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

SIXTH REPORT OF THE MONITOR

Dated January 25, 2021

INTRODUCTION

1. On March 31, 2020 (the "**Filing Date**"), the Court granted an initial order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**") that, among other things, appointed Ernst & Young Inc. as monitor of the Applicants (in such capacity, the "**Monitor**"), approved a stay of proceedings until and including April 9, 2020 (the "**Stay Period**"), granted certain Court-ordered charges, and approved FTI Consulting Canada Inc. continuing to act as Chief Restructuring Officer (the "**CRO**") of the Applicants. In addition, the Initial Order granted a limited stay of proceedings during the Stay Period in favour of O Cannabis We Stand on Guard For Thee Corporation, Cannatrek Ltd., Elmcliffe Investments [No. 2] Inc. and Cannabis Coffee and Tea Pod Company Ltd. staying any rights arising out of, related to, or triggered by the insolvency of any of the Applicants or the commencement of these proceedings (the "**CCAA Proceedings**").

2. On April 9, 2020, the Court granted an order (the "**Amended and Restated Initial Order**") that, amongst other things:

   a) extended the Stay Period to July 5, 2020;

b) increased the maximum amount of each of the Administration Charge, the Directors' Charge and the Intercompany Charge, as defined in the Initial Order;

c) approved Greenhill & Co. Canada Ltd. continuing to act as financial advisor (the "**Financial Advisor**") of the Applicants and approved the Transaction Fee Charge (as defined in the Amended and Restated Initial Order);

d) approved the Key Employee Retention Plan (the "**KERP**") and the KERP Charge (as defined in the Amended and Restated Initial Order); and

e) approved a limited stay of proceedings in respect of various current and former directors, officers and employees of CannTrust, and the auditors, certain underwriters and certain selling shareholders that are currently named, in addition to the Applicants, as defendants in the Canadian Class Actions, the Zola Action, the US Class Actions and the Construction Action, all as defined in the initial affidavit of Greg Guyatt dated March 31, 2020 (the "**March 31 Guyatt Affidavit**").

3. On May 8, 2020, the Court granted:

a) an order approving the Applicants' sale and investment solicitation process;

b) an order (the "**Claims Procedure Order**") approving the claims process (the "**Claims Process**") proposed by the Applicants; and

c) an order (the "**Mediation Order**") approving the appointment of the Hon. Dennis O'Connor, Q.C. (the "**Mediator**") as a neutral third party to mediate a global settlement of various actions (the "**Mediation Process**") which allege that CannTrust Holdings Inc. ("**CannTrust Holdings**") made misrepresentations in CannTrust Holdings' disclosure to investors, and claims related thereto (such actions, the "**Securities Actions**"). Each of the claims related to the Securities Actions are "**Excluded Claims**" under the Claims Procedure Order.

4. On July 2, 2020, the Court granted an order that extended the Stay Period to October 30, 2020.

5. On October 28, 2020, the Court granted an order that, among other things, extended the Stay Period to January 31, 2021 and authorized the Monitor to admit the proofs of claim identified in the fifth report of the Monitor dated October 26, 2020 (the "**Fifth Report**") received subsequent to the Pre-Filing Claims Bar Date or the Restructuring Claims Bar Date, as defined in the Claims Procedure Order and as applicable.

PURPOSE

6. The purpose of this sixth report of the Monitor (the "**Sixth Report**") is to provide to the Court an update and/or report on:

   a) the Applicants' activities since the Fifth Report;

   b) the status of the Claims Process;

   c) the status of the Mediation Process;

   d) the Applicants' receipts and disbursements for the period from October 12, 2020 to January 10, 2021 compared to the cash flow forecast appended as Appendix "C" to the Fifth Report (the "**Fifth Report Cash Flow Forecast**");

   e) the fees and disbursements of the Monitor for the period from October 10, 2020 to January 8, 2021;

   f) the fees and disbursement of the Monitor's legal counsel for the period from October 10, 2020 to December 31, 2020; and

   g) the Monitor's recommendation with respect to the Applicants' motion for:

      i) an order (the "**Stay Extension Order**") extending the Stay Period to April 30, 2021; approving the activities and the fees and disbursements of the Monitor and its legal counsel; and approving the sealing of the supplemental letter agreement, as further described herein; and

      ii) an order (the "**CCAA Representation Order**") appointing the CCAA Representatives and CCAA Representative Counsel (as defined herein) for the Canadian and Non-U.S. Securities Claimants, and for the U.S. Securities Claimants (as defined herein).

TERMS OF REFERENCE

7. In preparing this Sixth Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Applicants, discussions with management of the Applicants ("**Management**"), and information from other third-party sources (collectively, the "**Information**")

8. The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") or any other standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS or any other standards in respect of the Information.

9. Some of the information referred to in this Sixth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

10. Future oriented financial information referred to in this Sixth Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.

11. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Sixth Report concerning the Applicants and their business is based on the Information, and not independent factual determinations made by the Monitor.

12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND

13. CannTrust was founded in 2013 and is a licensed producer that recently resumed supplying cannabis to the medical and adult-use recreational cannabis markets. The principal activities of CannTrust are the cultivation, processing, distribution, and sale of dried cannabis flower, cannabis soft gel capsules, and cannabis oil.

14. Anyone wishing to cultivate, process and/or sell cannabis in Canada must have a license from Health Canada to do so. In addition to issuing licences, Health Canada is responsible for ensuring compliance with, and enforcement of, the *Cannabis Act*, S.C. 2018, c-16 and the *Cannabis Regulations,* SOR/2018-144 (together, the "**Cannabis Legislation**"). CannTrust Inc. ("**CannTrust**"), a wholly owned subsidiary of CannTrust Holdings, is a licensed producer of cannabis under the Cannabis Legislation, with production and processing facilities in Fenwick, Ontario (the "**Fenwick Facility**") and Vaughan, Ontario (the "**Vaughan Facility**"). The licences issued in respect of the Fenwick Facility and the Vaughan Facility are referred to herein as the "**Cannabis Licences**" (each, a "**Cannabis Licence**").

15. As explained in the March 31 Guyatt Affidavit, CannTrust received notice of the partial suspension of the Cannabis Licences on September 17, 2019, which suspension remained in effect as at the Filing Date.

16. Following the Health Canada audits that led to the partial licence suspensions, CannTrust Holdings and others were named as defendants in various actions which allege, among other things, that CannTrust Holdings made misrepresentations in its disclosure to investors. As of the Filing Date, there were 14 actions against it (the "**Securities Actions**"), 13 of which are putative class actions relating to these securities matters, which claim damages of at least $500 million in the aggregate.

17. On May 29, 2020, Health Canada notified CannTrust that the Cannabis License at its Fenwick Facility has been reinstated. On August 6, 2020, Health Canada notified CannTrust that the Cannabis License at its Vaughan Facility has been reinstated.

18. In addition to its production and processing facilities in Ontario, CannTrust also owns 81 acres of land in British Columbia, through its wholly owned subsidiary CTI Holdings (Osoyoos) Inc., which was purchased with the intent to commence outdoor cannabis cultivation. CannTrust applied to Health Canada for a licence to plant and cultivate on these lands. This application is currently on hold.

19. Prior to commencing these proceedings, CannTrust Holdings was listed on the Toronto Stock Exchange under the ticker TRST and the New York Stock Exchange under the ticker CTST. On April 13, 2020, a cease trade order was issued by the Ontario Securities Commission (the "**OSC**"), as a result of CannTrust Holdings' failure to file certain periodic disclosure required by Ontario securities legislation.

20. All court documents and materials related to these CCAA Proceedings have been posted on the Monitor's website at www.ey.com/ca/canntrust (the "**Monitor's Website**").

UPDATE ON THE ACTIVITIES OF THE APPLICANTS

21. Further details of the activities of the Applicants presented in this Sixth Report are described in the affidavit of Greg Guyatt dated January 20, 2021 (the "**Guyatt Affidavit**").

22. Since the date of the Fifth Report, the Applicants have continued their operational restructuring efforts, including:

    a) Continuing to review vendor contracts in accordance with CannTrust's strategic direction, renegotiating contracts and reducing costs where possible, and disclaiming contracts that are no longer required;

    b) continuing to review and reassess their organizational structure and workforce to match the skillset needed;

c) assisting the Monitor in reviewing the Proofs of Claims received in the Claims Process; and

d) participating in the Mediation Process.

23. Upon the reinstatement of the Cannabis Licence for the Fenwick Facility, CannTrust immediately took steps to resume its cultivation operations there and has begun harvesting. Following the reinstatement of the Cannabis Licence for the Vaughan Facility, CannTrust commenced processing activities there in late September 2020 once cannabis harvests had begun and there was product available for processing.

24. On December 2, 2020, CannTrust announced the return of two of its recreational brands, Liiv and Synr.g, to the Canadian recreational cannabis market. The products have been initially made available in Ontario, British Columbia and Alberta.

25. On January 6, 2021, CannTrust announced the re-entry into the medical cannabis market with its new brand, estora. estora products became available immediately to patients through CannTrust's on-line platform and CannTrust has begun fulfilling medical cannabis orders.

CLAIMS PROCESS

26. Attached as **Appendix "A"** is the status of claims filed against the Applicants pursuant to the Claims Procedure Order as at January 11, 2021 (the "**Claims Summary**"). All claim amounts are listed in Canadian dollars using the daily average exchange rate published by the Bank of Canada on March 31, 2020 (the date these CCAA proceedings were commenced).

