Court File No. CV-20-00641220-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MADAM	)	THURSDAY, THE 13TH
	)	
JUSTICE CONWAY	)	DAY OF AUGUST, 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 GREEN GROWTH BRANDS INC., GGB CANADA INC., GREEN GROWTH BRANDS REALTY LTD. AND XANTHIC BIOPHARMA LIMITED

Applicants

APPROVAL AND VESTING ORDER

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order (a) approving the sale transaction contemplated by the Amended and Restated Acquisition Agreement made as of August 10, 2020 (the "**Amended and Restated Stalking Horse APA**") between Green Growth Brands Inc. ("**GGB**"), All Js Greenspace LLC ("**All Js**") and Capital Transfer Agency, ULC ("**CTA**", and together with All Js, the "**Purchaser**"), and (b) vesting in a newly formed entity to be designated by the Purchaser ("**Acquireco**") all of GGB's right, title and interest in and to all of the Purchased Assets, proceeded on this day by way of video-conference due to the COVID-19 crisis.

ON READING the affidavit of Raymond C. Whitaker III sworn August 10, 2020 (the "**Fourth Whitaker Affidavit**") and the Exhibits thereto, the Third Report of Ernst & Young Inc., in its capacity as the Court-appointed Monitor (the "**Monitor**") dated August 10, 2020 (the "**Third Report**"), filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for All Js, and counsel for those other parties appearing as indicated on the counsel slip,

DEFINED TERMS

1. **THIS COURT ORDERS** that all capitalized terms used in this Order and not otherwise defined shall have the meanings ascribed to them in the Amended and Restated Stalking Horse APA or the Fourth Whitaker Affidavit, as applicable.

SERVICE

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

TERMINATION OF SISP

3. **THIS COURT ORDERS** that the SISP, approved by the SISP Order of this Court dated June 2, 2020 (the "**SISP Order**"), is hereby terminated.

APPROVAL OF THE TRANSACTION

4. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved and the execution by GGB of the Amended and Restated Stalking Horse APA and the entering into of the Transaction is hereby authorized, ratified and approved, with such minor amendments to the Amended and Restated Stalking Horse APA as the Applicants and the Purchaser may agree with the consent of the Monitor. The Applicants and the Purchaser are hereby authorized and directed to perform their obligations under the Amended and Restated Stalking Horse APA and any ancillary documents related thereto and to take all such additional steps and actions and to execute such additional documents as may be required by the Amended and Restated Stalking Horse APA or are necessary or desirable for completion of the Transaction and for the conveyance of the Purchased Assets to Acquireco**.**

VESTING OF THE PURCHASED ASSETS

5. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser and Acquireco substantially in the form attached as Schedule "A" hereto (the "**Monitor's Certificate**"), all of GGB'S right, title and interest in and to the Purchased Assets shall vest absolutely in Acquireco**,** free and clear of and from any and all ownership claims, security interests (whether contractual, statutory, or otherwise),

encumbrances, obligations, liabilities, claims, demands, guarantees, set off, hypothecs, mortgages, pledges, trusts, constructive trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, adverse claims or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured, legal, equitable, possessory or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Initial Order of this Court dated May 20, 2020 (the "**Initial Order**"); (b) any encumbrances or charges created by the Amended and Restated Initial Order of this Court dated June 2, 2020 (the "**Amended and Restated Initial Order**"); (c) any encumbrances or charges created by the SISP Order; and (d) all charges, security interests, hypothecs, mortgages, pledges, encumbrances, liens and charges, including those claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system in any province or territory in Canada or the Civil Code of Quebec (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

6. **THIS COURT ORDERS** that for 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 delivery of the Monitor's Certificate all Claims and Encumbrances (including those created by the Initial Order, the Amended and Restated Initial Order and the SISP Order) 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.

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

PIPEDA

8. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Monitor and the Applicants are

authorized and permitted to disclose and transfer to Acquireco all human resources and payroll information in the Applicants' records pertaining to the GGB Acquired Entities' past and current employees. Acquireco shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Applicants.

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

(a) the pendency of these proceedings;

(b) any assignment in bankruptcy or any application for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (the "**BIA**") and any order issued pursuant to any such application;

(c) any application for a receivership order; or

(d) any provisions of any federal or provincial legislation,

the vesting of the Purchased Assets in Acquireco pursuant to this Order 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 it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

10. **THIS COURT ORDERS** that the Applicants, the Monitor, the Purchaser and Acquireco may apply to the Court as necessary to seek further orders and directions to give effect to this Order.

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies

are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

Conway J.

SCHEDULE "A"

FORM OF MONITOR'S CERTIFICATE

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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

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Applicants

MONITOR'S CERTIFICATE

RECITALS

A. The Applicants obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**") pursuant to an Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated May 20, 2020 (the "**Initial Order**"), which was amended and restated through an Amended and Restated Initial Order dated June 2, 2020.

B. Ernst & Young Inc. (in such capacity, the "**Monitor**") was appointed as the Monitor of the Applicants in the CCAA proceedings pursuant to the Initial Order.

C. Pursuant to the Approval and Vesting Order of the Court granted August 13, 2020 (the "**Approval and Vesting Order**"), the Court approved the Amended and Restated Acquisition Agreement made as of August 10, 2020 (the "**Amended and Restated Stalking Horse APA**") between Green Growth Brands Inc. ("**GGB**"), All Js Greenspace LLC ("**All Js**") and Capital Transfer Agency, ULC ("**CTA**", and together with All Js, the "**Purchaser**"), providing for the vesting in Acquireco of all of GGB's right, title and interest in and to all of the Purchased Assets (as defined in the Amended and Restated Stalking Horse APA), which vesting is to be effective upon the delivery by the Monitor to the Purchaser and Acquireco of this Monitor's Certificate.

D. Unless otherwise indicated or defined herein, capitalized terms used in this Monitor's Certificate shall have the meanings given to them in the Approval and Vesting Order.

THE MONITOR CONFIRMS the following:

1. The Monitor has received written confirmation, in form and substance satisfactory to the Monitor, from the Purchaser and GGB that:

    a) all conditions to Closing set forth in the Amended and Restated Stalking Horse APA have been satisfied or waived;

    b) the Purchaser has satisfied the Purchase Price payable on the Closing Date pursuant to the Amended and Restated Stalking Horse APA; and

    c) the Transaction has been completed to the satisfaction of the Purchaser and GGB, respectively.

DATED at Toronto, Ontario this ______ day of ______________, 2020.

ERNST & YOUNG INC., solely in its capacity as Monitor of the Applicants and not in its personal capacity

Per: ______________________________________

Name:

Title:

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Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER

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