Court File No. CV-20-00638930-00CL

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 CANNTRUST HOLDINGS INC., CANNTRUST INC., CTI HOLDINGS (OSOYOOS) INC. AND ELMCLIFFE INVESTMENTS INC.

Applicants

MOTION RECORD
(AGM Deadline Extension)
(Returnable September 16, 2020)

September 10, 2020

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Lawyers for the Applicants

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TAB 1

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Applicants

NOTICE OF MOTION
(AGM Deadline Extension)
(Returnable September 16, 2020)

The Applicants will make a motion before a judge of the Ontario Superior Court of Justice (Commercial List) on September 16, 2020 at 12:00 pm, or as soon after that time as the motion can be heard, by judicial videoconference via Zoom at Toronto, Ontario due to the COVID-19 emergency. Please refer to the conference details attached as Schedule "A" hereto in order to attend. Please advise if you intend to join the motion by emailing Alexander Steele at asteele@mccarthy.ca.

PROPOSED METHOD OF HEARING: The motion is to be heard by Zoom.

THE MOTION IS FOR:

1. An order, substantially in the form of the draft order included at Tab 3 of the Motion Record of the Applicants (which, for ease of reference, will be referred to herein as "**CannTrust**"):

   (i) extending the time for CannTrust Holdings Inc. to call an annual general meeting of its shareholders ("**AGM**") to a date no later than 120 days after the expiry or termination of the Stay Period (as defined in the initial order dated March 31, 2020, as amended);

(ii) validating service of the notice of motion and motion materials in the manner described in the affidavit of Greg Guyatt sworn September 9, 2020 and the Exhibits thereto (the "**Guyatt Affidavit**"); and

(a) such other relief as this Honourable Court may allow.

THE GROUNDS FOR THE MOTION ARE:

2. The facts in support of this motion are set out in the affidavit of Greg Guyatt sworn September 9, 2020 (the "**Guyatt Affidavit**"). Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Guyatt Affidavit.

Background

3. On March 31, 2020, the Honourable Mr. Justice Hainey granted the Applicants (or "**CannTrust**") an initial order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), that, among other things, imposed a stay of proceedings up to and including April 9, 2020 (the "**Stay Period**").

4. On April 9, 2020, the Honourable Mr. Justice Hainey granted an order (the "**Amended and Restated Initial Order**") that, among other things, extended the Stay Period to July 5, 2020.

5. Since the Amended and Restated Initial Order, Mr. Justice Hainey has granted a number of further orders. On May 8, 2020, his Honour granted orders approving: a sale and investment solicitation process ("**SISP Order**"), a claims procedure ("**Claims Procedure Order**"), and a mediation process ("**Mediation Order**"). On April 9, 2020 and July 2, 2020, Mr. Justice Hainey also granted orders extending the Stay Period, (the "**Stay Extension Orders**"). The Stay Period currently extends until October 30, 2020.

6. CannTrust last provided an update to the court in the motion record in respect of the SISP, Claims Procedure, and Mediation Orders, which included the Third Report of the Monitor, dated June 29, 2020. Given the short time elapsed since its last update, CannTrust is not presenting a substantive update to the Court at this time.

7. CannTrust has acted, and continues to act, in good faith and with due diligence.

AGM Deadline Extension

8. Under Section 94(1) of the *Ontario Business Corporations Act* ("**OBCA**") CannTrust Holdings Inc. ("**CannTrust Holdings**") is required to hold an AGM no later than fifteen months after their last AGM.

9. Under section 154(1) of the OBCA, CannTrust Holdings is required to prepare and place certain financial statements and other information before its shareholders at each AGM.

10. CannTrust last held an AGM on June 20, 2019, meaning the OBCA requires CannTrust to hold its next AGM September 20, 2020.

11. CannTrust is seeking an order extending the time in which CannTrust Holdings is required to hold AGM to a date that is no later than 120 days after the expiry or termination of the Stay Period **(**the "**AGM Extension Period**")**.**

12. The requested extension is necessary and appropriate in the circumstances because:

(a) preparing for and hosting an AGM, including the preparation of financial statements, would require significant time commitment on the part of CannTrust's management and professional advisors, as well as significant expense on the part of CannTrust;

(b) CannTrust's cash resources are tightly restricted and CannTrust is focused on the restructuring process;

(c) there is no business to be put before the AGM other than the usual matters of placing financial statements before shareholders, election of auditors and election of directors;

(d) any trading in CannTrust Holdings' common shares in Canada has been enjoined by a cease trade order made by the Ontario Securities Commission;

(e) CannTrust's shareholders are kept apprised on a timely basis of material developments affecting CannTrust through the issuance of press releases and other public disclosures, the posting of such press releases and disclosure documents on the System for Electronic Document Analysis ("**SEDAR**"), and by way of filings with the CCAA Court and posting of material on the website of the Monitor; and

(f) if there are further material developments before the holding of the AGM, disclosure will be made in accordance with the applicable securities laws, the CCAA, and the Initial Order.

13. Allowing CannTrust to defer the calling of an AGM until the end of the AGM Extension Period would place CannTrust a better position to prepare for and host the AGM and allow CannTrust to provide more meaningful information to its shareholders once the restructuring process is complete.

14. CannTrust shareholders are unlikely to suffer any prejudice should the Court allow the calling of the AGM to be postponed until the end of the AGM Extension Period.

15. A meeting deferral until the end of the AGM Extension Period would also provide CannTrust with a reasonable period to make substantial progress toward its restructuring goals.

16. CannTrust also relies upon the following:

(a) Section 11.02 and other provisions of the CCAA and the inherent and equitable jurisdiction of this Court; and

(b) Such further and other grounds as counsel may advise and this Honourable court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

(a) Affidavit of Greg Guyatt sworn September 9, 2020 and exhibits thereto;

(b) Fourth Report of the Monitor, to be filed; and

(c) such further and other materials as counsel may advise and this Court may permit.

September 10, 2020

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TO: SERVICE LIST

SCHEDULE "A"

Conference Details to join Motion via Zoom

Zoom Details:

Topic: CannTrust – AGM Deadline Extension
Time: September 16, 2020 12:00pm Eastern Time (US and Canada)

Join Zoom Meeting
https://zoom.us/j/94407853187

Meeting ID: 944 0785 3187
One tap mobile
+13017158592,,94407853187# US (Germantown)
+13126266799,,94407853187# US (Chicago)
Dial by your location
+1 301 715 8592 US (Germantown)
+1 312 626 6799 US (Chicago)
+1 346 248 7799 US (Houston)
+1 669 900 6833 US (San Jose)
+1 929 436 2866 US (New York)
+1 253 215 8782 US (Tacoma)
Meeting ID: 944 0785 3187
Find your local number: https://zoom.us/u/asuSIEDHd

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 CANNTRUST HOLDINGS INC. ET AL.