27. As at January 11, 2021, 234 claims with a cumulative value of $1,461,551,613 have been filed which include Late Claims (defined herein).

28. There are 33 claims that are still under review by the Applicants and the Monitor, including the following that will be addressed at the appropriate time:

a) four “marker” claims submitted by the Canada Revenue Agency (“**CRA**”), which will require the completion of audits prior to being finalized by CRA;

b) four intercompany claims with an approximate value of $253.8 million; and

c) eight claims with an approximate asserted value of $1,117.4 million, which were Excluded Claims under the Claims Procedure Order and are currently subject to the Mediation Process discussed further herein.

29. The Applicants and the Monitor have provisionally accepted 182 claims, comprised of unsecured claims with a value of $2,197,212 and secured claims with a value of $29,627.

30. The Monitor had sent several Notice of Disallowances for which a portion of the total claim that has been accepted, which portions are included in the figures reported in paragraph 29, and a portion that has been disallowed. The portion that has been disallowed, together with nine claims that have each been disallowed in its entirety or withdrawn, have an asserted claim value total of $10,230,103. As of the date of the Claims Summary, the dispute period had expired as it relates to all the other claims that have either been partially or fully disallowed.

31. There are 10 claims that have either been partially or fully disallowed for which a Notice of Dispute has been filed by the claimant. For these claims, $281,291 of the total claim amount has been accepted and the amount currently under dispute is $77,177,117.

32. The Monitor and Applicants will report to this Court further on the status of these disputed claims in subsequent reports.

Late Claims

33. The Claims Procedure Order did not grant the Monitor discretion to extend the Pre-Filing Claims Bar Date (which was 5:00 p.m. on June 22, 2020) or the Restructuring Claims Bar Date (as each term is defined in the Claims Procedure Order).

34. Claims received after the Claims Bar Date are considered “**Late Claims**”.

35. In the Fifth Report, the Monitor identified certain Late Claims and on October 28, 2020, the Court granted the Monitor the authority to admit these Late Claims into the Claims Process.

36. Since the Fifth Report, the Monitor received six further Late Claims totalling $20,619 but will consider the admittance of these Late Claims at a later date. These Late Claims have been separately identified in the Claims Summary.

MEDIATION PROCESS

Background

37. A summary of the Securities Actions referenced previously herein, are as follows:

a) there are eight putative class action lawsuits commenced in Canada of which five were commenced in Ontario (the "**Ontario Class Action**"). Carriage of the Ontario Class Action was awarded to a consortium comprised of Henein Hutchison LLP, Strosberg Sasso Sutts LLP, A Dimitri Lascaris Law Professional Corporation, and Kalloghlian Professional Corporation ("**Ontario Class Action Counsel**"). The other three putative class actions lawsuits were commenced by the Merchant Law Group in British Columbia, Alberta and Quebec;

b) there is one action commenced in Ontario by two shareholders, Zola Finance Holdings Ltd. and Igor Gimelshtein, relating to the drop in CannTrust Holding's share price after July 8, 2019;

c) there are five putative class actions in the United States of which four were commenced in the Southern District of New York. An order consolidating the federal putative class actions was granted on April 16, 2020. Labaton Sucharow LLP was appointed as lead counsel ("**U.S. Class Action Counsel**") in the consolidated action (the "**U.S. Class Action**"); and

d) the fifth putative class action in the U.S. was commenced in California State Court.

38. None of the class actions against CannTrust Holdings is certified.

Status Update

39. Pursuant to the Mediation Order, the Mediation Process is confidential and any discussions, productions and/or offers exchanged in the course of the Mediation Process cannot be disclosed by the Monitor. The Mediation Order provides that the Court and the Mediator may communicate between one another directly to discuss the conduct of the Mediation Process and the manner in which it will be coordinated with the CCAA Proceedings. The Monitor and its counsel continue to assist the Mediator as requested and continue to keep the Mediator informed on the CCAA Proceedings as applicable to the Mediation Process.

40. The Mediation Order provides that the Mediator may adopt processes and utilize resources which, in his discretion, he considers appropriate to facilitate negotiation of a global settlement. The Mediator has conducted several meetings since the Fifth Report with the various litigants' and insurers' counsel. The Monitor and its counsel participated in every meeting to provide assistance to the Mediator. Some meetings required the participants to prepare briefs for use by the Mediator and the other parties, and in some instances, further documentation was required to advance any settlement discussions. The Mediator has continued to urge the participation and unification of the parties to move towards a global settlement and has worked towards making the progress between the participants.

Restructuring Support Agreement

41. Through the Mediation Process, and after several months of negotiations, the Applicants have now reached an agreement with the representative plaintiffs in the putative Ontario Class Action, the representative plaintiffs in the U.S. Class Action, Ontario Class Action Counsel and U.S. Class Action Counsel (collectively, the "**Supporting Parties**") regarding a framework for the settlement of all Securities Claims (as defined in the proposed CCAA Representation Order) against CannTrust Holdings and various related claims.

42. A copy of the Restructuring Support Agreement between CannTrust and the Supporting Parties dated January 19, 2021 (the "**RSA**") has been attached to the Guyatt Affidavit.

43. At this time, the Applicants are not seeking approval of the RSA by the Court, however, the features of the RSA are relevant to the CCAA Representation Order being sought.

44. The RSA contemplates, that CannTrust will, among other things:

a) prepare its plan of arrangement (the "**CCAA Plan**") and file it with the Court, and bring a motion for a meeting order (and, if necessary, a supplemental claims process), to be heard on or before March 12, 2021;

b) seek approval of its CCAA Plan at a meeting of affected creditors;

c) if the CCAA Plan is approved by the required majorities of creditors, seek approval of the CCAA Plan from the Court at a sanction hearing;

d) thereafter seek approval, within the U.S. Class Action, of the settlement with U.S. Securities Claimants in the manner contemplated by the RSA and the CCAA Plan; and

e) following the approvals in c) and d), seek to implement the CCAA Plan as soon as possible.

45. The RSA contemplates, among other things, that:

a) a trust will be established for the benefit of the Securities Claimants (the "**Securities Claimant Trust**");

b) CannTrust Holdings will contribute $50 million to the Securities Claimant Trust;

c) CannTrust will work with the Supporting Parties to seek settlements with, and contributions to the Securities Claimant Trust from other co-defendants and insurers;

d) any claims related to the Securities Actions that CannTrust has against any co-defendants and the claims against insurers who do not settle will be assigned to the Securities Claimant Trust;

e) the contributions made to the Securities Claimant Trust by CannTrust Holdings and any other settlement parties, together with any proceeds from the prosecution or settlement of any claims assigned to the Securities Claimant Trust, will be distributed pursuant to an allocation and distribution scheme to be developed by the Supporting Parties and reflected in the CCAA Plan, and approved by the Court; and

f) CannTrust and all other parties to the settlement will be released from all Securities Claims and related claims against them, with very limited exceptions.

46. The Monitor believes the RSA is a positive step forward in the Mediation Process and the ultimate development of a CCAA Plan that will address all of the claims against the Applicants. The RSA also provides a framework that hopefully will facilitate the Applicants and other stakeholder groups that are participating in the Mediation Process to come to terms of settlement allowing them to be included in the overall restructuring and settlement.

PROPOSED CCAA REPRESENTATION ORDER

47. The Securities Claimants form a significant stakeholder group in the CCAA Proceedings. With limited exception, Securities Claimants are currently not formally represented in the CCAA Proceedings and none of the class action lawsuits has even been certified.

48. With the RSA agreed upon between the Applicants and the Supporting Parties, the Applicants believe it is now appropriate to appoint representatives and representative counsel to the represent the Securities Claimants in the CCAA Proceedings. The Applicants propose that:

a) the representative plaintiffs in the Ontario Class Action, Dharambir Singh and Patrick Hrusa (the "**CCAA Canadian Representatives**"), be appointed to represent the interests of all Canadian and Non-U.S. Securities Claimants in these proceedings in relation to their Securities Claims and any related claims;

b) the representative plaintiffs in the U.S. Class Action, Granite Point Master Fund, LP and Granite Point Capital Scorpion Focused Ideas Fund (the "**CCAA U.S.**

Representatives” and together with the CCAA Canadian Representatives, the “**Representatives**”), be appointed to represent the interests of the U.S. Securities Claimants in these proceedings in relation to their Securities Claims and any related claims;

c) Ontario Class Action Counsel be appointed as counsel for the Canadian and Non-U.S. Securities Claimants in these proceedings in relation to their Securities Claims and any related claims (“**Canadian Representative Counsel**”); and

d) Weisz Fell Kour LLP, in association with U.S. Class Action Counsel, be appointed as counsel for the U.S. Securities Claimants in these proceedings in relation to their Securities Claims and any related claims (“**U.S. Representative Counsel”** and together with the Canadian Representative Counsel, the “**Representative Counsel**”).

49. The proposed CCAA Representation Order specifically excludes Zola Finance Holdings Ltd. and Igor Gimelshtein; 1604070 Alberta Ltd., Jeff Dyck, and Diran Avedian; Stephen Rosen and Albert Wahbe; and Shmuel Farhi from the scope of the Representation Order, as those parties have their own respective counsel representing them in these CCAA Proceedings.

