No. S-208894
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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 COMPRIMISE AND ARRANGEMENT OF URTHECAST CORP., URTHECAST INTERNATIONAL CORP., URTHECAST USA INC., 1185729 B.C. LTD, AND THOSE OTHER PETITIONERS SET OUT ON THE ATTACHED SCHEDULE "A"

PETITIONERS

ORDER MADE AFTER APPLICATION

APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE	)	
	)	January ~~6 and~~ 7, 2021
MADAME JUSTICE SHARMA	)	

ON THE APPLICATION of the Petitioners coming on for hearing at 800 Smithe Street, Vancouver, British Columbia, on the 6th and 7th days of January, 2021, on videoconference; AND ON HEARING THE APPLICATION of David E. Gruber, counsel for the Petitioners and those other counsel listed on **Schedule "B"** hereto; AND UPON READING the material filed, including the Affidavit #7 of Sai Chu sworn December 29, 2020, and the Sixth Report of the Ernst & Young Inc. in its capacity as the Monitor of the Petitioners (in such capacity, the "**Monitor**") (the "**Report**")

AND UPON BEING ADVISED that the secured creditors and others who are likely to be affected by the orders set out herein were given notice;

AND PURSUANT TO the *Companies' Creditors Arrangement Act*, R.S.C 1985 c. C-36 as amended (the "**CCAA**"), the *Supreme Court Civil Rules* and the inherent jurisdiction of the Court,

THIS COURT ORDERS AND DECLARES THAT:

SERVICE

1. The time for service of the Notice of Application dated December 29, 2020 herein be and is hereby abridged such that the Notice of Application is properly returnable today and service thereof on any interested party is hereby dispensed with.

SALE APPROVAL

2. The sale transaction (the "**Transaction**") contemplated by the Asset Purchase Agreement dated as of December 10, 2020 (the "**Sale Agreement**") between the Petitioners UrtheCast Corp., 1185729

B.C. Ltd, 1185781 B.C. Ltd., and UrtheCast USA Inc. (collectively, the "**Vendor Petitioners**") and EarthDaily Holdings, LP, EarthDaily Canada Holdings Corp., and EarthDaily Canada Limited Partnership (collectively, the "**Purchasers**"), a copy of which is attached as **Schedule "C"** hereto, is hereby approved, and the Sale Agreement is declared to be commercially reasonable. The execution of the Sale Agreement by the Vendor Petitioners is hereby authorized and approved, and the Vendor Petitioners are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the acquisition by the purchaser of the Acquired Assets and the Acquired Entities, as defined in the Sale Agreement (the "**Acquired Assets and Entities**").

3. Upon delivery by the Monitor to the Purchasers of a certificate substantially in the form attached as **Schedule "D"** hereto (the "**Monitor's Certificate**"), all of the Vendor Petitioners' right, title and interest in and to the Acquired Assets and Entities described in the Sale Agreement shall vest absolutely in the Purchasers in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated September 4, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the British Columbia *Personal Property Security Act* or any other personal property registry system; (iii) all claims in respect of any taxes owing by the Vendor Petitioners as at the Closing Date, as defined in the Sale Agreement; and (iv) any other restrictions which may be applicable to the Acquired Assets and Entities (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "E"** hereto), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Acquired Assets and Entities are hereby expunged and discharged as against the Acquired Assets and Entities.

4. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Acquired Assets and Entities shall stand in the place and stead of the Acquired Assets and Entities, and from and after the delivery of the Monitor's Certificate all Claims shall attach to the net proceeds from the sale of the Acquired Assets and Entities with the same priority as they had with respect to the Acquired Assets and Entities immediately prior to the sale, as if the Acquired Assets and Entities had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.

5. The Monitor is to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof.

6. Pursuant to Section 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* or Section 18(1)(o) of the British Columbia *Personal Information Protection Act*, the Petitioners are hereby authorized and permitted to disclose and transfer to the Purchasers all human resources and payroll information in the companies records pertaining to the Petitioners' past and current employees, to the extent such employees are "Transferred Employees" as defined in the Sale Agreement. Purchasers shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Petitioners.

7. The Vendor Petitioners, with the consent of the Monitor and the Purchasers, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.

8. Notwithstanding:

(a) these proceedings under the CCAA;

(b) any applications for a bankruptcy order in respect of any Petitioner now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made by or in respect of any Petitioner,

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

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Petitioners, the Monitor, and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners or the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Petitioners or the Monitor and their agents in carrying out the terms of this Order.

10. The Petitioners or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

11. Endorsement of this Order by counsel appearing on this application other than the counsel for the Petitioners is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

for Signature of David E. Gruber
☐ Party ☑ Lawyer for the Petitioners

BY THE COURT

REGISTRAR