Court File No: CV-20-00638930-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF MOTION
(AGM DEADLINE EXTENSION)

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TAB 2

Court File No. CV-20-00638930-00CL

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Applicants

AFFIDAVIT OF GREG GUYATT
(Sworn September 9, 2020)

I, Greg Guyatt, of the City of Mississauga, in the Province of Ontario, MAKE OATH AND SAY:

1. I am the Chief Executive Officer ("**CEO**") of CannTrust Holdings Inc. ("**CannTrust Holdings**"). I have served in this capacity since February 17, 2020. Prior to my appointment as CEO, I served as the Chief Financial Officer ("**CFO**") of CannTrust Holdings since joining CannTrust Holdings on or around February 19, 2019. I am a Chartered Professional Accountant and have more than 20 years of experience in the consumer packaged goods, retail, pharmaceutical and private equity sectors.

2. Through my current role as CEO, and my former role as CFO, of CannTrust Holdings, I am familiar with the operations, financial results and strategies of the Applicants. As such, I have personal knowledge of the matters to which I depose in this affidavit. Where I do not possess personal knowledge, I have stated the source of my knowledge and believe it to be true.

3. I have sworn a series of affidavits in these proceedings, including an affidavit dated March 31, 2020 ("**Initial Affidavit**") in support of the initial application of CannTrust pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and most recently dated June 25, 2020 in support of a motion for an order for extending the Stay Period (as defined below) to October 30, 2020.

4. I swear this affidavit in support of CannTrust's motion for an order (the "**AGM Extension Order**"), substantially in the form of the draft order included at Tab 3 of the Motion Record, among other things, extending the time for CannTrust Holdings to call an annual meeting of its shareholders until a date that is no later than 120 days after the expiry of the Stay Period, as such Stay Period may be extended by this Court from time to time.

5. For ease of reference, the Applicants will be collectively referred to herein as "**CannTrust**". All dollar references herein are Canadian dollars unless otherwise referenced.

I. BACKGROUND

(i) Overview

6. CannTrust is a licensed producer of cannabis in Canada that, prior to June 2019, operated an award-winning business that was experiencing operational growth and expanding into new markets and product segments. However, following regulatory audits of CannTrust's facilities in June and July 2019 (the "**Health Canada Audits**"), Health Canada determined that CannTrust was growing and storing cannabis contrary to applicable laws.

7. Following the Health Canada Audits, among other things, shipments of all CannTrust's cannabis products were stopped, its cannabis licences were partially suspended

and multiple putative securities class actions and other actions have been commenced against the company.

8. In the second half of 2019 and the first quarter of 2020, CannTrust undertook extensive efforts to address these challenges including, among other things, investigating the findings of the Health Canada Audits, cooperating with regulators such as Health Canada and the Ontario Securities Commission and implementing a comprehensive remediation plan at its production and processing facilities in Fenwick, Ontario (the "**Fenwick Facility**") and Vaughan, Ontario (the "**Vaughan Facility**") to address the findings of the Health Canada Audits and investigation with a view to obtaining the reinstatement of its licences.

9. CannTrust determined that it was in the best interests of the company and its stakeholders to complete its efforts to address these challenges in a court-supervised restructuring process.

10. On March 31, 2020, the Honourable Mr. Justice Hainey granted an initial order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") in favour of CannTrust, including a stay of proceedings until April 9, 2020 (the "**Stay Period**"). Ernst & Young was appointed as monitor of CannTrust (in such capacity, the "**Monitor**").

11. On April 9, 2020, the Honourable Mr. Justice Hainey granted an order (the "**Amended and Restated Initial Order**") amending and restating the Initial Order to, among other things, extend the Stay Period to July 5, 2020. A copy of the Amended and Restated Initial Order is attached hereto as **Exhibit "A"**.

12. On May 8, 2020, the Honourable Mr. Justice Hainey granted:

(a) an order approving a sale and investment solicitation process for the purpose of soliciting interest in and opportunities for a sale of, or investment in, the assets and business operations of CannTrust (the "**SISP**");

(b) an order approving a claims procedure for the identification, quantification, and resolution of certain claims of creditors of CannTrust and its directors and officers (the "**Claims Procedure**"); and

(c) an order appointing the Honourable Dennis O'Connor, Q.C. to mediate a global settlement of certain class action and other claims that have been excluded from the Claims Procedure for the time being (the "**Mediation Process**").

13. On July 2, 2020, the Honourable Mr. Justice Hainey granted an order extending the Stay Period to October 30, 2020.

14. During the course of the CCAA Proceedings, CannTrust has obtained the reinstatement of its licences for the Fenwick Facility and Vaughan Facility. CannTrust has worked diligently to advance the SISP, the Claims Procedure and the Mediation Process in accordance with the procedures and timelines applicable to those processes.

CannTrust Holdings

15. CannTrust Holdings is incorporated and existing under the *Business Corporations Act* (Ontario) (the "**OBCA**"). CannTrust Holdings is the direct or indirect parent of each of the other Applicants.

16. Prior to the commencement of these CCAA proceedings, CannTrust Holdings was a reporting issuer with its securities listed on the Toronto Stock Exchange and New York Stock Exchange. CannTrust Holdings currently has 141,487,193 common shares issued and outstanding.

17. Pursuant to the Amended and Restated Initial Order, CannTrust Holdings was authorized by the Court to incur no further expenses in relation to any securities filings as CannTrust believed, and continues to believe, that its time and resources are better directed towards its restructuring and the SISP, Claims Procedure and Mediation Process.

18. A copy of an organizational chart for CannTrust is attached hereto as **Exhibit "B"**.

II. AGM EXTENSION

AGM Requirements

19. Under section 94(1) of the OBCA, CannTrust Holdings is required to hold an annual meeting of shareholders (an "**AGM**") no later than fifteen months after its last AGM. CannTrust Holdings last held an AGM on June 20, 2019, meaning CannTrust Holdings must hold its next AGM on or before September 20, 2020.

Financial Statement Requirements

20. Under section 154(1) of the OBCA, CannTrust Holdings is required to prepare and place certain financial statements and other information before the shareholders at each AGM.

21. For offering corporations such as CannTrust Holdings, the financial statements that must be put before the shareholders include those required to be filed under the *Securities Act* (Ontario) and the regulations made thereunder for the following periods:

(a) the period from the end of the last completed financial year to six months before the AGM; and

(b) the immediately preceding financial year.

22. In response to the COVID-19 pandemic, the Ontario government issued certain orders and passed certain legislation that, among other things, amended the OBCA to extend the deadlines for holding an AGM and modified the scope of financial statements that must be put before the shareholders.[1]

23. The legislation impacted the financial statements that CannTrust Holdings must put before the shareholders. The emergency order provided that, in the case of an AGM that is held within 120 days after the declared emergency is terminated, the end of the financial statement period for both offering and non-offering corporations ends on a date prior to the AGM, and must no longer end within 6 months of the AGM as provided in section 154(1) of the OBCA.

24. The relaxed financial statement requirement provides a minor benefit to CannTrust as

[1] *Emergency Management and Civil Protection Act*, R.S.O. 1990, c. E.9 together with the *COVID-19 Response and Reforms to Modernize Ontario Act, 2020*, S.O. 2020, c. 7

it shortens the scope of financial statements that must be placed before shareholders.