50. The Monitor is of the view the appointment of Representatives and Representative Counsel is appropriate and necessary at this time for the following reasons:

a) absent the appointment, the Securities Claimants are not represented as a whole, and may not have access to the expertise needed to navigate the complexities of the settlement, the Mediation Process and voting on the CCAA Plan;

b) representation of the Securities Claimants by the Canadian CCAA Representatives or U.S. CCAA Representatives, as applicable, will greatly assist the Mediation Process going forward and will improve the possibility of negotiating settlements with other interested parties;

c) representation of the Securities Claimants will simplify and expedite the voting process for the CCAA Plan and facilitate the Applicants' emergence from these CCAA Proceedings as a going concern;

d) the proposed Representatives and Representative Counsel are prepared to act in the applicable capacity if so appointed and have demonstrated the expertise to do so throughout the Mediation Process; and

e) the appointments would streamline the coordination and dissemination of information to the Securities Claimants through the Representatives and Representative Counsel.

Notice

51. The proposed CCAA Representation Order requires that the following steps be taken to provide notice of the appointment of the Representatives and Representative Counsel:

a) each of the Applicants and Representative Counsel will provide to the Monitor, without delay and without charge, the names, last known addresses and last known e-mail addresses (if any) of all Securities Claimants of which they are specifically aware currently or from whom they have received written notice, including the plaintiffs named in any of the Actions ("**Known Securities Claimants**");

b) a notice of the appointments substantially in the form attached to the proposed CCAA Representation Order (the "**Notice**") will be published by the Applicants in The Globe and Mail (National Edition) and the Wall Street Journal within five (5) business days from the date of the CCAA Representation Order;

c) the Applicants will issue a press release of similar content to the Notice within five (5) business days from the date of the CCAA Representation Order;

d) the Monitor will send a copy of the Notice to each of the Known Securities Claimants within three (3) Business Days from the date of the CCAA Representation Order by email (if known) or by first class mail, addressed to the Known Securities Claimants; and

e) the Monitor will post a copy of the Notice to the Monitor's Website.

52. A copy of the Notice is also attached to this Sixth Report as **Appendix "B"**.

APPLICANTS' RECEIPTS AND DISBURSEMENTS

53. A summary of the Applicants' actual receipts and disbursements during the period from October 12, 2020 to January 10, 2021 (the "**Reporting Period**") as compared to the Fifth Report Cash Flow Forecast covering the same period (the "**Variance Analysis**") is attached as **Appendix "C"** to this Sixth Report.

54. During the Reporting Period, the Applicants generated a net cash outflow of approximately $16.8 million. The receipts are comprised mainly of the sale of surplus packaging, interest income and recreational product sales. The disbursements relate mainly to payroll and employee related expenses, marketing costs, utilities, information technology and production costs. As at January 10, 2021, the Applicants' cash on hand was approximately $78.8 million.

55. During the Reporting Period, CannTrust successfully worked towards bringing its products to market in both the medical and recreational markets. CannTrust continues to utilize approximately 40% of its cultivation space at the Fenwick Facility and the Vaughan Facility is now fully operational.

56. The favourable cash position variance for the Reporting Period of approximately $9.93 million is a result of the delay in capital costs, lower marketing costs and production costs as a result of the later than anticipated timing of the product launch into the recreational and medical market, and lower than expected contract consulting and legal costs. This was partially offset by the higher than anticipated D&O insurance premiums. Details of both the permanent and timing differences are attached to the Variance Analysis.

57. CannTrust Holdings has made, with approval from the Monitor, Intercompany Advances (as that term is defined in the Amended and Restated Initial Order) of $15.0 million during the Reporting Period to fund disbursements of the other Applicants. This is $12 million lower than forecast due to the favourable cash flow variance, all of which is explained in

the Variance Analysis. The total Intercompany Advances since Filing Date is $40.3 million.

OVERVIEW OF APPLICANTS' CASH FLOW FORECAST OVER THE STAY PERIOD

58. The Applicants, with the assistance of the CRO, and in consultation with the Monitor, have prepared a cash flow forecast (the "**Cash Flow Forecast**") running from January 11, 2021 to the week ending May 2, 2021 (the "**Forecast Period**"). The Cash Flow Forecast is attached as **Appendix "D"** to this Sixth Report.

59. The Cash Flow Forecast shows that during the Forecast Period, the Applicants will have receipts from sales of cannabis product and interest income of approximately $10.3 million and estimated total combined disbursements of approximately $27.1 million for a forecast net cash outflow of $16.8 million. The Cash Flow Forecast projects that the Applicants will have an ending cash balance at May 2, 2021 of approximately $62.0 million.

60. Details of the assumptions of the Cash Flow Forecast are attached in **Appendix "D"**.

61. Any capital expenditures must be reviewed and approved by the Monitor in advance of being incurred, but the Applicants, the CRO and the Monitor agreed that it was appropriate to include these potential disbursements in the Cash Flow Forecast.

STAY EXTENSION

62. The Stay Period is currently set to expire on January 31, 2021. The Applicants are requesting an extension of the Stay Period until April 30, 2021.

63. The Monitor is of the view that the requested extension of the Stay Period is appropriate because the Applicants have continued to act in good faith and with due diligence since the date of the Initial Order and the extension would allow the Applicants:

a) to continue their operational restructuring efforts;

b) time for the Mediation Process to continue its progress to obtain an outcome beneficial for all stakeholders; and

c) to work through the requirements of the RSA, including developing a CCAA Plan.

64. Based on the Cash Flow Forecast, the Monitor believes that the Applicants will have sufficient liquidity to fund their operations through the proposed extension of the Stay Period to May 2, 2021.

65. For the foregoing reasons, the Monitor supports the Applicants' request for an order extending the Stay Period to April 30, 2021.

REQUEST FOR APPROVAL OF FEES AND DISBURSEMENTS

66. The Monitor and its counsel, Aird & Berlis LLP ("**Aird & Berlis**"), have maintained detailed records of their professional time and disbursements for their respective periods detailed below.

67. Pursuant to the Amended and Restated Initial Order, the Monitor and its counsel shall each be paid their reasonable fees and disbursements as part of the CCAA Proceedings and shall further pass their accounts from time to time.

68. The total fees and disbursements of the Monitor during October 10, 2020 to January 8, 2021 (exclusive of HST) is $161,220.23 which included fees of $152,114.50 and disbursements of $9,105.73. Attached hereto as **Appendix "E"** is the affidavit of Alexander Morrison in respect of the Monitor's fees and disbursements during this period.

69. The total fees and disbursements of Aird & Berlis during October 13, 2020 to December 31, 2020 (exclusive of HST) is $73,655.56 which included fees of $73,400.00 and disbursements of $255.56. Attached hereto as **Appendix "F"** is the affidavit of Steven L. Graff in respect of Aird & Berlis' fees and disbursements during this period.

70. The Monitor has reviewed Aird & Berlis' accounts and confirms that the services reflected therein have been duly authorized and duly rendered and that, in the Monitor's opinion, the charges are reasonable.

71. The fees and disbursements of the Monitor and its counsel have been reviewed by CannTrust, and CannTrust has advised that it does not oppose the approval of these fees and disbursements.

SEALING ORDER

72. In connection with the RSA, CannTrust and the Supporting Parties have also entered into a supplemental letter agreement (the "**SLA**") containing a limited number of confidential terms as between these parties. The Applicants are seeking a sealing order with respect to the SLA in the proposed Stay Extension Order.

73. The Monitor has reviewed the SLA and is of the view that it is appropriate for the SLA to be sealed as disclosure of the SLA terms could prejudice CannTrust and the Supporting Parties and hinder their ability to successfully implement the settlement contemplated by the RSA and the CCAA Plan.

CONCLUSIONS AND RECOMMENDATIONS

74. Substantial progress has been made through the Mediation Process. After several months, the Applicants and the Settlement Parties have been able to come to agreement as reflected in the RSA, on a comprehensive framework for a restructuring of the Applicants that would see CannTrust be able to continue its business and provide for a substantial recovery for the Securities Claimants. With this framework, there is now an opportunity through the Mediation Process to work with the other stakeholders and co-defendants to participate in the settlement. However, time is of the essence, as the Applicants will have to make a cash contribution of $50 million into a Securities Claimants Trust on implementation of a CCAA Plan. Given the Applicants current cash position and forecast cash usage through to May 2, 2021, the Applicants will have little excess availability of funds absent raising additional capital. This means, that the Applicants must attempt to complete its restructuring process while it still has sufficient funding remaining. The Monitor is of the view that the appointment of the Representatives and Representative Counsel will facilitate the advancement of this process and will be in the best interests of both the Applicants and the Securities Claimants.

75. For the reasons stated herein, the Monitor recommends that the Court grant the proposed CCAA Representation Order and proposed Stay Extension Order, should it see fit to do so.

All of which is respectfully submitted this 25th day of January, 2021.

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

per:

Alex Morrison, CPA, CA, CIRP, LIT
Senior Vice President

Karen Fung, CPA, CA, CIRP, LIT
Vice President

APPENDIX "A"
CLAIMS SUMMARY

CannTrust Holdings Inc. and affiliates
Summary of Claims Process
Status as at January 11, 2021

Disclaimer: This summary is a point in time and subject to change. The status and quantities will change as the claims are reviewed, proven, disallowed, disputed and resolved.
Amounts are shown in Canadian Dollars. Claims in foreign currencies are converted into Canadian Dollars using March 31, 2020 Bank of Canada exchange rates.

