123	63,123	63,123	63,123	80,123	63,123	63,123
Rent, Utilities, Insurance, Property Taxes	11	-	256,101	3,500	8,950	-	143,486	3,500	8,950	-	242,651	3,500	8,950
Fixed Assets and capital expenditures	12	-	-	-	-	-	-	-	-	-	-	-	-
Duties and Taxes	13	12,748	311,401	-	-	-	186,961	-	-	-	269,425	-	-
Funding Agreements and contractual commitments	14	89,458	-	-	89,458	-	1,000,000	-	371,958	-	-	-	-
Restructuring Costs	15	282,430	95,000	65,000	65,000	65,000	65,000	50,000	50,000	50,000	50,000	50,000	50,000
DIP Interest Payments and Commitment Fee	16	-	56,031	4,164	-	-	15,297	-	-	-	15,297	-	-
SF V Bridge III, LP Secured Debt	17	106,317	-	4,260,000	-	-	36,000	-	-	-	14,803	-	-
StoneQuest Secured Debt	17	57,049	-	-	-	-	61,151	-	-	-	76,438	3,807,754	-
Philipp Secured Debt	17	98,146	-	-	-	-	104,721	-	-	-	93,482	925,000	-
Total Disbursements		969,739	954,250	4,632,956	396,763	365,292	1,877,331	353,792	664,263	350,292	1,026,811	5,086,546	292,305
Net Cash flow from Operations		(486,408)	(740,264)	1,826,320	554,964	(240,041)	(975,834)	(210,774)	183,813	(246,591)	(250,244)	2,058,706	315,337
DIP Draw/(Payback) for Operations		1,102,342	-	(2,000,000)	-	-	1,080,000	-	-	-	-	(2,000,000)	-
Closing Cash / (Indebtedness)		**1,107,032**	**366,768**	**193,088**	**748,052**	**508,011**	**612,178**	**401,403**	**585,216**	**338,625**	**88,381**	**147,087**	**462,424**

Stabilis DIP Facility												
Opening Balance	3,793,499	4,895,841	4,895,841	2,895,841	2,895,841	2,895,841	3,975,841	3,975,841	3,975,841	3,975,841	3,975,841	1,975,841
Draw/(Payback)	1,102,342	-	(2,000,000)	-	-	1,080,000	-	-	-	-	(2,000,000)	-
Closing Balance	4,895,841	4,895,841	2,895,841	2,895,841	2,895,841	3,975,841	3,975,841	3,975,841	3,975,841	3,975,841	1,975,841	1,975,841

Total DIP Facility	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
Repayment	(510,000)	(510,000)	(2,510,000)	(2,510,000)	(2,510,000)	(2,510,000)	(2,510,000)	(2,510,000)	(2,510,000)	(2,510,000)	(4,510,000)	(4,510,000)
Net DIP Facility	6,990,000	6,990,000	4,990,000	4,990,000	4,990,000	4,990,000	4,990,000	4,990,000	4,990,000	4,990,000	2,990,000	2,990,000
Drawn on Facility	4,895,841	4,895,841	2,895,841	2,895,841	2,895,841	3,975,841	3,975,841	3,975,841	3,975,841	3,975,841	1,975,841	1,975,841
Total Undrawn DIP	2,094,159	2,094,159	2,094,159	2,094,159	2,094,159	1,014,159	1,014,159	1,014,159	1,014,159	1,014,159	1,014,159	1,014,159

AgMedica Bioscience Inc.
Cash Flow Forecast for the period February 22, 2020 to July 3, 2020

(CDN)	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Total
Week Ending	**22-May-20**	**29-May-20**	**5-Jun-20**	**12-Jun-20**	**19-Jun-20**	**26-Jun-20**	**3-Jul-20**	
Consolidated								
Opening Available Cash	462,424	220,471	401,686	158,750	415,093	89,216	299,590	**491,097**
Receipts								
Sales receipts	197,797	491,490	650,153	520,648	141,873	520,648	781,821	**8,794,527**
HST Refunds	-	-	-	-	-	-	-	**-**
Other receipts	-	11,035	29,794	-	-	11,035	29,794	**13,350,884**
Total Receipts	197,797	502,525	679,947	520,648	141,873	531,684	811,615	**22,145,411**
Disbursements								
Production Costs	53,596	53,596	53,596	53,596	53,596	53,596	53,596	**1,022,730**
Payroll and expenses	183,573	-	183,573	-	197,573	-	183,573	**1,891,730**
Remittance to Receiver General	-	88,636	-	88,636	-	88,636	-	**797,724**
EHT and WSIB	-	-	20,999	-	14,000	-	20,999	**160,993**
Group Benefits	-	-	21,362	-	-	-	21,362	**106,810**
Royalties and Commissions	-	-	-	-	-	-	-	**-**
Selling, General & Admininstrative	63,123	63,123	80,123	63,123	63,123	63,123	80,123	**1,274,224**
Rent, Utilities, Insurance, Property Taxes	-	65,955	81,031	8,950	-	65,955	102,664	**1,004,144**
Fixed Assets and capital expenditures	-	-	-	-	-	-	-	**-**
Duties and Taxes	-	-	303,625	-	-	-	-	**1,084,160**
Funding Agreements and contractual commitments	89,458	-	-	-	89,458	-	-	**1,729,792**
Restructuring Costs	50,000	50,000	50,000	50,000	50,000	50,000	50,000	**1,287,430**
DIP Interest Payments and Commitment Fee	-	-	15,297	-	-	-	-	**106,085**
SF V Bridge III, LP Secured Debt	-	-	36,000	-	-	-	-	**4,453,120**
StoneQuest Secured Debt	-	-	-	-	-	-	-	**4,002,392**
Philipp Secured Debt	-	-	77,278	-	-	-	100,000	**1,398,628**
Total Disbursements	439,750	321,310	922,883	264,305	467,750	321,310	612,317	**20,319,963**
								-
Net Cash flow from Operations	(241,953)	181,215	(242,936)	256,344	(325,877)	210,374	199,298	**1,825,448**
DIP Draw/(Payback) for Operations	-	-	-	-	-	-	-	**(1,817,658)**
Closing Cash / (Indebtedness)	**220,471**	**401,686**	**158,750**	**415,093**	**89,216**	**299,590**	**498,888**	**498,888**

Stabilis DIP Facility								
Opening Balance	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	3,793,499
Draw/(Payback)	-	-	-	-	-	-	-	(1,817,658)
Closing Balance	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841