No Relief Sought for Elmcliffe or Opco

25. CannTrust Inc. ("**Opco**") is an OBCA corporation and is the primary operating entity for the business of CannTrust. Opco holds the cannabis licences for the Fenwick Facility and Vaughan Facility. Opco is a wholly-owned subsidiary of CannTrust Holdings.

26. Elmcliffe Investments Inc. ("**Elmcliffe**") is an OBCA corporation that owns the real estate, buildings and related equipment for the Fenwick Facility. Elmcliffe is a wholly-owned subsidiary of Opco.

27. Non-offering corporations such as Opco and Elmcliffe are subject to similar shareholder meeting and financial statement requirements as CannTrust Holdings. However, pursuant to Section 104(1) of the OBCA, the sole shareholders of Elmcliffe (being Opco) and Opco (being CannTrust Holdings) can sign written resolutions in lieu of holding Elmcliffe's and Opco's next AGMs, which will not require significant expense or management time on the part of CannTrust and will not impair or delay CannTrust's efforts with respect to the restructuring, SISP, Mediation Process or Claims Procedure.

28. Although CannTrust Holdings, as sole shareholder of Opco, and Opco as sole shareholder of Elmcliffe, have waived their right to receive financial statements from corporations during the Stay Period, the OBCA does not expressly provide shareholders with the ability to waive the requirement for financial statements by written resolution.

29. CannTrust is seeking an order extending the time for CannTrust Holdings to call its AGM, which will be necessity extend the deadline for completion of their financial

statements. CannTrust has historically prepared consolidated financial statements for all entities under the CannTrust Holdings umbrella. Accordingly, the requested relief would have the effect of also extending the deadline for the completion of financial statements for entities controlled by CannTrust Holdings, including Elmcliffe and Opco.

30. Signing written resolutions in lieu of holding AGMs for Elmcliffe and Opco will not be costly, nor will it substantially detract from CannTrust's management's focus on the restructuring process. The financial statement will be extended by virtue of the relief granted to CannTrust Holdings. Accordingly, CannTrust is not requesting relief from the meeting timeline or financial statement requirements under the OBCA with respect to Elmcliffe and Opco.

No Relief Sought for CTI Holdings

31. CTI Holdings (Osoyoos) Inc. ("**CTI Holdings**") is incorporated pursuant to the *Business Corporations Act* (British Columbia) ("**BCBCA**"). The sole shareholder of CTI Holdings is Opco. CTI Holdings owns land in British Columbia which CannTrust intended to use for outdoor cannabis cultivation for its extraction-based products.

32. Section 180 of the BCBCA provides for the ability to pass written resolutions signed by all shareholders, in lieu of holding an AGM.

33. Section 200 of the BCBCA provides that directors may be relieved of their obligation to produce and publish financial statements if all of the shareholders of the company resolve by unanimous resolution to waive the production and publication of the financial statements.

34. Opco, as the sole shareholder of CTI Holdings has signed a written resolution in lieu of holding an AGM, which, among other things, waives the financial statement obligations. Accordingly, CannTrust is not seeking any relief on this motion with respect to CTI Holdings.

Expense Associated with Holding AGMs and Producing Financial Statements

35. CannTrust Holdings estimates that the approximate cost of holding an AGM, if it were required to do so prior to the end of the Stay Period would be $10,000-$15,000. Given the ongoing concerns with the COVID-19 pandemic, CannTrust would need to hold a virtual meeting and seek judicial relief to do so, at additional cost. Preparing for and holding an AGM would also require a significant time commitment on the part of CannTrust's management and professional advisors, most of whom are engaged heavily in connection with the SISP, Claims Procedure, and Mediation Process.

36. CannTrust has traditionally prepared consolidated financial statements for CannTrust Holdings and its subsidiaries including Opco. As detailed further in the Initial Affidavit, due to the significant uncertainty with respect to the potential financial impact of the Health Canada Audit Reports and the nature and timing of decisions to be made by Health Canada:

(a) CannTrust announced in August 2019 that its historical financial statements, related management's discussion and analysis ("**MD&A**") and annual information form ("**AIF**") for the period ended December 31, 2018 (the "**2018 Financial Statements**") and the financial statements and MD&A for the period ended March 31, 2019 (the "**2019 Q1 Financial Statements**") may require restatement and should no longer be relied upon;

(b) CannTrust's independent auditor, KPMG LLP, withdrew its audit report on the 2018 Financial Statements;

(c) CannTrust missed its March 29, 2020 filing deadline for its audited financial statements and related MD&A and AIF for the year ended December 31, 2019 (the "**2019 Year-End Financial Statements**"); and

(d) CannTrust missed its filing deadline for its quarterly financial statements and related MD&A for the periods ended June 30, 2019, September 30, 2019, December 30, 2019 and March 31, 2020 (the "**Outstanding Quarterly Financial Statements**").

37. Following the developments described in the proceeding paragraphs, CannTrust Holdings' common shares were de-listed by the TSX and NYSE and the Ontario Securities Commission issued a cease trade order on behalf of all Canadian securities regulators.

38. As noted above, the OBCA, as amended by the *COVID-19 Response and Reforms to Modernize Ontario Act, 2020*, S.O. 2020, c. 7 would require CannTrust Holdings to present at the AGM its financial statements for the 2019 financial year as well as financial statements from a period beginning after the 2019 financial year and ending at some point prior to the

AGM.

39. In order to comply with these provisions, CannTrust would have to:

(a) revise the 2018 Financial Statements;

(b) complete the restatement of the 2019 Q1 Financial Statements;

(c) complete the 2019 Year-End Financial Statements including the restatement of the 2018 comparative figures and have those audited; and

(d) complete the four Outstanding Quarterly Financial Statements and the quarterly financial statements and related MD&A for the period ended June 30, 2020.

40. Uncertainty remains with respect to CannTrust's operational and commercial relaunch. While CannTrust has obtained reinstatement of its cannabis licences for its Fenwick Facility and the Vaughan Facility, it is not yet clear what material impact the reinstatement will have on CannTrust's financial position.

41. Even if CannTrust's management suspended its efforts in connection with the SISP, Claims Procedure and Mediation Process to focus on preparing the above-noted outstanding financial statements at this time, it would not be possible to complete them before the OBCA deadline. After many months of work, significant audit procedures still remain outstanding and would be need to be completed before KPMG would be able to issue its opinion.

42. CannTrust estimates that the approximate cost of preparing financial statements, if it were required to do so prior to the deadline, would be $300,000-$400,000. Completing these

financial statements would also require a significant time commitment on the part of CannTrust's management and professional advisors, who are currently engaged heavily in the SISP, Claims Procedure and, especially the Mediation Process. KPMG LLP, CannTrust Holdings' independent auditor, is also involved in the Mediation Process. Those efforts are critical to preserve the potential viability of CannTrust.