	Total Claims Filed		Under Review		Notice of Disallowance Sent and Dispute Period not Lapsed			Disputed		Disallowed or withdrawn		Final Accepted	
Claims	Count	Amount	Count	Amount	Count	Amount Accepted	Amount Disallowed	Count	Amount	Count	Amount	Count	Amount
SECURED													
CannTrust Holdings Inc.													
Equity and D&O*	4	3,144,006	4	3,144,006	-	-	-	-	-	-	-	-	-
Trades	1	47,799	-	-	-	-	-	-	-	1	47,799	-	-
Subtotal	**5**	**3,191,805**	**4**	**3,144,006**	**-**	**-**	**-**	**-**	**-**	**1**	**47,799**	**-**	**-**
CannTrust Inc.													
Trades	8	59,105,636	1	3,268	-	71,812	-	3	58,891,877	-	109,051	4	29,627
Intercompany	1	241,717,044	1	241,717,044	-	-	-	-	-	-	-	-	-
Equity and D&O	2	3,138,406	-	-	-	-	-	-	-	2	3,138,406	-	-
Subtotal	**11**	**303,961,086**	**2**	**241,720,312**	**-**	**71,812**	**-**	**3**	**58,891,877**	**2**	**3,247,457**	**4**	**29,627**
CTI Holdings (Osoyoos) Inc.													
Trades	1	47,799	-	-	-	-	-	-	-	1	47,799	-	-
Equity and D&O	2	3,138,406	-	-	-	-	-	-	-	2	3,138,406	-	-
Subtotal	**3**	**3,186,205**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3**	**3,186,205**	**-**	**-**
Elmcliffe Investments Inc.													
Trades	2	119,611	-	-	-	-	-	1	71,812	1	47,799	-	-
Equity and D&O	2	3,138,406	-	-	-	-	-	-	-	2	3,138,406	-	-
Subtotal	**4**	**3,258,017**	**-**	**-**	**-**	**-**	**-**	**1**	**71,812**	**3**	**3,186,205**	**-**	**-**
Total Secured	**23**	**313,597,113**	**6**	**244,864,318**	**-**	**71,812**	**-**	**4**	**58,963,689**	**9**	**9,667,666**	**4**	**29,627**
UNSECURED													
CannTrust Holdings Inc.													
Employees	1	1,981	1	1,981	-	-	-	-	-	-	-	-	-
Trades	8	645,803	3	91,765	-	-	-	-	-	-	-	5	554,038
Government	1	-	1	-	-	-	-	-	-	-	-	-	-
Equity and D&O*	3	460,039,565	3	460,039,565	-	-	-	-	-	-	-	-	-
Equity	3	987	3	987	-	-	-	-	-	-	-	-	-
Indemnity and other*	4	667,020,430	3	654,218,742	-	-	-	1	12,801,688	-	-	-	-
Subtotal	**20**	**1,127,708,766**	**14**	**1,114,353,040**	**-**	**-**	**-**	**1**	**12,801,688**	**-**	**-**	**5**	**554,038**
CannTrust Inc.													
Employees	108	2,558,705	-	-	-	10,969	-	3	2,027,431	-	167,029	105	353,276
Employees - Late Claim**	5	17,964	1	1,505	-	-	-	-	-	-	-	4	16,459
Trades	67	3,602,008	4	252,998	-	198,509		1	1,884,309	-	395,408	62	870,783
Trade - Late Claim**	1	2,656	-	-	-	-	-	-	-		-	1	2,656
Indemnity	1	1,500,000	-	-	-	-	-	1	1,500,000	-	-	-	-
Government	1	-	1	-	-	-	-	-	-	-	-	-	-
Subtotal	**183**	**7,681,332**	**6**	**254,503**	**-**	**209,479**	**-**	**5**	**5,411,740**	**-**	**562,437**	**172**	**1,243,173**
CTI Holdings (Osoyoos) Inc.													
Government	1	-	1	-	-	-	-	-	-	-	-	-	-
Intercompany	1	5,099,076	1	5,099,076	-	-	-	-	-	-	-	-	-
Subtotal	**2**	**5,099,076**	**2**	**5,099,076**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Elmcliffe Investments Inc.													
Promissory Note	1	400,000	-	-	-	-	-	-	-	-	-	1	400,000
Government	1	-	1	-	-	-	-	-	-	-	-	-	-
Intercompany	2	6,980,203	2	6,980,203	-	-	-	-	-	-	-	-	-
Subtotal	**4**	**7,380,203**	**3**	**6,980,203**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**400,000**
Total Unsecured	**209**	**1,147,869,379**	**25**	**1,126,686,823**	**-**	**209,479**	**-**	**6**	**18,213,428**	**-**	**562,437**	**178**	**2,197,212**

CannTrust Holdings Inc. and affiliates
Summary of Claims Process
Status as at January 11, 2021

Disclaimer: This summary is a point in time and subject to change. The status and quantities will change as the claims are reviewed, proven, disallowed, disputed and resolved.
Amounts are shown in Canadian Dollars. Claims in foreign currencies are converted into Canadian Dollars using March 31, 2020 Bank of Canada exchange rates.

	Total Claims Filed		**Under Review**		**Notice of Disallowance Sent and Dispute Period not Lapsed**			**Disputed**		**Disallowed or withdrawn**		**Final Accepted**	
Claims	Count	Amount	Count	Amount	Count	Amount Accepted	Amount Disallowed	Count	Amount	Count	Amount	Count	Amount
D&O													
CannTrust Holdings Inc.													
Equity	1	42,561	1	42,561									
Subtotal	**1**	**42,561**	**1**	**42,561**	-	-	-	-	-	-	-	-	-
CannTrust Inc.													
Equity	1	42,561	1	42,561									
Subtotal	**1**	**42,561**	**1**	**42,561**	-	-	-	-	-	-	-	-	-
Total D&O	**2**	**85,122**	**2**	**85,122**	-	-	-	-	-	-	-	-	-
Grand Total	**234**	**1,461,551,613**	**33**	**1,371,636,263**	-	**281,291**	-	**10**	**77,177,117**	**9**	**10,230,103**	**182**	**2,226,839**
						(a)							(b)

*Includes claimants who are currently part of the mediation process.
** Late Claims must be admitted by the Court. The Monitor will continue to review the claims with CannTrust.

	Total Claims Proven and Accepted to Date
	(a) + (b)
Unsecured only	**2,406,690**
All Claims	**2,508,130**

	Total Claims Proven and Accepted to Date by Entity
	(a) + (b)
CannTrust Holdings Inc.	**554,038**
CannTrust Inc.	**1,554,091**
CTI Holdings Inc.	**-**
Elmcliffe Investments Inc.	**400,000**

APPENDIX "B"
NOTICE

NOTICE

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. (the "Applicants")

NOTICE OF CCAA REPRESENTATION ORDER

On March 31, 2020, the Applicants commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* ("**CCAA**") pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). Ernst & Young Inc. has been appointed as the monitor of the Applicants (the "**Monitor**") by the Court.

On January 29, 2021, the Court issued an order (the "**CCAA Representation Order**") appointing certain representatives and representative counsel, as detailed further below. All capitalized terms used but not defined in this Notice have the meaning given to them in the CCAA Representation Order.

TAKE NOTICE THAT, pursuant to the CCAA Representation Order, subject to certain limited exceptions set out therein:

1. the CCAA Canadian Representatives have been appointed to represent the interests of all Canadian and Non-U.S. Securities Claimants in the CCAA Proceedings in relation to their Securities Claims and any related claims;

2. the CCAA U.S. Representatives have been appointed to represent the interests of the U.S. Securities Claimants in the CCAA Proceedings in relation to their Securities Claims and any related claims;

3. A. Dimitri Lascaris Law Professional Corporation, Henein Hutchinson LLP, Kalloghlian Myers LLP and Strosberg Sasso Sutts LLP ("**CCAA Canadian Representative Counsel**") have been appointed as counsel for the Canadian and Non-U.S. Securities Claimants in the CCAA Proceedings in relation to their Securities Claims and any related claims, and are authorized and directed to take instructions from the CCAA Canadian Representatives;

4. Weisz Fell Kour LLP in association with U.S. Class Action counsel Labaton Sucharow LLP ("**CCAA U.S. Representative Counsel**" and collectively with CCAA Canadian Representative Counsel, "**CCAA Representative Counsel**") has been appointed as counsel for the U.S. Securities Claimants in the CCAA Proceedings in relation to their Securities Claims and any related claims, and are authorized and directed to take instructions from the CCAA U.S. Representatives; and

5. the CCAA Representatives and CCAA Representative Counsel are authorized to, among other things, negotiate with respect to the settlement of Securities Claims and the

prosecution or settlement of any related claims and the development of the CCAA Plan and any related definitive documentation.

Copies of the CCAA Representation Order and other documents related to the CCAA Proceedings may be obtained from the case website maintained by the Monitor at http://www.ey.com/ca/canntrust.