Total DIP Facility	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
Repayment	(4,510,000)	(4,510,000)	(4,510,000)	(4,510,000)	(4,510,000)	(4,510,000)	(4,510,000)	(4,510,000)
Net DIP Facility	2,990,000	2,990,000	2,990,000	2,990,000	2,990,000	2,990,000	2,990,000	2,990,000
Drawn on Facility	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841	1,975,841
Total Undrawn DIP	1,014,159	1,014,159	1,014,159	1,014,159	1,014,159	1,014,159	1,014,159	1,014,159

IN THE MATTER OF THE CCAA 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., WORLD WIDE BEVERAGE INNOVATIONS INC., and UNIQUE BEVERAGES (USA) INC. (each an "Applicant" and collectively, the "Applicants")

Notes to the Unaudited Cash Flow Forecast of the Applicants

Disclaimer

In preparing this cash flow forecast (the "**Cash Flow Forecast**"), the Applicants have relied upon unaudited financial information and the Applicants have not attempted to further verify the accuracy or completeness of such information. The Cash Flow Forecast includes estimates concerning the operations of the Applicants and additional assumptions discussed below with respect to the requirements and impact of a Companies' Creditors Arrangement Act ("**CCAA**") filing. Since the Cash Flow Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Cash Flow Forecast period will vary from the Cash Flow Forecast, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized.

Overview

The Cash Flow Forecast includes the receipts and disbursements of all the Applicants during the Cash Flow Forecast period. The Applicants, with the assistance of Ernst & Young Inc., in its capacity as the monitor of the Applicants (the **Monitor**"), have prepared the Cash Flow Forecast based primarily on estimated receipts and disbursements related to the CCAA proceedings and the ongoing operations.

Assumptions:

1.	Sales Receipts	Includes the estimated sales of cannabis products based on accounts receivable, existing and projected sales orders. It is assumed collections continues on existing terms with the current customers. This amount is net of price protection credits imposed by the provinces. Forecasted receipt amounts include excise tax but not HST. The HST impact of sales is considered a flow through. Amounts are net of any credits to customers. Majority of AgMedica customers are provincial crown corporations responsible for distribution of cannabis products in their respective provinces.
2	HST Refund	AgMedica is typically in a refund position. For the purpose of the forecast, it is assumed that the HST refunds will not be collected as there is outstanding balances for Excise Taxes payable by the Applicants for months prior to this Forecast Period.

3	Other Receipts	AgMedica receives rental income from its existing non-core real properties. On March 2, 2020 it is anticipated that 650 Riverview Drive Purchase and Sale Agreement will close which will result in funds received to pay down the DIP Facility and Secured Loans, which will be distributed in accordance with the DIP Facility Agreement. In and around May 6, 2020, upon approval by the Court, it is anticipated that 1095 Wilton Grove Purchase and Sale Agreement will close which will result in funds received to pay down the DIP Facility and Secured Loans, which will be distributed in accordance with the DIP Facility Agreement. The proceeds from these sales are reflected net of commissions and closing costs.
4	Production Costs	This includes all costs to cultivate, process and package cannabis products. This is based on historical run rates with additional adjustments for known planned expenditures.
5	Payroll and Expenses	This is the net amount payable to employees and employee reimbursements.
6	Remittance to Receiver General	Withholding taxes and employer portions of EI and CPP, based on payroll.
7	EHT and WSIB	Employer Health Tax and WSIB, based on payroll.
8	Group Benefits	Include group health care benefits, short-term and long-term disability benefits and life insurance.
9	Royalties and Commissions	AgMedica has a technology license agreement with Herbolea which requires a processing fee based on the tonnage processed.
10	SG&A	This includes office supplies, health and safety supplies, insurance, employee training, postage, repairs and maintenance to the properties and other sale, general and administrative costs. These costs were based on historical run rates and have been adjusted accordingly for known planned expenditures.
11	Rent, Utilities, Insurance, Property Taxes	Utilities, Insurance, and Property Tax amounts will change if underlying properties are sold/leased. AgMedica leases one office in Chatham.
12	Fixed Assets and Capital Expenditures	Capital expenditures are currently being reviewed, therefore there no amount has been included in this Cash Flow Forecast.
13	Duties and Taxes	Post-filing excise duty is based on actual and estimated sales, as well as outstanding receivables. AgMedica is currently undergoing HST pre-filing audits and currently is staying any pre-filing payment of excise duty and taxes.
14	Funding Agreements and commitments	AgMedica has entered into contract with Bio Therapeutic Molecules Inc. ("**BTMI**"), an external research and development management service. Its services are necessary to continue to assist AgMedica with the development of future products. AgMedica has equity ownership of an extraction company in Italy called Herbolea. In addition, it has a technology licensing agreement for exclusive use of this technology in Canada. As part of this agreement, AgMedica is required to make an

		investment of $1 Million in Herbolea. This payment is included in the Cash Flow Forecast as it is necessary part of a business decision not only to preserve the exclusivity and business relationship with Herbolea, but also to ensure the viability of Herbolea post-filing as it forms an integral part of AgMedica's future business plan.
15	Restructuring Costs	Cost of legal counsel, monitor and the monitor's legal counsel. There are incremental fees associated with the Sale and Investment Solicitation Process which have been reflected in the Cash Flow.
16	DIP Interest Payments and Commitment Fee	As per the Stabilis DIP Agreement, the interest rate is compounded month, in arrears and is payable on the first of the Month at a rate of 9.5% per annum based on 365 days.
17	Financing and loans - Principal and Interest	AgMedica has 3 secured lenders: SF V Bridge III, LP, Stone Quest Capital Corp. and Kathleen Glynn Philipp. It is expected that interest payments will continue to be paid during the forecast period. The Maturity dates of the loans are May 31, 2020, December 31, 2019, and January 23, 2020, respectively. The interest is assumed to continued to be paid at the rates in accordance with the loan agreement after the maturity dates. No principal payments on Maturity are included in this forecast unless proceeds from the sale of non-core real properties are received and distributions are made in accordance with the DIP Facility Agreement. Promissory notes and convertible debt and their related interest are stayed and are not included in the Cash Flow Forecast.