Appropriate to Extend Time to Hold AGM and Deliver Financial Statements

43. In order to reduce costs and preserve CannTrust's resources and permit CannTrust and its management to focus on restructuring its business, carrying out the Claims Procedure and potentially the SISP, and participating in the Mediation Process, CannTrust is seeking an order extending the time for CannTrust Holdings to call its AGM (which in turn will extend the deadline for completion of its financial statements and for Opco to deliver its financial statements to CannTrust Holdings) until a date no later than 120 days after the expiry of the Stay Period (and the CCAA Proceedings).

44. Holding the CannTrust Holdings AGM and completing the required financial statements are costly endeavours and would deplete CannTrust's resources, potentially prejudicing many of CannTrust's stakeholders, including (i) trade and other creditors who have priority over equity claimants in any distribution pursuant to the CCAA, and (ii) any litigation claimants.

45. Current shareholders will not be prejudiced should the deadline for calling the AGMs be extended as:

(a) The Monitor has been appointed by the Court to monitor the business and affairs of CannTrust. The Monitor reports to the Court regularly on the business of CannTrust and the progress of these CCAA proceedings and those reports are posted on the website established by the Monitor for these proceedings (the "**Monitor's Website**").

(b) Draft internal unaudited statements of financial position for each of the Applicants as at December 31, 2019 were included as an exhibit to the Initial Affidavit and are publicly available on the Monitor's Website.

(c) During the course of these CCAA proceedings, in consultation with the Monitor and its chief restructuring officer, FTI Consulting Canada Inc., the Applicants have prepared and will continue to prepare, cash flow forecasts which are filed with the Court and posted on the Monitor's Website.

(d) CannTrust provides regular updates on its business and the progress of its restructuring through materials filed with the Court, which are posted on the Monitor's Website, and through the issuance of press releases and other public disclosures, which are publicly available on the System for Electronic Document Analysis ("**SEDAR**").

(e) Any trading in CannTrust Holdings' common shares in Canada has been enjoined by a cease trade order made by the Ontario Securities Commission.

46. Accordingly, the checks and balances that an AGM and the delivery of financial statements are intended to provide are already in place during the course of these CCAA proceedings. Moreover, if CannTrust was required to hold AGMs and prepare financial

statements at this time, it would not result in any material benefit to current shareholders, while causing CannTrust to incur significant expense to the detriment of CannTrust and its other stakeholders.

47. Accordingly, I am of the view that CannTrust's resources and the time of its management and advisors are better spent focusing on the restructuring process and the maximization of value for all of its stakeholders.

48. Upon the termination of the Stay Period and these CCAA proceedings, these checks and balances will no longer be in place and it will be appropriate for CannTrust to resume holding AGMs at that time in accordance with the provisions of the OBCA.

Notice to Shareholders

49. Given the amount of time required and the associated cost, it would not be practicable or cost-efficient to provide notice of this motion by mail or similar means to each of the individual shareholders of CannTrust. Accordingly, CannTrust proposes to provide notice of this motion as follows:

(a) CannTrust will issue a press release substantially in the form attached as **Exhibit "C"** advising of its intention to bring this motion, together with the hearing date and location, at least five (5) days in advance of the hearing;

(b) CannTrust will file the press release with the applicable Canadian securities regulatory authorities and it will be made publicly available on SEDAR;

(c) CannTrust will post the press release and a link to the motion record and factum of the Applicants for this motion on the investor relations page of its website;

(d) the motion record and factum of CannTrust for this motion will be posted on the Monitor's Website and served on the Service List;

(e) Should the proposed AGM Extension Order be granted by this Court, CannTrust will issue a press release substantially in the form attached as **Exhibit "D"** advising of the issuance of the AGM Extension Order, and will file the press release with the applicable Canadian securities regulatory authorities and post it on the investor relations page of its website.

50. I believe that the above measures will result in this motion coming to the attention of the current shareholders of CannTrust and is the most practical and cost-effective means of providing such notice.

III. CONCLUSION

51. For the reasons stated above, the relief requested in the AGM Extension Order is in the best interests of CannTrust and its stakeholders and is appropriate in the circumstances.

SWORN BEFORE ME (Virtually), on September 9th, 2020. A Commissioner for taking Affidavits Name: Alexander Steele (LSO# 75719P)	Greg Guyatt

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 CANNTRUST HOLDINGS INC. ET AL.

Court File No: CV-20-00638930-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

AFFIDAVIT OF GREG GUYATT
(Sworn September 9th, 2020)

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Lawyers for the Applicants

DOC#: 20587271

This is Exhibit "**A**" referred to in the

affidavit of **Greg Guyatt** sworn before

me this 9th day of September, 2020

A Commissioner for taking affidavits

Court File No. CV-20-00638930-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 9TH
	)	
MR. JUSTICE HAINEY	)	DAY OF APRIL, 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 CANNTRUST HOLDINGS INC., CANNTRUST INC., CTI HOLDINGS (OSOYOOS) INC., AND ELMCLIFFE INVESTMENTS INC.

Applicants

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order amending and restating the Initial Order (the "**Initial Order**") issued on March 31, 2020 (the "**Initial Filing Date**") and extending the stay of proceedings provided for therein was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Greg Guyatt sworn March 31, 2020 and the Exhibits thereto (the "**Guyatt Affidavit**"), the affidavit of Greg Guyatt sworn April 6, 2020 and the Exhibits thereto (the "**Second Guyatt Affidavit**"), the consent of Ernst & Young Inc. ("**EYI**") to act as the Monitor (in such capacity, the "**Monitor**"), the Pre-Filing Report of EYI in its capacity as the proposed Monitor dated March 31, 2020, and the First Report of the Monitor dated April 8, 2020, and on hearing the submissions of counsel for the Applicants, the Monitor and those other parties that were present as listed on the counsel slip, no other party appearing although duly served as appears from the Affidavit of Service of Trevor Courtis sworn April 7, 2020.

AMENDING AND RESTATING INITIAL ORDER

1. **THIS COURT ORDERS** that the Initial Order, reflecting the Initial Filing Date, shall be amended and restated as provided for herein.

SERVICE

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

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court one or more plans of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

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

6. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize the central cash management system currently in place or, with the consent of the Monitor, replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. **THIS COURT ORDERS** that each of the Applicants' existing depository and disbursement banks (collectively, the "**Banks**") is authorized to debit the applicable Applicant's accounts in the ordinary course of business without the need for further order of this Court for: (i) all cheques drawn on the applicable Applicant's accounts which are cashed at such Bank's counters or exchanged for cashier's cheques by the payees thereof prior to the date of this Order; (ii) all cheques or other items deposited in one of the Applicant's accounts with such Bank prior to the date of this Order which have been dishonoured or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent an Applicant was responsible for such items prior to the date of this Order; and (iii) all undisputed pre-filing amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System.

8. **THIS COURT ORDERS** that any of the Banks may rely on the representations of the applicable Applicant with respect to whether any cheques or other payment order drawn or issued by the applicable Applicant prior to the date of this Order should be honoured pursuant to this or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the applicable Applicant as provided for herein.