If you have any questions regarding these matters, you may contact CCAA Canadian Representative Counsel, CCAA U.S. Representative Counsel and/or the Monitor as follows:

CCAA Canadian Representative Counsel:

A. Dimitri Lascaris Law Professional Corporation, Henein Hutchinson LLP, Kalloghlian Myers LLP and Strosberg Sasso Sutts LLP

Email: canntrust@strosbergco.com
Tel: 519-561-6296

CCAA U.S. Representative Counsel:

Weisz Fell Kour LLP

Email: sweisz@wfklaw.ca
Tel: 416-613-8281

Labaton Sucharow LLP

Email: jjohnson@labaton.com
Tel: 212-907-0859

Monitor:

Ernst & Young Inc.
Telephone: 1-855-224-0800 or 416-943-2091
Fax: 416-943-3300
Email: CannTrust.Monitor@ca.ey.com

APPENDIX "C"
VARIANCE ANALYSIS

CannTrust Variance Analysis (CAD $000s)	Notes	Cumulative for the period October 12, 2020 to January 10, 2021 Forecast	Actual	Variance
Receipts				
Receipts from Operations	[1]	1,047	264	(783)
Other Receipts	[2]	65	143	78
Total Receipts		1,112	407	(705)
Operating Disbursements				
Payroll and benefits	[3]	(7,295)	(7,209)	86
Property Leases		(173)	(171)	2
Utilities	[4]	(2,273)	(1,529)	744
Other operating expenses	[5]	(13,763)	(6,360)	7,403
Capital expenditures	[6]	(2,520)	(1,509)	1,011
Total Operating Disbursements		(26,024)	(16,779)	9,245
Cash Flow From Operations		(24,912)	(16,372)	8,540
Restructuring Disbursements				
Professional fees	[7]	(1,854)	(462)	1,392
KERP		-	-	-
Total Restructuring Disbursements		(1,854)	(462)	1,392
Net Cash Inflows / (Outflows)		(26,766)	(16,834)	9,932
Cash *				
Beginning Balance		95,624	95,624	-
Net Cash Inflows / (Outflows)		(26,766)	(16,834)	9,932
Ending Balance		68,858	78,790	9,932
Intercompany Advances	[8]	(27,000)	(15,000)	12,000

* Cash balances exclude amounts held in the D&O Trust.

Notes to the Variance Analysis:

[1] Receipts from Operations – Unfavourable permanent variance of $150,000 due to the delay in the product launch into the medical market. There continues to be a challenge in the market with lower than anticipated market prices and volumes available for bulk wholesale resulting in a permanent different of $516,000. There is an unfavourable timing difference in recreational revenue of $117,000.

[2] Other Receipts – CannTrust received $56,000 from sales of packaging equipment and $22,000 from higher than anticipated interest income and lower bank charges.

[3] Payroll and Benefits – Positive permanent difference is due to lower than anticipated headcount.

[4] Utilities – CannTrust's usage of natural gas and carbon dioxide gas is lower than forecast due to slower than anticipated production ramp-up. This results in a permanent positive variance of $700,000. The remaining positive variance of $44,000 is a timing difference that is anticipated to reverse in subsequent periods.

[5] Other Operating Expenses – The positive variance is due to:

- the delay in product launches, which has resulted in a positive permanent difference of $2,502,000 related to marketing and $1,909,000 in production costs and $146,000 in transportation costs;
- positive permanent difference of $828,000 due to the reduction of certain contracts, and professional services
- positive permanent variance due to credit notes and miscellaneous expenses totalling $92,000;
- positive permanent difference of $29,000 and positive timing difference of $25,000 for rental equipment;
- positive permanent difference of $248,000 due to a reduction in IT services offset by $100,000 in license renewal invoice
- negative permanent difference of $250,000 due to deposits that was not anticipated;
- negative permanent difference of $125,000 due to higher than anticipated insurance premiums;
- process delay resulting in a positive timing difference of $1,295,000;
- positive timing difference of $529,000 for business licenses fees; and
- positive timing difference of $274,000 in freight costs and miscellaneous expenses.

[6] Capital Expenditures – The positive variance is due to:

- temporary timing difference of $56,000; and
- permanent difference of $955,000 due to lower than anticipated capital expenditures on projects during the forecast period.

[7] Professional Fees – There is a permanent positive difference of $1,300,000 due to lower than anticipated legal fees and the remaining $92,000 is a timing difference that is anticipated to reverse in future weeks.

[8] Intercompany Advance – Intercompany Advances from CannTrust Holdings Inc. were made to CannTrust Inc. during the Reporting Period.

APPENDIX "D"
CASH FLOW FORECAST

CANNTRUST

CCAA Cash Flow Forecast [1]

In thousands $CAD

Forecast Week Ending (Sunday)		17-Jan-21	24-Jan-21	31-Jan-21	07-Feb-21	14-Feb-21	21-Feb-21	28-Feb-21	07-Mar-21	14-Mar-21	21-Mar-21	28-Mar-21
Forecast Week		1	2	3	4	5	6	7	8	9	10	11
Receipts												
Receipts from Operations	[2]	-	277	277	183	183	183	183	221	221	221	221
Other Receipts/ (Service Charges)	[3]	-	-	(8)	-	-	28	1,765	-	-	27	4,382
Total Receipts		-	277	269	183	183	211	1,948	221	221	248	4,603
Operating disbursements												
Payroll and Benefits	[4]	-	(915)	-	(890)	(50)	(875)	-	(910)	(50)	(926)	-
Property Leases	[5]	-	-	(58)	-	-	-	(58)	-	-	-	-
Utilities	[6]	(73)	-	(518)	(118)	(24)	-	(518)	(118)	(24)	-	-
Other Operating Expenses	[7]	(1,549)	-	(2,287)	(30)	(996)	-	(1,564)	(93)	(723)	(211)	(553)
Capital Expenditures	[8]	(62)	-	(544)	-	-	-	(329)	-	-	-	-
Total Operating Disbursements		(1,684)	(915)	(3,407)	(1,038)	(1,070)	(875)	(2,469)	(1,121)	(797)	(1,137)	(553)
Cash from Operations		(1,684)	(638)	(3,138)	(855)	(887)	(664)	(521)	(900)	(576)	(889)	4,050
Restructuring Disbursements												
Restructuring Professional Fees	[9]	(278)	-	(318)	-	(175)	-	(277)	-	-	(175)	(17)
KERP	[10]	-	(583)	-	-	-	-	-	-	-	-	-
Total Restructuring Disbursements		(278)	(583)	(318)	-	(175)	-	(277)	-	-	(175)	(17)
Net Cash Inflows / (Outflows)		(1,962)	(1,221)	(3,456)	(855)	(1,062)	(664)	(798)	(900)	(576)	(1,064)	4,033
Cash												
Beginning Balance	[11]	78,790	76,828	75,607	72,152	71,297	70,235	69,570	68,773	67,873	67,297	66,234
Net Cash Inflows / (Outflows)		(1,962)	(1,221)	(3,456)	(855)	(1,062)	(664)	(798)	(900)	(576)	(1,064)	4,033
Ending Balance		76,828	75,607	72,151	71,297	70,235	69,571	68,772	67,873	67,297	66,233	70,267
Intercompany Advances	[12]											
Beginning Balance		40,300	40,300	40,300	45,300	45,300	45,300	50,300	50,300	50,300	50,300	50,300
Intercompany Advances		-	-	5,000	-	-	5,000	-	-	-	-	-
Cumulative Intercompany Advances		40,300	40,300	45,300	45,300	45,300	50,300	50,300	50,300	50,300	50,300	50,300

CANNTRUST

CCAA Cash Flow Forecast [1]

In thousands $CAD

Forecast Week Ending (Sunday)		04-Apr-21	11-Apr-21	18-Apr-21	25-Apr-21	02-May-21	Total
Forecast Week		12	13	14	15	16	
Receipts							
Receipts from Operations	[2]	305	305	305	305	305	3,695
Other Receipts/ (Service Charges)	[3]	(8)	-	26	-	370	6,582
Total Receipts		297	305	331	305	675	10,277
Operating disbursements							
Payroll and Benefits	[4]	(943)	(50)	(964)	-	(981)	(7,554)
Property Leases	[5]	(58)	-	-	-	(58)	(232)
Utilities	[6]	(518)	(118)	(24)	-	(518)	(2,571)
Other Operating Expenses	[7]	(1,936)	-	(1,175)	-	(1,993)	(13,110)
Capital Expenditures	[8]	(77)	-	-	-	(3)	(1,015)
Total Operating Disbursements		(3,532)	(168)	(2,163)	-	(3,553)	(24,482)
Cash from Operations		(3,235)	137	(1,832)	305	(2,878)	(14,205)
Restructuring Disbursements							
Restructuring Professional Fees	[9]	(260)	-	(175)	(62)	(260)	(1,997)
KERP	[10]	-	-	-	-	-	(583)
Total Restructuring Disbursements		(260)	-	(175)	(62)	(260)	(2,580)
Net Cash Inflows / (Outflows)		(3,495)	137	(2,007)	243	(3,138)	(16,785)
Cash							
Beginning Balance	[11]	70,268	66,775	66,912	64,904	65,147	78,790
Net Cash Inflows / (Outflows)		(3,495)	137	(2,007)	243	(3,138)	(16,785)
Ending Balance		66,773	66,912	64,905	65,147	62,009	62,005
Intercompany Advances	[12]						
Beginning Balance		50,300	50,300	55,300	55,300	55,300	40,300
Intercompany Advances		-	5,000	-	-	-	15,000
Cumulative Intercompany Advances		50,300	55,300	55,300	55,300	55,300	55,300

Notes to Cash Flow Forecast

1 The purpose of this Third Report Cash Flow Forecast is to estimate the liquidity requirements of CannTrust Holdings Inc. and its subsidiaries ("CannTrust" or the "Company") during the Forecast Period.

2 Receipts from Operations - Includes sales of the Company's bulk inventory and medical grade commencing in November 2020 and the sale of recreational will commence December 2020.