EXHIBIT “B”

OREA Ontario Real Estate Association

Agreement of Purchase and Sale
Commercial

Form 500
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this X 2 day of December, 20 19

BUYER, Dancor Lands Corporation In Trust (Full legal names of all Buyers), agrees to purchase from

SELLER, 2472602 ONTARIO INC. (Full legal names of all Sellers), the following

REAL PROPERTY:

Address 1095 Wilton Grove Road

fronting on the South side of Wilton Grove Road

in the City of London

and having a frontage of 460.01 ft more or less by a depth of more or less

and legally described as PART LOT 13 AND PART NORTH 1/2 LOT 12 CONCESSION 3; DESIGNATED PART 2, 33R3843; LONDON/WESTMINSTER [redacted] (legal description of land including easements not described elsewhere) [redacted]

PURCHASE PRICE: [redacted] Dollars

Final Offer

DEPOSIT: Buyer submits Upon acceptance (Herewith/Upon Acceptance/or otherwise described in this Agreement)

[redacted] Dollars (CDN$) [redacted]

by negotiable cheque payable to CBRE Limited, Brokerage In trust "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A, B ~~Seller~~ Buyer **attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This offer shall be irrevocable by ~~Buyer/Seller~~ ~~Buyer~~ Seller Buyer (Seller/Buyer) until ~~4~~ 12 p.m. on the ~~2~~ ~~12~~ ~~11~~ ~~27~~ ~~10X~~ ~~24~~ 9th day of ~~December~~ January, 20~~19~~ 20, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 30th day of after waiving all conditions, 20 . Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): X

INITIALS OF SELLER(S):

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: .... (For delivery of Documents to Seller)

FAX No.: .... (For delivery of Documents to Buyer)

Email Address: mndy.fisher@cbre.com (For delivery of Documents to Seller)

Email Address: matt.chambers@colliers.com (For delivery of Documents to Buyer)

4. **CHATTELS INCLUDED:** ....

~~To be listed by Seller~~ See Schedule A

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** ....

~~To be listed by Seller~~ See Schedule A

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

Hot water tank rented if not owned

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST:** If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such **tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): X

INITIALS OF SELLER(S):

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 15 day of before closing, 20........, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (OI 1, HI 1) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.

17. **RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.

18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.

19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.

20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.

~~23. UFFI: Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.~~

24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.

25. **CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**

26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

Duncor Lands Corporation in Trust

(Witness) X (Buyer/Authorized Signing Officer) (Seal) DATE X 12/2/19

(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

2472602 ONTARIO INC.

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE 12/10/19

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 1 a.m./p.m. this 7th day of January, 20 20

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage CBRE Limited, Brokerage Tel.No. (519) 673-6444

Randy Fisher

(Salesperson / Broker Name)

Co-op/Buyer Brokerage Colliers International London Ontario, Brokerage Tel.No. (519) 438-4300

Matt Chambers

(Salesperson / Broker Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE Jan 7/2020

(Seller) DATE

Address for Service

Tel.No.

Seller's Lawyer Rosa Lupo, Gowling WLG (Canada) LLP

Address 50 Queen Street N. Suite 1020 PO Box 2248 Kitchener N2H 6M2

Email rosa.lupo@gowlingwlg.com

519-575-7511 Tel.No 519-571-5011 FAX No.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer) DATE

(Buyer) DATE

Address for Service

Tel.No.

Buyer's Lawyer

Address

Email

Tel.No. FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:

(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)

OREA Ontario Real Estate Association

Form 500
for use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Dancor Lands Corporation In Trust, and

SELLER, 2472602 ONTARIO INC.

for the purchase and sale of 1095 Wilton Grove Road London

dated the X 2 day of December, 20 19

Buyer agrees to pay th[redacted]

The Buyer agrees [redacted]), within Seven (7) days of waiving all condi[redacted]se price on the completion of this transaction.

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft, certified cheque or wire transfer using the large value transfer system, to the Seller on the completion of this transaction.

The following conditions are inserted for the sole benefit of the Buyer and may be waived by them at any time. In the event that any of the Conditions are not so satisfied or waived, in writing, within the periods set out below then this Agreement shall be null and void and the Buyer's Deposit returned in full. The Conditions are that the Buyer be satisfied in its sole and unfettered discretion with the property, including but not limited to, the following:

CONDITIONS:
This Agreement is conditional for Sixty (60) days from acceptance upon the following conditions:

~~(a) The Seller will provide a Phase 1 or if necessary Phase 2 environmental report satisfactory to the Buyer, with a satisfactory transmittal letter such that the Buyer can rely on the report for financing;~~

b) An inspection of the subject building(s) to determine that the subject building(s) are structurally and mechanically sound and to code. This inspection(s) shall included review of the walls, roof, infrastructure etc. Such access shall be granted during reasonable hours and with reasonable notice to the Seller;

c) Economic viability in the sole and unfettered discretion of the buyer;

d) Review of all "the Deliveries" documents received, as mentioned below in this Agreement;

In order to assist the Buyer in the satisfaction of the Conditions, the Seller agrees:
a) to permit the Buyer or its agents to enter upon the Property in order to conduct tests and studies provided that the Buyer shall be responsible to return the Property to ~~as-near-as-possible~~ its original condition following such tests;

a) The Seller shall provide the Buyer with the Pinchin Phase II Environmental Site Assessment dated June 21, 2016 which on page 5 and on page 16 states: *Based on the findings of this Phase II, it is Pinchin's opinion that no further subsurface investigation is required for the Site in relation to the findings of Phase I ESA.*

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): X

INITIALS OF SELLER(S):

OREA Ontario Real Estate Association

Form 500
for use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Dancor Lands Corporation In Trust, and

SELLER, 2472602 ONTARIO INC.

for the purchase and sale of 1095 Wilton Grove Road London

dated the X 2 day of December, 20 19

b) to deliver to the Buyer, within Five (5) days of acceptance, copies of all of the following which are in possession or control of the Seller ["the Deliveries"]:

i) all leases and agreements respecting the tenancies if any, within the Property;
ii) all geotechnical, environmental, building and engineering reports, building condition reports;
iii) all surveys and as built drawings respecting the Property and the buildings thereon;
iv) all contracts and work orders;
v) copies of any and all roofing reports or roof audits or recent contracts in which roofs were repaired or replaced.
~~vi) all property appraisals~~ ALL PROPERTY APPRAISALS IN THE POSSESSION OF THE SELLER,
vii) realty tax bills

ASSESSMENT, TAX & VERIFICATION
The Parties to the agreement understand that property assessments and taxes can change for many reasons and cause errors in tax information provided by Real Estate Agents. The Parties will not hold each other or any agent responsible for errors involving assessments and taxes, or adjustments in assessments and taxes that may or may not occur. The Parties agree that any outstanding tax appeals or overpayment of taxes are the responsibility of the Seller and shall be adjusted on closing or upon settlement of appeal. The Buyer is responsible to verify condition, size of building(s), site size, etc. within their due diligence period. They will not hold the Real Estate Agents responsible for information received from 3rd party publications i.e. MPAC, City / Municipality, MLS, etc.