9. **THIS COURT ORDERS** that (i) those certain existing deposit agreements between the Applicants and the Banks shall continue to govern the post-filing cash management relationship between the Applicants and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect, (ii) either any of the Applicants, with the consent of the Monitor, or the Banks may, without further Order of this Court, implement changes to the Cash Management System and procedures in the ordinary course of business pursuant to the terms of those certain existing deposit agreements, including, without limitation, the opening and closing of bank accounts, and (iii) all control agreements in existence prior to the date of this Order shall apply.

10. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the Initial Filing Date:

(a) all outstanding and future wages, salaries, contract amounts, amounts payable pursuant to the CannTrust Capital Appreciation Plan (whether accrued prior to, on or after the Initial Filing Date), employee and pension benefits, vacation pay and expenses (including, without limitation, in respect of expenses charged by employees to corporate credit cards) payable on or after the Initial Filing Date to employees or contractors, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) the fees and disbursements of any Assistants retained or employed by the Applicants, or retained by employees or officers of the Applicants that the Applicants have agreed to reimburse, in respect of these proceedings, at their standard rates and charges; and

(c) with the consent of the Monitor, amounts owing for goods or services actually supplied to the Applicants prior to the Initial Filing Date by third party suppliers if in the opinion of the Applicants the supplier is critical to the Business, ongoing operations of the Applicants, or preservation of the Property and the payment is required to ensure ongoing supply.

11. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the

Applicants in carrying on the Business in the ordinary course after the Initial Filing Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;

(b) expenses required to ensure compliance with any governmental or regulatory rules, orders or directions; and

(c) payment for goods or services actually supplied to the Applicants following the Initial Filing Date.

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

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes and all federal excise taxes and duties (collectively, "**Sales & Excise Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales & Excise Taxes are accrued or collected after the Initial Filing Date, or where such Sales & Excise Taxes were accrued or collected prior to the Initial Filing Date but not required to be remitted until on or after the Initial Filing Date; and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

13. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time ("**Rent**"), for the period commencing from and including the Initial Filing Date twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears), or, at the election of the applicable Applicant, at such intervals as such Rent is usually paid pursuant to the applicable lease. On the date of the first of such payments, any Rent relating to the period commencing from and including the Initial Filing Date shall also be paid.

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

RESTRUCTURING

15. **THIS COURT ORDERS** that the Applicants shall, subject to such requirements as are imposed by the CCAA, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of their businesses or operations, and to dispose of redundant or non-material assets not exceeding \$500,000 in any one transaction or \$1,000,000 in the aggregate;

(b) terminate the employment of such of their employees or temporarily lay off such of their employees as it deems appropriate; and

(c) pursue all avenues of refinancing or selling their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or sale,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "**Restructuring**").

16. **THIS COURT ORDERS** that the Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such secured creditors. If the Applicants disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicants' claims to the fixtures in dispute.

17. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

18. **THIS COURT ORDERS** that from the Initial Filing Date until and including July 5, 2020, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property (including, for greater certainty, any process or steps or other rights and remedies under or relating to any class action proceeding against any of the Applicants or in respect of the Property), except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

19. **THIS COURT ORDERS** that during the Stay Period, none of the Pending Litigation (as defined in the Guyatt Affidavit) or any Proceeding in relation thereto shall be commenced, continued or take place against or in respect of any Person named as a defendant or respondent in any of the Pending Litigation (such Persons, the "**Other Defendants**"), except with leave of this Court, and any and all such Proceedings currently underway or directed to take place against or in respect of any of the Other Defendants, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

20. **THIS COURT ORDERS** that, to the extent any prescription, time or limitation period relating to any Proceeding by, against or in respect of the Applicants or any of the Other Defendants that is stayed pursuant to this Order may expire, the term of such prescription, time or limitation period shall hereby be deemed to be extended by a period equal to the Stay Period.

NO EXERCISE OF RIGHTS OR REMEDIES

21. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any

business which the Applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

22. **THIS COURT ORDERS** that, during the Stay Period, all rights and remedies of any Person against or in respect of Cannabis Coffee and Tea Pod Company Ltd., Cannatrek Ltd., Elmcliffe Investments [No. 2] Inc. and O Cannabis We Stand on Guard For Thee Corporation (each, an "**Affected Party**", and collectively, the "**Affected Parties**") arising out of, relating to, or triggered by the insolvency of any of the Applicants, the making or filing of these proceedings or any allegation, admission or evidence in these proceedings (collectively, the "**Cross-Default Matters**"), are hereby stayed and suspended except with the written consent of the relevant Applicants, the relevant Affected Party and the Monitor, or leave of this Court, and the operation of any provision of any agreement or other arrangement between any Person and any of the Affected Parties whether written or oral that purports to accelerate, terminate, cancel, suspend or modify such agreement or arrangement or create a right to purchase, a right of first refusal or a lien with respect to any property of an Affected Party as a result of any of the Cross-Default Matters is hereby stayed and restrained pending further order of this Court.

NO INTERFERENCE WITH RIGHTS

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

CONTINUATION OF SERVICES

24. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of

such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Initial Filing Date are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

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

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

26. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the Initial Filing Date and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

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

28. **THIS COURT ORDERS** that the current and future directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of $3.55 million, as security for the indemnity provided in paragraph 27 of this Order. The Directors' Charge shall have the priority set out in paragraphs 57 and 59 herein.

29. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 27 of this Order.

APPOINTMENT OF MONITOR

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

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

(a) monitor the Applicants' receipts and disbursements;

(b) review and approve Intercompany Advances (as defined below);

(c) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(d) advise the Applicants in the preparation of the Applicants' cash flow statements, which information shall be reviewed with the Monitor;

(e) advise the Applicants in its development of the Plan and any amendments to the Plan;

(f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' meetings for voting on the Plan;

(g) assist the Applicants, to the extent required by the Applicants, in connection with any sale and investment solicitation process conducted by the Applicants;

(h) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

(i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(j) perform such other duties as are required by this Order or by this Court from time to time.

32. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

33. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of (i) any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without

limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), or (ii) any of the Property, the administration and control of which is subject to the provisions of any federal, provincial or other law respecting, among other things, the manufacturing, possession, processing and distribution of cannabis or cannabis products including without limitation, the *Cannabis Act* (Canada), the *Cannabis Regulations* (Canada) the *Controlled Drugs and Substances Act* (Canada), the *Excise Tax Act* (Canada), the *Cannabis Control Act* (Ontario), or other such applicable federal or provincial legislation ("**Cannabis Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation or Cannabis Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation or the Cannabis Legislation, unless it is actually in possession.

34. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

35. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order or the Initial Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order or the Initial Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

APPROVAL OF CHIEF RESTRUCTURING OFFICER ENGAGEMENT

36. **THIS COURT ORDERS** that the agreement dated as of March 27, 2020 pursuant to which the Applicants have engaged FTI Consulting Canada Inc. ("**FTI**") to act as Chief

Restructuring Officer ("**CRO**") and provide certain financial advisory and consulting services to the Applicants, a copy of which is attached as Exhibit "G" to the Guyatt Affidavit (the "**CRO Engagement Letter**"), the execution of the CRO Engagement Letter by the Applicants, *nunc pro tunc*, and the appointment of the CRO pursuant to the terms thereof is hereby approved, including, without limitation, the payment of the fees and expenses contemplated thereby.