3 Other Receipts - Include interest income, bank fees during the forecast period and HST refunds.

4 Payroll and Benefits - Based on the Company's payroll calendar based on historical payroll amounts.

5 Property Leases - include monthly lease-related payments in respect of the Vaughan Facility.

6 Utilities - Include hydro, gas and other utility payments as well as scheduled payments pursuant to the Company's co-generation agreement in respect of the Fenwick Facility.

7 Other Operating Expense Disbursements - Includes production costs, on-going marketing, consulting & professional fees, and general and administrative costs and are based on the Company's internal budget.

8 Capital Expenditures - Based on approved projects which are expected to require funding over the Forecast Period.

9 Restructuring Disbursements - include the professional fees for legal and financial advisors associated with the CCAA proceedings. Forecast is based on guidance from various legal and professional firms engaged.

10 KERP - The Second Key Employee Retention Plan milestone of $583,000 for non-executives payable in the week ending January 24, 2021.

11 Beginning Cash Balance - Cash and short-term investments as at January 11, 2021.

13 Intercompany Advances - Pursuant to the Amended and Restated Initial Order, CannTrust Holdings Inc. (the "Intercompany Lender") is authorized to provide loan funding to the other Applicants (the "Intercompany Borrowers") to meet ongoing expenditures as needed. Intercompany Advances presented in the table above captures the net forecast amounts advanced by CannTrust Holdings Inc. to the Intercompany Borrowers.

APPENDIX "E"
AFFIDAVIT OF ALEXANDER MORRISON

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

AFFIDAVIT OF ALEXANDER MORRISON
(sworn January 22, 2021)

I, Alexander Morrison, of the City of Toronto, in the Province of Ontario **MAKE OATH AND SAY**:

1. I am a Senior Vice President with Ernst & Young Inc. ("**EY**"). On March 31, 2020, this Court made an initial order pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") which, among other things, appointed EY as the monitor of the Applicants (in such capacity, the "**Monitor**"). I have been involved throughout the CCAA proceedings. As such, I have knowledge of the matters hereinafter deposed to.

2. This Affidavit is made in support of a motion for, among other things, the approval of the fees and disbursements of the Monitor and its counsel for the period from October 10, 2020 to January 8, 2021 (the "**Fee Period**").

3. The total amount claimed by the Monitor for the Fee Period (exclusive of HST) is $161,220.23 which included fees of $152,114.50 and disbursements of $9,105.73.

4. Attached hereto as **Exhibit "A"** to this Affidavit is a schedule summarizing all invoices rendered by the Monitor during the Fee Period, including the fees, disbursements, and total fees charged in each invoice (the "**Accounts**").

5. Attached hereto as **Exhibit "B"** is a schedule summarizing the billed hours of each of the members of EY that rendered services in these CCAA Proceedings.

6. The Accounts and summary charts disclose in detail the name of each person who rendered services, the rate charged and the total charges for fees, disbursements and taxes.

7. The hourly billing rates charged in the Accounts are comparable to the hourly rates charged by EY for services rendered in similar proceedings.

8. To the best of my knowledge and given the nature of this proceeding, I believe that the hours and rates in the attached Accounts are reasonable and comparable to other firms in Toronto for work of this nature.

SWORN remotely by Alexander Morrison stated as being located at the City of Toronto in the Province of Ontario, before me at the City of Burlington in the Province of Ontario, on January 22nd, 2021, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely.

Jonathan W. V. Yantzi

Commissioner for taking affidavits
Jonathan Yantzi

Alexander Morrison

ALEXANDER MORRISON

Attached is Exhibit “A”

Referred to in the

AFFIDAVIT OF ALEXANDER MORRISON

Sworn

this 22nd day of January, 2021

Jonathan W. V. Yantzi

Jonathan Yantzi

A COMMISSIONER, ETC.

Exhibit A - Summary of Ernst & Young Fees
Services Rendered October 10, 2020 - January 8, 2021

	Invoice #	Date	Fee	Expenses	Net	Tax	Total	Period covered
1	CA12C500005948	10-Nov-20	43,725.00	2,186.25	45,911.25	5,968.46	51,879.71	period ending October 23, 2020
2	CA12C500005964	16-Nov-20	27,579.50	1,378.98	28,958.48	3,764.60	32,723.08	period ending November 6, 2020
3	CA12C500006003	27-Nov-20	24,100.00	1,205.00	25,305.00	3,289.65	28,594.65	period ending November 20, 2020
4	CA12C500006076	15-Dec-20	30,643.00	1,532.15	32,175.15	4,182.77	36,357.92	period ending December 4, 2020
5	CA12C500006121	23-Dec-20	13,603.00	680.15	14,283.15	1,856.81	16,139.96	period ending December 18, 2020
6	CA12C500006189	14-Jan-21	12,464.00	623.20	13,087.20	1,701.34	14,788.54	period ending January 8, 2021
7	CA12C500006190	14-Jan-21	-	1,500.00	1,500.00	195.00	1,695.00	Data Room Used in Mediation Process
	Total		**152,114.50**	**9,105.73**	**161,220.23**	**20,958.63**	**182,178.86**	

Attached is Exhibit “B”

Referred to in the

AFFIDAVIT OF ALEXANDER MORRISON

Sworn before me

this 22nd day of January, 2021

Jonathan W. V. Yantzi

Jonathan Yantzi

A COMMISSIONER, ETC.

Exhibit B - Summary of Ernst & Young Fees by Individual
Services Rendered October 10, 2020 - January 8, 2021

		Hourly Rates	Total Hours	Total
Morrison, Alex	Partner	$ 770.00	85.0	$ 65,450.00
Fung, Karen	Senior Manager	$ 585.00	68.7	$ 40,189.50
Wang, Cecilia	Manager	$ 425.00	106.7	$ 45,347.50
Mazzulla, Franca	Para-professional Manager	$ 275.00	4.1	$ 1,127.50
	Total Hours		**264.5**	**$ 152,114.50**

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

Proceedings commenced at Toronto

AFFIDAVIT OF ALEXANDER MORRISON
(sworn January 22, 2021)

AIRD & BERLIS LLP
181 Bay Street, Suite 1800
Toronto, Ontario M5J 2T9

Steven L. Graff (LSO # 31871V)
Tel: (416) 865-7726
Email: sgraff@airdberlis.com

Jonathan Yantzi (LSO # 77533A)
Tel: (416) 865-4733
Email: jyantzi@airdberlis.com

Lawyers for the Monitor, Ernst & Young Inc.

41974106.3

APPENDIX "F"
AFFIDAVIT OF STEVEN L. GRAFF

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

AFFIDAVIT OF STEVEN GRAFF
(sworn January 19, 2021)

I, Steven Graff, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY**:

1. I am a partner at Aird & Berlis LLP and, as such, I have knowledge of the matters to which I hereinafter depose. Aird & Berlis LLP has acted, and continues to act as of the date of this affidavit, as counsel for Ernst & Young Inc. (in such capacity, the "**Monitor**") in its capacity as Monitor to the Applicants.

2. Aird & Berlis LLP has prepared statements of account in connection with its mandate as counsel to the Monitor, detailing its services rendered and disbursements incurred, namely:

    (a) an account dated November 30, 2020 in the amount of $61,218.38 in respect of the period from October 13, 2020 to November 30 , 2020;

    (b) an account dated December 31, 2020 in the amount of $22,012.40 in respect of the period from December 1, 2020 to December 31, 2020

    (the "**Statements of Account**"). Attached hereto and marked as **Exhibit "A"** to this Affidavit are copies of the Statements of Account. The average hourly rate of Aird & Berlis LLP is $567.23.

3. Attached hereto and marked as **Exhibit "B"** to this Affidavit is a chart detailing the lawyers, law clerks and articling students who have worked on this matter.

4. This Affidavit is made in support of a motion to, *inter alia,* approve the attached accounts of Aird & Berlis LLP and the fees and disbursements detailed therein, and for no improper purpose whatsoever.

SWORN remotely by Steven Graff stated as being located at the City of Toronto in the Province of Ontario, before me at the City of Burlington in the Province of Ontario, on January 19, 2021, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely.

Jonathan W. V. Yantzi

Commissioner for taking affidavits
Jonathan Yantzi

Steven Graff

Steven Graff

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF STEVEN GRAFF

Sworn

this 19th day of January, 2021

Jonathan W. V. Yantzi

Jonathan Yantzi

Commissioner for taking Affidavits, etc

IN ACCOUNT WITH:

AIRD BERLIS

Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 **F** 416.863.1515
airdberlis.com

Ernst & Young Inc.
16th Floor, 222 Bay Street
P.O. Box 251
Toronto, ON
M5K 1J7

Attention: Mr. Alex Morrison

Invoice No.: 691251

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 17515/155902
Client No.: 17515
Matter No.: 155902

November 30, 2020

Re: CannTrust Holdings Inc.