DISCLOSURE
The parties acknowledge that the information provided by the agent(s) is not legal, tax, zoning, or environmental advice, and that it has been recommended to the parties to obtain independent professional advise prior to signing this document. The parties also acknowledge that Colliers International represents the interest of the Buyer and shall be paid commission by the Seller as described in the confirmation of co-operation attached.

The Buyer acknowledges that the Seller may apply for a reduction in the taxes payable to the municipality with respect to the Lands for the period prior to the closing date. The Buyer agrees that the Seller shall be entitled to the benefit of any such reduction for the period prior to the closing date. The Buyer agrees that on the closing of this transaction it shall execute such directions, acknowledgments and other documents as may be necessary or desirable to ensure that the benefit of any such reduction for the period prior to the closing date is received by the Seller.
The Buyer further agrees on closing to execute an undertaking to pay to the Seller on a dollar for dollar basis any amount of such tax reduction received by the Buyer either by cheque or by credit with respect to a reduction for the period prior to the closing date.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): X

INITIALS OF SELLER(S):

OREA Ontario Real Estate Association

Form 500
For use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Dancor Lands Corporation In Trust, and

SELLER, 2472602 ONTARIO INC.

for the purchase and sale of 1095 Wilton Grove Road London

dated the X 2 day of December, 20 19

CLOSING & ADDITIONAL ITEMS
On closing the Seller shall deliver to the Buyer:
a) an undertaking to re-adjust all items contemplated to be adjusted by this agreement;
b) the originals or certified copies of the "Deliveries";
c) all keys to the premises within the Property.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original, faxed or pdf form and the parties adopt any signatures received by a receiving fax machine or e-mail as original signatures of the parties. The parties hereby acknowledge and agree that for the purpose of offer, acceptance and execution of this Letter, an executed facsimile or pdf copy shall constitute an original executed copy.
BUYER HAS A RIGHT TO ASSIGN TO A RELATED COMPANY
~~The Buyer has the right to assign this agreement to another holding company under Buyers ownership.~~

ASSIGNMENT
The Buyer shall have the right to assign the within Agreement of Purchase and Sale to any Buyer affiliated company which company shall assume all the obligations of the Buyer created or imposed by the within Agreement, provided however that the Buyer shall remain jointly and severally liable with any assignee, under this Agreement until completion of the transaction. Such assignment shall only be valid provided the Buyer delivers to the Seller's solicitors a true copy of such assignment at least five (5) business days prior to the date of closing herein and advises the Seller's solicitors of the name of the solicitors acting for the assignee.

AS IS, WHERE IS
Following waiver of Buyer's conditions, the Buyer acknowledges it is purchasing the property in "As Is, Where Is" Condition and indemnifies the Seller from any and all future liabilities that may result from the property after the closing of this transaction. The Buyer accepts the property on an "As Is, Where Is" basis and there is no condition, representation or warranty of any kind, expressed or implied, as to the condition, state or nature of the property by the Seller.

FIXTURES AND CHATTELS
Buyer and the Seller agree that all existing fixtures and chattels that are used in connection with the property and owned by the Seller are included in the purchase price, including but not limited to, all heating, air conditioning, plumbing, electrical, ventilating, transformers, loading docks, drainage and other fixtures, service equipment and mechanical systems annexed thereto or located therein. All fixtures and chattels related to the ongoing business of the Seller shall not be included in the sale of the property.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): X

INITIALS OF SELLER(S):

OREA Ontario Real Estate Association

Schedule A

Agreement of Purchase and Sale – Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Dancor Lands Corporation In Trust ......, and

SELLER, 2472602 ONTARIO INC. ......

for the purchase and sale of 1095 Wilton Grove Road ...... London ......

...... dated the X 2 day of December ...... 20 19 ......

VENDOR'S REPRESENTATIONS AND WARRANTIES
The Vendor, to the best of its knowledge and belief, represents and warrants to the Purchaser that as at the date of completion;

i) All municipal taxes, rates, levies and assessment of every nature and kind due with respect to the Property will have been paid in full ~~and there is no pending appeal or other proceeding in existence in respect of such taxes, rates, levies and assessments~~, nor has the Seller received any notice of any local improvement charges or special levies to be charged against the property.

ii) The Vendor is, and will be on the Completion Date, a resident of Canada as defined in the Income Tax Act (Canada);

~~iii) The Property does not contain nor has it ever contained underground storage tanks, lead, asbestos, PCB's or any other hazardous substance as defined by the Environmental Protection Act of Ontario;~~ See Pinchin Phase II ESA Report

~~iv) The Property has never been used for a landfill or waste disposal site, or for the storage of hazardous wastes or substances or of environmental contaminants;~~ See Pinchin Phase II ESA Report

v) The Vendor has not received notice of and has no knowledge of any outstanding work orders, Department of Labor, environmental, conservation or health orders or other notices of deficiencies or irregularities in effect with respect to the Property from any governmental authority or any intention of applicable municipal authorities to alter its zoning bylaws whereunder the Vendor or its predecessors in title are required to change, cure, repair or rectify any breach or non-compliance with respect to the Property or any use thereof, ~~nor is there any breach with respect to any applicable statute, by-law, regulation, agreement or order, which has not been cured, repaired or rectified or which otherwise remains outstanding.~~

vi) The Vendor has the power and authority to enter this Agreement and to carry out the transactions contemplated hereby, all of which have been duly and validly authorized by all parties involved in ownership of the Property;

~~These representations and warranties will also be true at and will survive the Completion Date and payment of the purchase price. It is understood that the Purchaser has relied on these representations in making this agreement.~~
These representations and warranties will also be true at the Completion Date. It is understood that the Purchaser has relied on these representations in making this agreement.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): X

INITIALS OF SELLER(S):

OREA Ontario Real Estate Association

Schedule A
Agreement of Purchase and Sale – Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: DANCOR LANDS CORPORATION IN TRUST, and

SELLER: 2472602 ONTARIO INC.

for the purchase and sale of 1095 Wilton Grove Road, London

dated the 2 day of December, 2019

Buyer agrees to pay the balance as follows:

SELLER'S CONDITIONS

This Offer shall be conditional in favour of the Seller for five (5) business days following acceptance of the offer, upon the following:

a) APPROVAL OF THE AGREEMENT OF PURCHASE AND SALE

The Seller receiving approval and consent of the Agreement of Purchase and Sale from Ernst & Young Inc., the court appointed monitor in the CCAA proceedings, in the Seller's sole discretion.