37. **THIS COURT ORDERS** that the CRO shall not be or be deemed to be a director, *de facto* director or employee of the Applicants.

38. **THIS COURT ORDERS** that the CRO shall not, as a result of the performance of its obligations and duties in accordance with the terms of the CRO Engagement Letter, be deemed to be in Possession of (i) any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to the Environmental Legislation, (ii) any of the Property, the administration and control of which is subject to the provisions of the Cannabis Legislation; however, if the CRO is nevertheless later found to be in Possession of any Property, then the CRO shall be entitled to the benefits and protections in relation to the Applicants and such Property as are provided to a monitor under Section 11.8(3) of the CCAA, provided however that nothing herein shall exempt the CRO from any duty to report or make disclosure imposed by applicable Environmental Legislation or Cannabis Legislation.

39. **THIS COURT ORDERS** that the CRO shall not have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the Initial Filing Date except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of the CRO.

40. **THIS COURT ORDERS** that no action or other proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise, against or in respect of the CRO, and all rights and remedies of any Person against or in respect of them are hereby stayed and suspended, except with the written consent of the CRO or with leave of this Court on notice to the Applicant, the Monitor and the CRO. Notice of any such motion seeking leave of this Court shall be served upon the Applicants, the Monitor and the CRO at least seven (7) days prior to the return date of any such motion for leave.

41. **THIS COURT ORDERS** that the obligations of the Applicant to the CRO pursuant to the CRO Engagement Letter shall be treated as unaffected and may not be compromised in any Plan or proposal filed under *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") in respect of the Applicants.

APPROVAL OF FINANCIAL ADVISOR ENGAGEMENT

42. **THIS COURT ORDERS** that the agreement dated as of April 3, 2020 pursuant to which the Applicants have engaged Greenhill & Co. Canada Ltd. (the "**Financial Advisor**") to assist the Applicants in a review of strategic alternatives, a copy of which is attached as Exhibit "D" to the Second Guyatt Affidavit (the "**Financial Advisor Engagement Letter**"), the execution of the Financial Advisor Engagement Letter by the Applicants, *nunc pro tunc*, and the appointment of the Financial Advisor pursuant to the terms thereof is hereby approved, including, without limitation, the payment of the fees and expenses contemplated thereby.

43. **THIS COURT ORDERS** that the Financial Advisor shall not be or be deemed to be a director, *de facto* director or employee of the Applicants.

44. **THIS COURT ORDERS** that the Financial Advisor shall not have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the date of this Order except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of the Financial Advisor.

45. **THIS COURT ORDERS** that no action or other proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise, against or in respect of the Financial Advisor, and all rights and remedies of any Person against or in respect of them are hereby stayed and suspended, except with the written consent of the Financial Advisor or with leave of this Court on notice to the Applicant, the Monitor and the Financial Advisor. Notice of any such motion seeking leave of this Court shall be served upon the Applicants, the Monitor and the Financial Advisor at least seven (7) days prior to the return date of any such motion for leave.

46. **THIS COURT ORDERS** that the obligations of the Applicant to the Financial Advisor pursuant to the Financial Advisor Engagement Letter shall be treated as unaffected and may not be compromised in any Plan or proposal filed under the BIA in respect of the Applicants.

ADMINISTRATION CHARGE

47. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the CRO, the Financial Advisor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and in the case of the CRO in accordance with the CRO Engagement Letter, and in the case of the Financial Advisor in accordance with the Financial Advisor Engagement Letter, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, the CRO, the Financial Advisor and counsel for the Applicants on a bi-weekly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, the CRO and counsel to the Applicants, retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

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

49. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the CRO and counsel to the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of $1.4 million, as security for their professional fees and disbursements incurred at their standard rates and charges, and in the case of the CRO in accordance with the CRO Engagement Letter, both before and after the Initial Filing Date in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 57 and 59 hereof.

TRANSACTION FEE CHARGE

50. THIS COURT ORDERS that the Financial Advisor shall be entitled to the benefit of and is hereby granted a charge (the "**Transaction Fee Charge**") on the Property, as security for the Transaction Fee (as defined the Financial Advisor Engagement Letter). The Transaction Fee Charge shall have the priority set out in paragraphs 57 and 59 hereof.

INTERCOMPANY FINANCING

51. **THIS COURT ORDERS** that CannTrust Holdings Inc. (the "**Intercompany Lender**") is authorized to loan to each of CannTrust Inc., Elmcliffe Investments Inc. and CTI Holdings (Osoyoos) Inc. (each, an "**Intercompany Borrower**"), and each Intercompany Borrower is authorized to borrow, repay and re-borrow, such amounts from time to time as the Intercompany Borrower, with the approval of the Monitor, considers necessary or desirable on a revolving basis to fund its ongoing expenditures and to pay such other amounts as are permitted by the terms of this Order (the "**Intercompany Advances**"), on terms consistent with existing arrangements or past practice or otherwise approved by the Monitor.

52. **THIS COURT ORDERS** that the Intercompany Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Intercompany Charge**") on all of the Property of each Intercompany Borrower, as security for the Intercompany Advances made to such Intercompany Borrower, which Intercompany Charge shall not secure an obligation that exists before the Initial Filing Date. The Intercompany Charge shall have the priority set out in paragraphs 57 and 59 hereof.

53. **THIS COURT ORDERS AND DECLARES** that the Intercompany Lender shall be treated as unaffected and may not be compromised in any Plan or any proposal filed under the BIA in respect of the Applicants, with respect to any Intercompany Advances made on or after the Initial Filing Date.

KERP AND KERP CHARGE

54. **THIS COURT ORDERS** that the Key Employee Retention Plan (the "**KERP**"), as described and defined in the Second Guyatt Affidavit, for the benefit of the Key Employees (as defined in the Second Guyatt Affidavit) is hereby approved and the Applicants are authorized and directed to make payments in accordance with the terms and conditions of the KERP.

55. **THIS COURT ORDERS** that the Key Employees shall be entitled to the benefit of and are hereby granted a charge (the "**KERP Charge**") on the Property, which charge shall not exceed an aggregate amount of $1.4 million to secure amounts owing to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraphs 57 and 59 hereof.

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

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

57. **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors' Charge, the KERP Charge, the Transaction Fee Charge and the Intercompany Charge (the "**Charges**"), as among them with respect to any Property to which they apply, shall be as follows:

First – Administration Charge (to the maximum amount of $1.4 million);

Second – Directors' Charge (to the maximum amount of $3.55 million);

Third – KERP Charge (to the maximum amount of $1.4 million);

Fourth – Transaction Fee Charge;

Fifth – Intercompany Charge.

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

59. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, encumbrances and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

60. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants

also obtains the prior written consent of the Monitor and the beneficiaries of the Charges, or further Order of this Court.

61. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to 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, lease, 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 Charges shall not create or be deemed to constitute a breach by the Applicants of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and

(c) the payments made by the Applicants pursuant to this Order and the granting of the Charges do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

62. **THIS COURT ORDERS** that any 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.

RELIEF FROM REPORTING OBLIGATIONS

63. **THIS COURT ORDERS** that the decision by the Applicants to incur no further expenses in relation to any filings, disclosures, core or non-core documents, restatements, amendments to existing filings, press releases or any other actions (collectively, the "**Securities**

Filings") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada or the United States, or by the rules and regulations of a stock exchange, including, without limitation, the *Securities Act* (Ontario) and comparable statutes enacted by other provinces of Canada, the *Securities Act of 1933* (United States) and the *Securities Exchange Act of 1934* (United States) and comparable statutes enacted by individual states of the United States, the TSX Company Manual and other rules, regulations and policies of the Toronto Stock Exchange, and the NYSE Listed Company Manual and other rules, regulations and policies of the New York Stock Exchange (collectively, the "**Securities Provisions**"), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of the Applicants failing to make any Securities Filings required by the Securities Provisions.

64. **THIS COURT ORDERS** that none of the directors, officers, employees, and other representatives of the Applicants, the Monitor (and its directors, officers, employees and representatives), nor the CRO shall have any personal liability for any failure by the Applicants to make any Securities Filings required by the Securities Provisions.

SERVICE AND NOTICE

65. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, or cause to be sent, in the prescribed manner or by electronic message to the e-mail address as last shown on the records of the Applicants, a notice to every known creditor who has a claim against the Applicants of more than $1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

66. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-

commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: http://www.ey.com/ca/canntrust.

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

GENERAL

68. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

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

70. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory body 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.

71. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that CannTrust Holdings Inc. is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in the United States and any other jurisdiction outside Canada.

72. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

73. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

Hainey J.

SUPERIOR COURT OF JUSTICE
ENTERED

APR 1 5 2020 JP

COUR SUPÉRIEURE DE JUSTICE
ENTRÉ

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 CANNTRUST HOLDINGS INC. ET AL.

Court File No: CV-20-00638930-00CL

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

Proceeding commenced at Toronto

AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicants

DOC#: 19528138

This is Exhibit "**B**" referred to in the

affidavit of **Greg Guyatt** sworn before

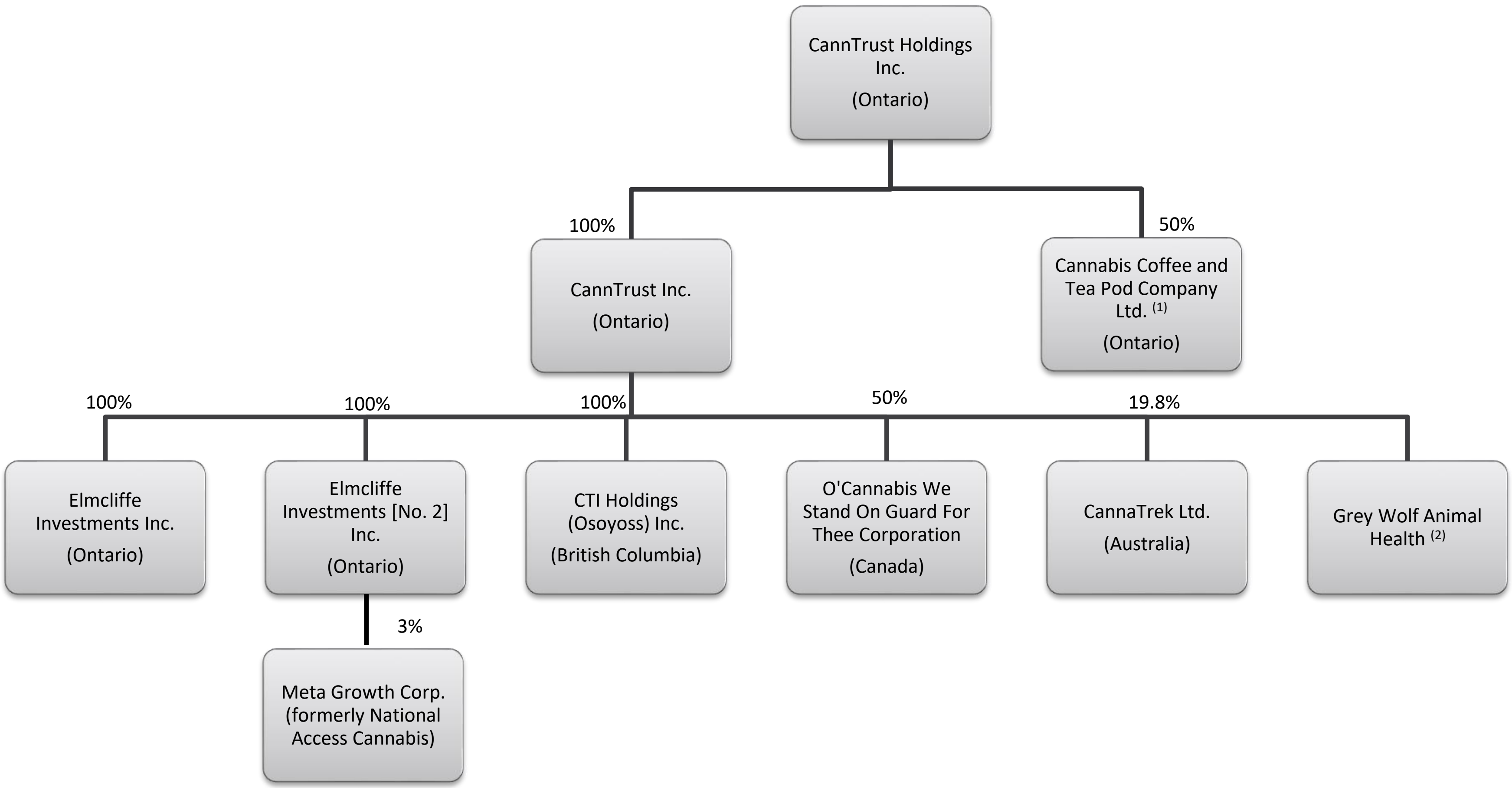
me this 9th day of September, 2020

A Commissioner for taking affidavits

CannTrust Holdings Inc.

Intercorporate Relationships

The following table sets out the corporate group of the Company as of December 31, 2019, including the governing jurisdiction of the various entities:



(1) Cannabis Coffee & Tea Pod Company Ltd., "CCTPC" is held by CannTrust Holdings Inc. on a 50%-50% basis with a wholly-owned subsidiary of Club Coffee L.P. ("Club Coffee"). Effective December 15, 2017, Club Coffee transferred its shares in the capital stock of CCTPC to Single Dose Solutions Inc. ("SDS").

(2) On August 29, 2019 CannTrust Inc. sold it's 50% interest in Greytrust Inc. to Grey Wolf Animal Health for nominal consideration. CannTrust holds 769,231 common share, $750,000 convertible debentures, 4,321,800 warrants @ $1.10 per share and 150,000 warrants @ $2.00 per share of Grey Wolf Animal Health.