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended November 30, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	13/10/20	$850.00	0.40	$340.00	Attend weekly board meeting
JWVY	13/10/20	$325.00	0.60	$195.00	Emails to CannTrust counsel; Email to Monitor; Review correspondence; Emails to S. Graff; Email to B. Needham
SLG	14/10/20	$850.00	3.00	$2,550.00	Attend CT/Coalition mediation session; ascertain parties' views; consider issues
SLG	14/10/20	$850.00	0.20	$170.00	Email with M. Wright
JWVY	14/10/20	$325.00	3.10	$1,007.50	Emails to B. Needham; Review offer; Attend mediation session; Review notes; Coordinate preparation of affidavits; Confer with S. Graff
SLG	15/10/20	$850.00	1.00	$850.00	Review company response to Zola analysis and attend mediator session re Q&A to Company and McCarthys

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	15/10/20	$850.00	0.20	$170.00	Telephone call with J. Yantzi and issue of Moneris L/C and ordinary course
JWVY	15/10/20	$325.00	2.10	$682.50	Emails re preparation of affidavits for October 28, 2020 hearing; Review draft affidavits; Review correspondence re court materials; Review reply to Zola from CannTrust; Telephone call with Mediator, CannTrust, counsel to CannTrust, Zola and counsel to Zola; Confer with S. Graff; Email to K. Fung
JWVY	16/10/20	$325.00	0.20	$65.00	Email to K. Fung re former employee inquiry; Review mediator memo
SLG	19/10/20	$850.00	0.60	$510.00	Update A. Morrison on presentation and response of Zola to Co, response EY involvement in reconciling numbers
JWVY	19/10/20	$325.00	0.30	$97.50	Emails to B. Needham; Emails to S. Graff; Emails to A. Morrison and K. Fung;
JWVY	20/10/20	$325.00	1.90	$617.50	Telephone call with Monitor, CannTrust and CannTrust counsel re claims process; Review notices of revision and disallowance; Review and revise draft court materials; Emails to K. Fung
SLG	21/10/20	$850.00	0.40	$340.00	Telephone call with J. Yantzi and D. O'Leary re review of insurance issues and indemnity concerns
SLG	21/10/20	$850.00	0.20	$170.00	Ordinary course of business credit issue with Moneris
DMO	21/10/20	$775.00	1.00	$775.00	Telephone conversation with S. Graff and J. Yantzi; Receiving emails with attachments
JWVY	21/10/20	$325.00	1.70	$552.50	Telephone call with S. Graff and D. O'Leary re mediation; Emails to S. Graff; Revise draft order; Emails to CannTrust's counsel; Emails to Monitor; Prepare affidavits

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JWVY	22/10/20	$325.00	0.20	$65.00	Attend to commissioning of affidavit
SLG	23/10/20	$850.00	0.20	$170.00	Emails from M. Wright and M. Robb re opposition to stay
DMO	23/10/20	$775.00	1.30	$1,007.50	Reviewing file materials; Emails sent and received
JWVY	23/10/20	$325.00	1.30	$422.50	Email to D. O'Leary re mediation; Email to S. Graff; Review draft Monitor's report; Emails with K. Fung and C. Wang
JWVY	25/10/20	$325.00	1.20	$390.00	Emails to K. Fung and A. Morrison; Review insurance analysis and mediation brief; Emails to D. O'Leary re insurance issues; Confer with S. Graff; Prepare affidavit; Attend to commissioning of affidavit
SLG	26/10/20	$850.00	0.50	$425.00	Conference call re stay extension (Yantzi, Morrison, Fung); consider response and delivery of info to Zola
SLG	26/10/20	$850.00	4.00	$3,400.00	Participation in Mediator session with company and insurers
SLG	26/10/20	$850.00	0.50	$425.00	Complete fifth report; review; review company presentation to Zola
JWVY	26/10/20	$325.00	8.80	$2,860.00	Telephone call with A. Morrison and K. Fung; Review and revise draft monitor's report; Emails to A. Morrison and K. Fung; Confer with S. Graff; Emails to CannTrust counsel re report; Attend mediation session; Review notes; Telephone call with Mediator, Company counsel and Monitor; Emails to B. Needham; Review responding motion record; Attend to service of Monitor's report; Prepare affidavit of service
SLG	27/10/20	$850.00	0.30	$255.00	Discussion re Zola response
SLG	27/10/20	$850.00	0.20	$170.00	Email from Mediator on stay motion
DMO	27/10/20	$775.00	0.20	$155.00	Emails sent and received

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
PLW	27/10/20	$200.00	0.40	$80.00	Filed 5th Report of the Monitor online
JWVY	27/10/20	$325.00	1.30	$422.50	Attend to swearing of affidavit of service and arrange for report to be filed with the court; Emails with A. Steele; Telephone call re response to Zola
SLG	28/10/20	$850.00	0.50	$425.00	Discussion with D. O'Leary and J. Yantzi re insurance issues, indemnity issues
SLG	28/10/20	$850.00	3.00	$2,550.00	Motion to extend stay of proceedings before Hainey, J.
DMO	28/10/20	$775.00	1.00	$775.00	Prepare for call; Conference call with J. Yantzi and S. Graff
JWVY	28/10/20	$325.00	2.20	$715.00	Review correspondence and motion materials; Attend court hearing re stay extension and late claims; Telephone call with S. Graff and D. O'Leary re insurance issues; Emails to the Monitor and CannTrust counsel; Email to B. Needham
SLG	29/10/20	$850.00	0.30	$255.00	Emails re coordination of presentation
JWVY	29/10/20	$325.00	0.60	$195.00	Review correspondence re mediation; Email to Monitor; Telephone call with B. Needham; Emails to B. Needham; Confer with S. Graff; Email to CannTrust counsel
JWVY	30/10/20	$325.00	0.30	$97.50	Email to counsel to Allianz and B. Needham; Review executed non-disclosure agreements; Email to Monitor
JWVY	31/10/20	$325.00	0.20	$65.00	Review memo from CannTrust coverage counsel re mediation; Email to the Monitor
JWVY	01/11/20	$325.00	0.40	$130.00	Review memo from CannTrust coverage counsel; Email to Monitor; Review draft notice of revision or disallowance; Email to S. Graff

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	02/11/20	$850.00	0.30	$255.00	Weekly Board meeting; coordinate case conference on timing of motions
SLG	02/11/20	$850.00	0.40	$340.00	Meeting with Zola team and mediator (call); review mediator memos
JWVY	02/11/20	$325.00	0.80	$260.00	Review correspondence re mediation; Emails to Monitor; Email to B. Needham; Telephone call with Mediator and counsel to Zola
SLG	03/11/20	$850.00	0.30	$255.00	Attend weekly board meeting
SLG	03/11/20	$850.00	0.40	$340.00	Conference call with Insurers and Mediator
JWVY	03/11/20	$325.00	1.30	$422.50	Telephone call with CannTrust counsel and insurers' counsel; Confer with S. Graff; Telephone call with Monitor, CannTrust, and CannTrust counsel re claims process; Email to B. Needham; Review draft notices of revision and disallowance
SLG	04/11/20	$850.00	1.00	$850.00	Attend company presentation and observe Zola questions and answers; review deck
JWVY	04/11/20	$325.00	0.70	$227.50	Attend video conference presentation by CannTrust to Zola and counsel
SLG	05/11/20	$850.00	0.30	$255.00	Attend on conference call with Zola reps and mediator re status and next steps
JWVY	05/11/20	$325.00	0.40	$130.00	Telephone call with Mediator and counsel to Zola; Confer with S. Graff
JWVY	06/11/20	$325.00	0.40	$130.00	Review draft offer; Confer with S. Graff; Email to Monitor
SLG	08/11/20	$850.00	1.10	$935.00	Review framework of resolution; draft settlement and email from S. D'Souza
SLG	09/11/20	$850.00	0.40	$340.00	Attend weekly CannTrust board meeting

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JWVY	09/11/20	$325.00	0.60	$195.00	Review revised proposed settlement framework; Confer with S. Graff; Emails with B. Needham; Email to Monitor
SLG	10/11/20	$850.00	1.20	$1,020.00	Conference call with J. Yantzi re structure and issues and review and telephone call with A. Morrison; review framework
JWVY	10/11/20	$325.00	2.30	$747.50	Discussion with S. Graff re proposed settlement framework; Telephone call with Monitor and CanntTrust counsel re claims process; Telephone call with S. Graff and A. Morrison re proposed settlement framework; Email to CannTrust counsel
SLG	11/11/20	$850.00	0.80	$680.00	Consider framework; telephone call with McCarthy; telephone call with A. Morrison; telephone call with J. Yantzi; review notes; consider request;
JWVY	11/11/20	$325.00	1.60	$520.00	Email to U.S. plaintiffs' counsel; Email to Company counsel; Review notes; Telephone call with CannTrust counsel and Monitor re proposed settlement framework; Confer with S. Graff
SLG	12/11/20	$850.00	1.00	$850.00	Attend presentation of company to insurers; attend session (Q&A) of company and coalition
SLG	12/11/20	$850.00	0.80	$680.00	Follow up call with A. Morrison and J. Yantzi to discuss framework, process and issues
JWVY	12/11/20	$325.00	0.90	$292.50	Email to Monitor; Review notes re mediation; Telephone call with A. Morrison and S. Graff re mediation
SLG	13/11/20	$850.00	0.60	$510.00	Telephone call with D. Wingfield and email with D. Lacaris
SLG	16/11/20	$850.00	0.40	$340.00	Email with A. Morrison and discussion with J. Yantzi; attend weekly board meeting call