This Offer shall be conditional in favour of the Seller for thirty (30) days following waiver of the Buyer's Conditions, upon the following:

a) COURT APPROVAL AND VESTING ORDER

The Seller will obtain an Approval and Vesting Order from the Ontario Superior Court of Justice with respect to this Agreement and the sale of the Property.

Fulfilling of the above conditions shall be in writing and delivered to the Buyer or the Buyer's Solicitor within the prescribed dates. If no such written notice is received as outlined above, this offer shall be at an end and the Buyer's deposit together with any accrued interest shall be returned to him in full.

These conditions are for the benefit of the Seller and may be waived by him by notice in writing to the Buyer or to the Buyer's solicitor on or before the aforementioned prescribed dates.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

OREA Ontario Real Estate Association

Schedule B

Agreement of Purchase and Sale – Commercial

Form 505
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: DANCOR LANDS CORPORATION IN TRUST, and

SELLER: 2172062 ONTARIO INC.

for the purchase and sale of 1095 Wilton Grove Road, London

dated the 2 day of December, 2019

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

OREA Ontario Real Estate Association

Confirmation of Co-operation and Representation

Form 320
for use in the Province of Ontario

BUYER: Dancor Lands Corporation In Trust

SELLER: 2472602 ONTARIO INC.

For the transaction on the property known as: 1095 Wilton Grove Road London

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation:
"Seller" includes a vendor, a landlord, or a prospective, seller, vendor or landlord and "Buyer" includes a purchaser, a tenant, or a prospective, buyer, purchaser or tenant, "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002 (REBBA 2002) and Regulations.

1. LISTING BROKERAGE

a) ☑ The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:

1) ☑ The Listing Brokerage is not representing or providing Customer Service to the Buyer.
(If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)

2) ☐ The Listing Brokerage is providing Customer Service to the Buyer.

b) ☐ **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:

- That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
- The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- The price the Buyer should offer or the price the Seller should accept;
- And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage: (e.g. The Listing Brokerage represents more than one Buyer offering on this property.)

2. PROPERTY SOLD BY BUYER BROKERAGE – PROPERTY NOT LISTED

☐ The Brokerage .... represent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid
(does/does not)

☐ by the Seller in accordance with a Seller Customer Service Agreement

or: ☐ by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: (e.g. The Buyer Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

X			
BUYER	CO-OPERATING/BUYER BROKERAGE	SELLER	LISTING BROKERAGE

3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE- REPRESENTATION:

a) ☑ The Co-operating Brokerage represents the interests of the Buyer in this transaction.

b) ☐ The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.

c) ☐ The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE- COMMISSION:

a) ☑ The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property 2% of final purchase price + HST to be paid from the amount paid by the Seller to the Listing Brokerage.
(Commission As Indicated In MLS® Information)

b) ☐ The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 3 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

Colliers International London Ontario, Brokerage (Name of Co-operating/Buyer Brokerage)	CBRE Limited, Brokerage (Name of Listing Brokerage)
Tel.: (519) 438-4300 Fax:	Tel.: (519) 673-6444 Fax:
(Authorized to bind the Co-operating/Buyer Brokerage) Date: 27-Nov-19	(Authorized to bind the Listing Brokerage) Date: JAN 6/20
Matt Chambers (Print Name of Salesperson/Broker/Broker of Record Representative of the Brokerage)	Randy Fisher (Print Name of Salesperson/Broker/Broker of Record Representative of the Brokerage)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)

The Buyer/Seller consent with their initials to their Brokerage representing more than one client for this transaction.

XXXXX BUYER'S INITIALS

XXXXX SELLER'S INITIALS

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

X (Signature of Buyer) Dancor Lands Corporation in Trust Date: X 12/2/19

(Signature of Seller) 2472602 ONTARIO INC. Date: 12/12/19

(Signature of Buyer) Date:

(Signature of Seller) Date:

CONFIDENTIAL EXHIBIT “C”

EXHIBIT "D"

KEY EMPLOYEE RETENTION PLAN

This Key Employee Retention Program ("**KERP**"), sets out the retention plan proposed by AgMedica Bioscience Inc. ("**AgMedica**" or the "**Company**") on behalf of employees currently employed by Agmedica.

All capitalized terms not herein defined shall have the meaning ascribed to such terms in the Initial Order granted in the *Companies' Creditors Arrangement Act* ("**CCAA**") proceedings with respect to AgMedica and its affiliates.

KERP

The primary objective of the proposed KERP is to motivate key employees who are vital to the ongoing operations of the Company to continue in their current roles during these challenging times, and to aid in the preservation of enterprise value. The proposed KERP recipients are instrumental to servicing current client commitments, and helping to acquire and deliver on future contracts, ultimately allowing the business to continue as a going concern.

Key Employees

A list of key employees can be found in Appendix "A" of this KERP along with the proposed pay-out (the '**Retention Pay**") to each employee. Appendix "A" may be supplemented by the Company as it deems necessary in the circumstances, which supplement shall be approved by the Monitor and the DIP Lender.

The employees selected for this retention program have the skills, knowledge and capabilities to serve project development needs, engage and direct specific work teams, and keep the business running to preserve the maximum value. Most of the selected employees have other employment options available to them. They are not replaceable in the near term due to their specialized skills and role at the Company, relationships with clients and the stringent deadlines the Company must comply with under the CCAA proceedings. Further, any replacements for the key employees would face a steep learning curve of this nascent industry, may require additional security clearance screening by Health Canada and would be challenged to develop a thorough understanding of the AgMedica business within the time required to successfully move the restructuring forward.

The KERP recipients perform the following functions collectively:

- Paramount to the supply chain and client services;
- Are technical leads and are the architects of the Company's products;
- Lead operational restructuring efforts and execution;
- Manage the internal processes that allow the Company to manage employees and pay suppliers and employees; and
- Have operational and legacy knowledge required for product quality, product support, and internal business management processes.

Attention to both client service and technical expertise is especially important to the ongoing success of AgMedica and is critical to the Company maintaining market strength, business viability, and enterprise value.

The proposed KERP provides Retention Pay based on the individual's position and relative impact and value to the business. The Company believes that the proposed KERP properly incentivizes the key employees as it demonstrates the Company's ability to reward employees financially and the commitment to the future success of AgMedica.