This is Exhibit “**C**” referred to in the

affidavit of **Greg Guyatt** sworn before

me this 9th day of September, 2020

____

A Commissioner for taking affidavits

CannTrust

CannTrust Applies to Extend Time for Annual General Meeting

TORONTO, ON, September 10, 2020 /CNW/ - CannTrust Holdings Inc. ("CannTrust," or "the Company") today announced that the Company is seeking an order in its proceeding under the *Companies' Creditors Arrangement Act* ("CCAA") extending the time for CannTrust to call the next annual meeting of shareholders to a date 120 days following the completion of the Company's CCAA proceedings. The motion is scheduled to be heard before a judge of the Ontario Superior Court of Justice, Commercial List, on September 16, 2020 at 12:00 p.m., judicial videoconference via Zoom due to the COVID-19 emergency.

In support of the motion, CannTrust will today file with the Court the following materials (collectively, the "Court Materials"): a Motion Record containing the Notice of Motion, the Affidavit of Greg Guyatt, sworn September 9, 2020 and a draft Order and Factum.

The Court Material, together with details relating to CannTrust's CCAA proceeding, are available on the website of the Court-appointed monitor in CannTrust's CCAA proceedings at https://documentcentre.ey.com/#/detail-engmt?eid=370

Forward-Looking Statements

This press release contains forward looking statements, including statements with respect to the CCAA proceedings. These forward-looking statements reflect CannTrust's current views and are based on certain assumptions, including assumptions as to future operating conditions and courses of action, sale or refinancing alternatives, economic conditions and other factors CannTrust believes are appropriate. Such forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in these statements, including the risk that a sale of, investment in, or refinancing or other strategic alternative may not be available on terms acceptable to CannTrust, or at all, or that any such disposition or other strategic alternative would yield proceeds sufficient to the satisfy CannTrust's obligation to other creditors or any distribution to CannTrust's shareholders; the risk that litigation or defence proceedings involving claims against CannTrust may involve substantial expense and, if successful, could require CannTrust to pay substantial damages; and those risks and uncertainties disclosed in CannTrust's most recently filed prospectus and other regulatory filings posted on SEDAR at www.sedar.com. These risks and uncertainties may cause actual results, events or developments to be materially different from those expressed or implied by such forward-looking statements. Unless required by law, CannTrust does not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or results or other factors.

For further information, please contact:

Media Relations: media@canntrust.ca
Investor Relations: investor@canntrust.ca

Ernst & Young Inc. Court Appointed Monitor of CannTrust Holdings Inc.
Phone: 416-864-1234
Hotline: 1-855-224-0800
Email: canntrust.monitor@ca.ey.com

This is Exhibit “**D**” referred to in the

affidavit of **Greg Guyatt** sworn before

me this 9th day of September, 2020

A Commissioner for taking affidavits

CannTrust

CannTrust Postpones Annual General Meeting Date

Toronto — September 16, 2020 — CannTrust Holdings Inc. ("CannTrust") today announced that the Ontario Superior Court of Justice, Commercial List, granted an order in its proceeding under the *Companies' Creditors Arrangement Act* ("CCAA") extending the time for CannTrust to call the next annual meeting of its shareholders to a date 120 days following the completion of its CCAA proceeding.

Further details regarding this order and CannTrust's CCAA proceeding are available on the website of the Court-appointed monitor in CannTrust's CCAA proceedings at https://documentcentre.eycan.com/Pages/Main.aspx?SID=2492

Forward-Looking Information

This press release contains forward looking statements, including statements with respect to the CCAA proceedings. These forward-looking statements reflect CannTrust's current views and are based on certain assumptions, including assumptions as to future operating conditions and courses of action, sale or refinancing alternatives, economic conditions and other factors CannTrust believes are appropriate. Such forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in these statements, including the risk that a sale of, investment in, or refinancing or other strategic alternative may not be available on terms acceptable to CannTrust, or at all, or that any such disposition or other strategic alternative would yield proceeds sufficient to the satisfy CannTrust's obligation to other creditors or any distribution to CannTrust's shareholders; the risk that litigation or defence proceedings involving claims against CannTrust may involve substantial expense and, if successful, could require CannTrust to pay substantial damages; and those risks and uncertainties disclosed in CannTrust's most recently filed prospectus and other regulatory filings posted on SEDAR at www.sedar.com. These risks and uncertainties may cause actual results, events or developments to be materially different from those expressed or implied by such forward-looking statements. Unless required by law, CannTrust does not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or results or other factors.

Contact Information

Ernst & Young Inc. Court Appointed Monitor of CannTrust Holdings Inc.
Phone: 416-864-1234
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Email: canntrust.monitor@ca.ey.com

TAB 3

Court File No. CV-20-00638930-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	WEDNESDAY, THE 16th
	)	
MR. JUSTICE HAINEY	)	DAY OF SEPTEMBER, 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 CANNTRUST HOLDINGS INC., CANNTRUST INC., CTI HOLDINGS (OSOYOOS) INC. AND ELMCLIFFE INVESTMENTS INC.

Applicants

ORDER
(re: AGM Deadline Extension)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, for an order, among other things:

(i) extending the time for CannTrust Holdings Inc. to call an annual general meeting of its shareholders to a date no later than 120 days after the expiry or termination of the Stay Period (as defined in the initial order dated March 31, 2020, as amended); and

(ii) validating service of the notice of motion and motion materials in the manner described in the affidavit of Greg Guyatt sworn 9, 2020 and the Exhibits thereto (the "**Guyatt Affidavit**");

was heard this day by way of Zoom judicial video conference due to the COVID-19 crisis.

ON READING the Guyatt Affidavit and the Fourth Report of Ernst & Young Inc., in its capacity as monitor of the Applicants (the "**Monitor**"), to be filed (the "**Fourth Report**"), and on hearing the submissions of counsel for the Applicants, the Monitor, and those other parties that were present as listed on the counsel slip, and on being advised that all parties on the service list maintained in these proceedings were served with the motion record of the Applicants and the Fourth Report:

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of this motion and related materials is hereby abridged and validated such that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the service of the notice of motion and motion materials in the manner described at paragraph 49 of the Guyatt Affidavit is validated and that the time for service is abridged, such that this motion is properly returnable today.

EXTENSION OF AGM DEADLINE

3. **THIS COURT ORDERS** that the time for CannTrust Holdings Inc. to call an annual general meeting of its shareholders, as prescribed by the *Business Corporations Act* (Ontario), is extended until a date no later than 120 days after the expiry or termination of the Stay Period.

GENERAL

4. **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.

5. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this Order is effective from the date that it is made, and is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or a motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing when the Court returns to regular operations.

6. **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 and 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 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.

7. **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 CANNTRUST HOLDINGS INC. ET AL.

Court File No: CV-20-00638930-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

ORDER
(AGM DEADLINE EXTENSION)

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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 CANNTRUST HOLDINGS INC. ET AL.

Court File No: CV-20-00638930-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

MOTION RECORD

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