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	16/11/20	$850.00	0.20	$170.00	Email re questions and indemnity claims issues
JWVY	16/11/20	$325.00	0.70	$227.50	Telephone call from CannTrust shareholder re Monitor's report; to S. Graff; Emails to B. Needham; Email to Monitor
SLG	17/11/20	$850.00	0.30	$255.00	Review emails from insurers re offer and conditionality
JWVY	17/11/20	$325.00	1.20	$390.00	Emails to C. Wang; Review correspondence re mediation; Telephone call with Company, Company counsel, and Monitor re claims process; Review notice of revision or disallowance; Email to A. Steele
SLG	18/11/20	$850.00	0.50	$425.00	Emails with respect to commitment of insurers to participate in mediation of offer of settlement
SLG	19/11/20	$850.00	3.50	$2,975.00	Attend mediation session with Plaintiffs and company and E. Paul
JWVY	19/11/20	$325.00	4.40	$1,430.00	Prepare for mediation session; Confer with S. Graff; Emails to Monitor and S. Graff; Attend mediation session; Review notes
SLG	20/11/20	$850.00	0.30	$255.00	Emails re coordination of further mediation sessions and disclosure issues
JWVY	20/11/20	$325.00	0.70	$227.50	Review correspondence re mediation; Review revised settlement framework; Emails to S. Graff and Monitor
JWVY	21/11/20	$325.00	0.20	$65.00	Review offer and other correspondence re mediation
SLG	23/11/20	$850.00	4.00	$3,400.00	Engage in Mediation with Coalition and with company and other plaintiff groups; telephone call with A. Morrison
SLG	23/11/20	$850.00	0.30	$255.00	Attend weekly board call

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	23/11/20	$850.00	0.20	$170.00	Review mediator memo re status and upcoming sessions
JWVY	23/11/20	$325.00	4.20	$1,365.00	Review memo from mediator; Prepare for mediation session; Attend mediation session; Review notes
SLG	24/11/20	$850.00	4.00	$3,400.00	Attend mediation session with Coalition, Insurers and Company
JWVY	24/11/20	$325.00	4.70	$1,527.50	Prepare for mediation session; Emails to the Monitor; Attend mediation session; Review notes
JWVY	25/11/20	$325.00	0.60	$195.00	Review revised settlement framework; Review draft representative appointment order
SLG	26/11/20	$850.00	1.50	$1,275.00	Review Rep Order and revised Rep Order; review updated framework; conference call with A. Morrison, J. Gage and S. D'Souza
SLG	27/11/20	$850.00	0.20	$170.00	Email re disclosure
SLG	30/11/20	$850.00	0.50	$425.00	Attend weekly board call; review emails on status and RSA
JWVY	30/11/20	$325.00	0.60	$195.00	Review and engaged with revised draft representative appointment order; Review correspondence re general unsecured creditors; Email to the Monitor; Review revised settlement framework
TOTAL:			96.60	$53,920.00	

Name	Hours	Rate	Value
Steven L. Graff (SLG)	40.00	$850.00	$34,000.00
Jonathan W. V. Yantzi (JWVY)	52.70	$325.00	$17,127.50
Dennis M. O'Leary (DMO)	3.50	$775.00	$2,712.50
Patrick L. Williams (PLW)	0.40	$200.00	$80.00

OUR FEE	$53,920.00
HST at 13%	$7,009.60

DISBURSEMENTS

Subject to HST

Photocopies	$71.75	
Photocopies - Local	$35.00	
Binding and Tabs	$22.50	
Deliveries/Parss	$126.31	
Total Disbursements		$255.56
HST at 13%		$33.22

AMOUNT NOW DUE **$61,218.38**

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.
42665563.2

IN ACCOUNT WITH:

AIRD BERLIS

Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 **F** 416.863.1515
airdberlis.com

Ernst & Young Inc.
c/o CannTrust Inc.
7300 Keele Street,
Second Floor,
Vaughan, ON L4K 1Z9

Attention: Mr. Alex Morrison

Invoice No.: 694137

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 17515/155902
Client No.: 17515
Matter No.: 155902

December 31, 2020

Re: CannTrust Holdings Inc.

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended December 31, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	01/12/20	$850.00	0.20	$170.00	Review mediator memos
SLG	01/12/20	$850.00	0.50	$425.00	Discussion with A. Morrison re RSA; review and comment on same
JWVY	01/12/20	$325.00	1.40	$455.00	Review draft restructuring support agreement; Emails with B. Needham; Confer with S. Graff; Review correspondence re mediation
SLG	02/12/20	$850.00	0.80	$680.00	Attend mediation session with P. Aceto and coalition and company
SLG	02/12/20	$850.00	0.80	$680.00	Review RSA and conference call with J. Gage and A. Morrison
SLG	02/12/20	$850.00	0.20	$170.00	Telephone call with D. Wingfield
JWVY	02/12/20	$325.00	2.10	$682.50	Emails with B. Needham; Confer with S. Graff; Review mediation materials and notes; Attend mediation session;
SLG	03/12/20	$850.00	1.80	$1,530.00	Attend mediation session with insurers and company to address questions

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	03/12/20	$850.00	0.80	$680.00	Conference call with J. Johnson and D. Lascaris re questions and offers; telephone call with Merchant law group to address status and questions
JWVY	03/12/20	$325.00	3.60	$1,170.00	Attend mediation session; Emails to the Monitor; Telephone call with the Mediator and Merchant Law Group; Email to Company counsel; Review correspondence re mediation; Telephone call with the Mediator and the Coalition
JWVY	04/12/20	$325.00	0.60	$195.00	Emails to Company counsel and Monitor; Email to insurers' counsel; Email to Monitor; Receipt and review of mediation materials
JWVY	05/12/20	$325.00	0.30	$97.50	Review correspondence re mediation; Emails to the Monitor
JWVY	06/12/20	$325.00	0.10	$32.50	Engaged with offer re mediation; Email to Company counsel; Email to insurers' counsel
SLG	07/12/20	$850.00	0.50	$425.00	Attend weekly board meeting and update
SLG	07/12/20	$850.00	2.90	$2,465.00	Prepare for and attend session with coalition and Litwin counsel
JWVY	07/12/20	$325.00	5.10	$1,657.50	Email to insurers' counsel; Review mediation briefs; Review correspondence re mediation; Emails to the Monitor; Attend mediation session; Confer with S. Graff; Review notes; Receipt and preliminary review of notices of dispute
SLG	08/12/20	$850.00	3.00	$2,550.00	Attend call with insurers; prep for same
SLG	08/12/20	$850.00	1.00	$850.00	Follow up call with A Morrison and follow up call with J. Yantzi
SLG	08/12/20	$850.00	0.30	$255.00	Telephone call with Auston re and status of proceeding

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JWVY	08/12/20	$325.00	1.90	$617.50	Review correspondence re mediation; Confer with S. Graff; Telephone call with insurers' counsel, Company counsel and Monitor re settlement framework; Telephone call with the Monitor and Company counsel re claims process
SLG	10/12/20	$850.00	0.20	$170.00	Emails re offer exchange with Litwins
JWVY	10/12/20	$325.00	0.10	$32.50	Review correspondence re mediation; Email to the Monitor
SLG	14/12/20	$850.00	0.30	$255.00	Attend weekly board call
SLG	14/12/20	$850.00	0.80	$680.00	Conference call with M. Wright, M. Robb and Mediator re Zola position
SLG	14/12/20	$850.00	0.60	$510.00	Conference call with A. Morrison re Zola and framework
SLG	15/12/20	$850.00	0.20	$170.00	Coordinate with B. Needham re return date
JWVY	16/12/20	$325.00	0.10	$32.50	Email to B. Needham
SLG	17/12/20	$850.00	0.90	$765.00	Attend on telephone call with Litwin legal team/Stikeman and Zola Group re negotiation; exchange of info and next steps
JWVY	17/12/20	$325.00	0.70	$227.50	Review mediation briefs of certain mediation parties: Attend mediation session; Review notes; Confer with S. Graff
SLG	18/12/20	$850.00	0.20	$170.00	Emails with S. D'Souza
SLG	21/12/20	$850.00	0.30	$255.00	Attend weekly board meeting and telephone call with A. Morrison
SLG	24/12/20	$850.00	0.50	$425.00	Telephone call with A. Morrison and S. D'Souza re status of term sheet and RSA
TOTAL:			32.80	$19,480.00	

Name	Hours	Rate	Value
Steven L. Graff (SLG)	16.80	$850.00	$14,280.00
Jonathan W.V. Yantzi (JWVY)	16.00	$325.00	$5,200.00

OUR FEE	$19,480.00
HST at 13%	$2,532.40
AMOUNT NOW DUE	**$22,012.40**

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.
42983958.2

Attached is Exhibit “B”

Referred to in the

AFFIDAVIT OF STEVEN GRAFF

Sworn before me

this 19th day of January, 2021

Jonathan W. V. Yantzi

Jonathan Yantzi

Commissioner for taking Affidavits, etc

Lawyer	Call to Bar	Hourly Rate	Total Time	Value
Dennis O’Leary	1984	$775.00	3.50	$2,712.50
Steve Graff	1991	$850.00	56.80	$48,280.00
Jonathan Yantzi	2019	$325.00	68.70	$22,327.50
Clerk/Student	**Call to Bar**	**Hourly Rate**	**Total Time**	**Value**
Patrick Williams	N/A	$200.00	0.40	$80.00

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

Proceedings commenced at Toronto

AFFIDAVIT OF STEVEN GRAFF
(sworn January 19, 2021)

AIRD & BERLIS LLP
181 Bay Street, Suite 1800
Toronto, Ontario M5J 2T9

Steven L. Graff (LSO # 31871V)
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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., CANNTRUST INC., CTI HOLDINGS (OSOYOOS) INC. AND ELMCLIFFE INVESTMENTS INC.

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

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SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
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