Retention Period and Terms of Payment:

The retention period covers the period from the date of filing to the Retention Payment Date (the "**Retention Period**").

Payment will be made in one lump sum in the first payroll following the end of the Retention Period. The lump sum will be subject to the required tax withholdings and source deductions. The KERP and the Retention Pay is subject to the following terms and conditions:

1. The KERP is conditional upon AgMedica completing any Transaction or Transactions (as defined below);
2. The employee must remain employed in their current position, or as otherwise assigned by the Company, through to the end of the Retention Period, to be eligible to receive the Retention Pay;
3. The employee must fulfil their performance expectations, and work their regular schedule throughout the Retention Period;
4. Unscheduled absences for any reason, for more than five cumulative days, in any month, throughout the Retention Period will result in a pro-rata reduction of the Retention Pay for the days that exceed the allowable five ;
5. If, during the Retention Period, employees do not meet performance expectations, voluntarily resign or retire, or involuntarily separate for any reason, other than total disability, death or termination without cause, they will not receive any Retention Pay, prorated or otherwise;
6. If at any point during the Retention Period the Company decides to extend the Retention Period, it will be presented to employees by way of a revised Retention Letter which is required to be signed by the employee. The financial terms of any revised Retention Letter will be consistent with the original Retention Letter. The employee may choose to agree to the new terms by signing the revised letter or they may decide, without penalty, to continue under the terms of the original Retention Letter. If an employee continues under the terms of the original Retention Letter and there is no Transaction in the original Retention Period, the KERP will expire and the employee will not be entitled to any payment under any revised Retention Letter; and
7. Should the office in which the key employee resides be closed, prior to the end of the retention period, a pro-rated amount will be paid to the employee as part of the KERP.

For the purposes paragraph 1 above, “Transaction” means a resulting transaction or series of transactions consummated through the sale and investment solicitation process currently being undertaken by the Company under an order granted under the CCAA by the Ontario Superior Court of Justice and includes any joint venture, partnership, spin-off, split-off, business combination, recapitalization, acquisition, sale, distribution, transfer or other disposition of assets or equity interests, or other transaction, involving the business, assets or equity interests of the Company and/or any of its subsidiaries or affiliates.

KERP Charge

The Retention Pay contemplated herein shall be secured by a court ordered charge against all of the Property (as defined in the Initial Order granted in the CCAA Proceedings) of AgMedica and its affiliates, which charge will rank immediately behind all of the other secured creditors. The Charge will be in an aggregate amount of $200,000.

Appendix A

[CONFIDENTIAL]

Employee Name	**Position**	**Retention Pay**
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
TOTAL		**199,998.40**

CONFIDENTIAL EXHIBIT “E”

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.**

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF TREVOR HENRY

Thornton Grout Finnigan LLP
3200 – 100 Wellington Street West
TD West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Rebecca L. Kennedy (LSO# 61146S)
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Tel: 416-304-1616
Fax: 416-304-1313

Lawyers for the Applicants

TAB 3

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 9TH
	)	
JUSTICE MCEWEN	)	DAY OF MARCH, 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**")

KEY EMPLOYEE RETENTION PROGRAM AND STAY EXTENSION 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 (i) approving the key employee retention program (the "**KERP**") and the KERP Charge as described in the sixth report of Ernst & Young Inc., in its capacity as the Court-appointed monitor (the "**Monitor**") of the Applicants dated March ● 2020, and appendices thereto (the "**Sixth Report**"), (ii) extending the stay of proceedings and (iii) approving the fees and disbursements of the Monitor and its counsel, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Trevor Henry sworn March 4, 2020 (the "**Henry Affidavit**"), and the Sixth Report, and on hearing the submissions of counsel for the Applicants, the Monitor 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 Adam Driedger sworn March 4, 2020, 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 such that this Motion is properly returnable today and hereby dispenses with further service thereof.

STAY EXTENSION

2. **THIS COURT ORDERS** that the Stay Period as ordered and defined in paragraph 17 of the Amended and Restated Initial Order dated December 12, 2019 (the "**Initial Order**"), is hereby extended until and including June 30, 2020.

KEY EMPLOYEE RETENTION PROGRAM

3. **THIS COURT ORDERS** that the KERP attached hereto as Schedule "A" is hereby approved and the Applicants are authorized and directed to make payments in accordance with the terms thereof to the maximum aggregate amount of $200,000.

4. **THIS COURT ORDERS** that the unredacted version of the KERP, a copy of which is attached as Confidential Exhibit "E" to the Henry Affidavit, shall be and is hereby sealed, kept confidential, and shall not form part of the public record unless otherwise ordered by the Court.

5. **THIS COURT ORDERS** that prior to any extension of the Retention Period (as defined in the KERP) being granted by this Court, if any amounts are still owing to the DIP Lender, as such term is defined in the Initial Order, the DIP Lender shall provide written consent to the extension.

6. **THIS COURT ORDERS** that the KERP Participants (as defined in the KERP) shall be entitled to the benefit of and are hereby granted a charge (the "**KERP Charge**") on the Applicants' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**"), which charge shall not exceed an aggregate amount of $200,000, to secure amounts payable to the KERP Participants pursuant to paragraph 3 of this Order.

7. **THIS COURT ORDERS** that the KERP Charge shall rank behind the Charges (as defined in the Initial Order) and immediately behind the prior registered security interests of SF V Bridge III, LP, Stone Quest Capital Corp., and Kathleen Glynn Philipp, and the KERP Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, the "**Encumbrances**") in favour of any Person.

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

9. **THIS COURT ORDERS** that the KERP Charge shall not be rendered invalid or unenforceable and the rights and remedies of the KERP Participants entitled to the benefit of the

KERP Charge thereunder shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made therein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) 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, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the KERP Charge shall not create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party; and

(b) none of the KERP Participants shall have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the KERP Charge.

10. **THIS COURT ORDERS** that the KERP Charge created by this Order over leases of real property in Canada shall only be a charge in the Applicants' interest in such real property leases.

11. **THIS COURT ORDERS** that payments made by the Applicants pursuant to this Order do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

FEE APPROVAL

12. **THIS COURT ORDERS** that the fees and disbursements of the Monitor in the amount of $● for the period from November 1, 2019 to January 31, 2020 inclusive, as set out in the Sixth Report, are hereby approved.

13. **THIS COURT ORDERS** that the fees and disbursements of McCarthy Tétrault LLP, in its capacity as counsel to the Monitor, in the amount of $● for the period from November 1, 2019 to January 31, 2020 inclusive, as set out in the Sixth Report, are hereby approved.

MISCELLANEOUS

14. **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, or abroad, 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.

15. **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.

____

Schedule "A"

KEY EMPLOYEE RETENTION PLAN

This Key Employee Retention Program ("**KERP**"), sets out the retention plan proposed by AgMedica Bioscience Inc. ("**AgMedica**" or the "**Company**") on behalf of employees currently employed by Agmedica.

All capitalized terms not herein defined shall have the meaning ascribed to such terms in the Initial Order granted in the *Companies' Creditors Arrangement Act* ("**CCAA**") proceedings with respect to AgMedica and its affiliates.

KERP

The primary objective of the proposed KERP is to motivate key employees who are vital to the ongoing operations of the Company to continue in their current roles during these challenging times, and to aid in the preservation of enterprise value. The proposed KERP recipients are instrumental to servicing current client commitments, and helping to acquire and deliver on future contracts, ultimately allowing the business to continue as a going concern.

Key Employees

A list of key employees can be found in Appendix "A" of this KERP along with the proposed pay-out (the '**Retention Pay**") to each employee. Appendix "A" may be supplemented by the Company as it deems necessary in the circumstances, which supplement shall be approved by the Monitor and the DIP Lender.

The employees selected for this retention program have the skills, knowledge and capabilities to serve project development needs, engage and direct specific work teams, and keep the business running to preserve the maximum value. Most of the selected employees have other employment options available to them. They are not replaceable in the near term due to their specialized skills and role at the Company, relationships with clients and the stringent deadlines the Company must comply with under the CCAA proceedings. Further, any replacements for the key employees would face a steep learning curve of this nascent industry, may require additional security clearance screening by Health Canada and would be challenged to develop a thorough understanding of the AgMedica business within the time required to successfully move the restructuring forward.

The KERP recipients perform the following functions collectively:

- Paramount to the supply chain and client services;
- Are technical leads and are the architects of the Company's products;
- Lead operational restructuring efforts and execution;
- Manage the internal processes that allow the Company to manage employees and pay suppliers and employees; and
- Have operational and legacy knowledge required for product quality, product support, and internal business management processes.

Attention to both client service and technical expertise is especially important to the ongoing success of AgMedica and is critical to the Company maintaining market strength, business viability, and enterprise value.

The proposed KERP provides Retention Pay based on the individual's position and relative impact and value to the business. The Company believes that the proposed KERP properly incentivizes the key employees as it demonstrates the Company's ability to reward employees financially and the commitment to the future success of AgMedica.

Retention Period and Terms of Payment:

The retention period covers the period from the date of filing to the Retention Payment Date (the "**Retention Period**").

Payment will be made in one lump sum in the first payroll following the end of the Retention Period. The lump sum will be subject to the required tax withholdings and source deductions. The KERP and the Retention Pay is subject to the following terms and conditions:

1. The KERP is conditional upon AgMedica completing any Transaction or Transactions (as defined below);
2. The employee must remain employed in their current position, or as otherwise assigned by the Company, through to the end of the Retention Period, to be eligible to receive the Retention Pay;
3. The employee must fulfil their performance expectations, and work their regular schedule throughout the Retention Period;
4. Unscheduled absences for any reason, for more than five cumulative days, in any month, throughout the Retention Period will result in a pro-rata reduction of the Retention Pay for the days that exceed the allowable five ;
5. If, during the Retention Period, employees do not meet performance expectations, voluntarily resign or retire, or involuntarily separate for any reason, other than total disability, death or termination without cause, they will not receive any Retention Pay, prorated or otherwise;
6. If at any point during the Retention Period the Company decides to extend the Retention Period, it will be presented to employees by way of a revised Retention Letter which is required to be signed by the employee. The financial terms of any revised Retention Letter will be consistent with the original Retention Letter. The employee may choose to agree to the new terms by signing the revised letter or they may decide, without penalty, to continue under the terms of the original Retention Letter. If an employee continues under the terms of the original Retention Letter and there is no Transaction in the original Retention Period, the KERP will expire and the employee will not be entitled to any payment under any revised Retention Letter; and
7. Should the office in which the key employee resides be closed, prior to the end of the retention period, a pro-rated amount will be paid to the employee as part of the KERP.

For the purposes paragraph 1 above, "Transaction" means a resulting transaction or series of transactions consummated through the sale and investment solicitation process currently being undertaken by the Company under an order granted under the CCAA by the Ontario Superior Court of Justice and includes any joint venture, partnership, spin-off, split-off, business combination, recapitalization, acquisition, sale, distribution, transfer or other disposition of assets or equity interests, or other transaction, involving the business, assets or equity interests of the Company and/or any of its subsidiaries or affiliates.

KERP Charge

The Retention Pay contemplated herein shall be secured by a court ordered charge against all of the Property (as defined in the Initial Order granted in the CCAA Proceedings) of AgMedica and its affiliates, which charge will rank immediately behind all of the other secured creditors. The Charge will be in an aggregate amount of $200,000.

Appendix A

[CONFIDENTIAL]

Employee Name	**Position**	**Retention Pay**
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
TOTAL		**199,998.40**

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.**

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

KERP AND STAY EXTENSION ORDER

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Adam Driedger (LSO# 77296F)
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Fax: 416-304-1313

Lawyers for the Applicants

TAB 4

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 9th
	)	
JUSTICE MCEWEN	)	DAY OF MARCH, 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 London 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 2472602 Ontario Inc., as vendor (the "**Vendor**"), and Dancor Lands Corporation In Trust (the "**Purchaser**"), as purchaser, dated December 2, 2019 (the "**Sale Agreement**"), a copy of which is attached as Confidential Exhibit "C" to the Affidavit of Trevor Henry sworn March 4, 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 1095 Wilton Grove

Road, London, 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 sworn March 4, 2020, and the Sixth Report of the Ernst & Young Inc., in its capacity as court-appointed monitor (the "**Monitor**") of the Applicants dated March ● 2020, and appendices thereto, and on hearing the submissions of counsel for the Applicants, the Monitor, 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 Adam Driedger sworn March 4, 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 and directed 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 Initial 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 Middlesex (No. 33) 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 Exhibit “C” to the Affidavit of Trevor Henry sworn March 4, 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.

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., 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**")

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 March 9, 2020, the Court approved the agreement of purchase and sale between 2472602 Ontario Inc., as vendor (the "**Vendor**"), and Dancor Lands Corporation In Trust, as purchaser (the "**Purchaser**"), dated December 2, 2019 (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 1095 Wilton Grove Road, London, 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; and

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

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

1095 Wilton Grove Road, London, Ontario

PIN 08203-0125 (LT)

PART LOT 13 AND PART NORTH 1/2 LOT 12 CONCESSION 3; DESIGNATED PART 2, 33R3843; LONDON/WESTMINSTER

SCHEDULE "C"
INSTRUMENTS TO BE DELETED FROM PIN NO. 08203-0125 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
ER1233648	2019/05/13	Charge	$5,000,000	2472602 Ontario Inc.	Stone Quest Capital Corp.
ER1233652	2019/05/13	No Assgn Rent Gen	n/a	2472602 Ontario Inc.	Stone Quest Capital Corp.
ER1266760	2019/10/25	Notice	n/a	2472602 Ontario Inc.	Stone Quest Capital Corp.
ER1267821	2019/10/30	Charge	$2,200,000	2472602 Ontario Inc.	Philipp, Kathleen Glynn
ER1275907	2019/12/05	Apl Court Order	n/a	Ontario Superior Court of Justice	Hillmount Capital Inc.
ER1278541	2019/12/18	Apl Court Order	n/a	Ontario Superior Court of Justice	Stabilis GP V, LLC

SCHEDULE "D"
PERMITTED ENCUMBRANCES FROM PIN NO. 08203-0125 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
LT309174	1993/06/29	Notice	n/a	Colaba Inc.	The Corporation of the City of London

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.**

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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Lawyers for the Applicants

TAB 5

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 9TH
	)	
JUSTICE MCEWEN	)	DAY OF MARCH, 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**")

DISTRIBUTION ORDER
(Distribution of Net Proceeds from Sale of London 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 a distribution of the net proceeds from the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between 2472602 Ontario Inc., as vendor (the "**Vendor**"), and Dancor Lands Corporation In Trust, as purchaser, dated December 2, 2019 (the "**Sale Agreement**"), a copy of which is attached as Confidential Exhibit "C" to the Affidavit of Trevor Henry sworn March 4, 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 1095

Wilton Grove Road, London, Ontario, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Trevor Henry sworn March 4, 2020 (the "**Henry Affidavit**"), and the Sixth Report of Ernst & Young Inc., in its capacity as court-appointed monitor (the "**Monitor**") of the Applicants dated March ● 2020, and appendices thereto (the "**Sixth Report**"), and on hearing the submissions of counsel for the Applicants, the Monitor 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 Adam Driedger sworn March 4, 2020, filed.

DEFINITIONS AND INTERPRETATION

1. **THIS COURT ORDERS** that all capitalized terms not otherwise defined herein shall be as defined in the Henry Affidavit and the Sixth Report, and that the following terms shall have the following meanings for the purpose of this Order:

(a) "**DIP Facility**" means the secured super-priority debtor-in-possession non-revolving credit facility offered by the DIP Lender to the Applicants pursuant to the DIP Facility Agreement and secured by the DIP Lender's Charge granted in the Initial Order;

(b) "**DIP Facility Agreement**" means the DIP Facility Loan Agreement among the DIP Lender and the Applicants as approved by this Court on January 3, 2020;

(c) "**DIP Lender**" means SF V Bridge III, LP;

(d) "**DIP Lender Distribution**" means $2,000,000;

(e) “**Initial Order**” means the Amended and Restated Initial Order granted in these CCAA proceedings dated December 12, 2019;

(f) “**Philipp**” means Kathleen Glynn Philipp;

(g) “**Philipp Distribution**” means the Secured Creditors Proceeds less the Stone Quest Distribution;

(h) “**Philipp Facility**” means the secured credit facility offered by Philipp to AgMedica Bioscience Inc. and guaranteed by the Secured Borrower pursuant to the Loan Agreement dated October 23, 2019;

(i) “**Proceeds**” means the net proceeds from the Transaction;

(j) “**Secured Borrower**” means 2472602 Ontario Inc.;

(k) “**Secured Creditors**” means, collectively, Philipp and Stone Quest;

(l) “**Secured Creditors Proceeds**” means the Proceeds less the DIP Lender Distribution;

(m) “**Stone Quest Distribution**” means a distribution out of the Secured Creditors Proceeds in an amount sufficient to indefeasibly repay all obligations owing by the Secured Borrower to Stone Quest;

(n) “**Stone Quest Facility**” means the secured credit facility offered by Stone Quest to the Secured Borrower pursuant to the Commitment Letter dated April 26, 2019; and

(o) “**Stone Quest**” means Stone Quest Capital Corp.

DISTRIBUTION

2. **THIS COURT ORDERS** that, subject to the closing of the Transaction, the Applicants are authorized, directed, and empowered to distribute from the Proceeds the DIP Lender Distribution to the DIP Lender as partial satisfaction of amounts due and owing under the DIP Facility.

3. **THIS COURT ORDERS** that, subject to the closing of the Transaction, the Secured Borrower is authorized, directed, and empowered to distribute from the Proceeds the Stone Quest Distribution, which amount shall be in full and final satisfaction of all amounts owing to Stone Quest under the Stone Quest Facility.

4. **THIS COURT ORDERS** that, subject to the closing of the Transaction, the Secured Borrower is authorized, directed and empowered to distribute from the Proceeds the Philipp Distribution to partially repay the obligations owing by the Secured Borrower to Philipp under its guarantee of the Philipp Facility.

5. **THIS COURT ORDERS** that the Monitor is hereby authorized, directed, and empowered to take any further steps that it deems necessary or desirable to complete the distributions described in paragraphs 2 to 4 above.

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 Applicants and any bankruptcy order issued pursuant to any such application; and

(c) any assignment in bankruptcy made in respect of the Applicants,

the DIP Lender Distribution, the Stone Quest Distribution and the Philipp Distribution shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicants and shall not be void or voidable by creditors of the Applicants, nor shall they constitute nor be deemed to be fraudulent preferences, assignments, fraudulent conveyances, transfers at undervalue, or other reviewable transactions under the *Bankruptcy and Insolvency Act* (Canada) 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, and shall, upon the receipt thereof by the DIP Lender and the Secured Creditors, be free of all claims, liens, security interests, charges or other encumbrances granted by or relating to the Applicants.

MISCELLANEOUS

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.

8. **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, or abroad, 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.

9. **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.

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.**

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

DISTRIBUTION ORDER

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Lawyers for the Applicants

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.**

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

MOTION RECORD
Returnable March 9, 2020

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