

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.

JUSTICE HAINEY

)
)
)

TUESDAY, THE 23RD
DAY OF MARCH, 2021

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GREEN GROWTH BRANDS INC., GGB CANADA INC., GREEN GROWTH BRANDS
REALTY LTD. AND XANTHIC BIOPHARMA LIMITED

Applicants

ORDER

(Re: Stay Period Extension and Approval of the Third DIP Amendment)



THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for an order (a) extending the Stay Period (as defined below), and (b) approving certain amendments to the DIP Interim Financing Term Sheet Agreement (the "DIP Agreement") between Green Growth Brands Inc. ("GGB") as borrower and the DIP Lender dated as of May 19, 2020, proceeded on this day by way of video-conference due to the COVID-19 pandemic.

ON READING the affidavit of Kent Kiffner sworn March 19, 2021 (the "**Kiffner Affidavit**") and the Exhibits attached thereto and the Fifth Report of Ernst & Young Inc. ("EY") in its capacity as the Court-appointed Monitor (the "**Monitor**") dated March 20, 2021 (the "**Fifth Report**"), filed, and on hearing the submissions of counsel for the Applicants, the Monitor, All Js, and those other parties appearing as indicated on the counsel slip, no one else appearing for any other party although duly served as appears from the affidavit of service of Sanja Sopic sworn March 19, 2021, filed;

SERVICE

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

EXTENSION OF STAY PERIOD

2. **THIS COURT ORDERS** that the stay of proceedings (the “**Stay Period**”) referred to in the Amended and Restated Initial Order of the Honourable Mr. Justice McEwen dated June 2, 2020 (the “**Amended and Restated Initial Order**”), is extended to and including May 28, 2021.

APPROVAL OF THE THIRD DIP AMENDMENT

3. **THIS COURT ORDERS** that the Applicants are hereby authorized and directed to enter into the Third Amending Agreement to the DIP Agreement (as amended) dated March 19, 2021 (the “**Third DIP Amendment**”), substantially in the form attached as Exhibit F to the Kiffner Affidavit.

4. **THIS COURT ORDERS** that the DIP Lender’s Charge referred to in paragraph 33 of the Amended and Restated Initial Order (the “**DIP Lender’s Charge**”) shall be increased to secure amounts advanced under the Third DIP Amendment, up to the maximum aggregate amount of US\$14.2 million.

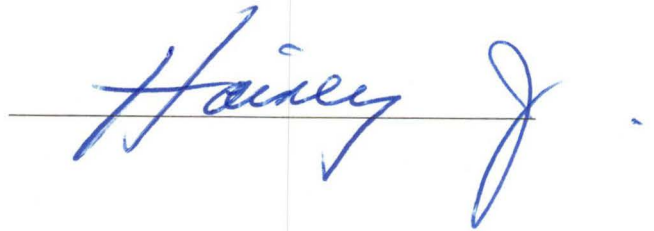
5. **THIS COURT ORDERS** that All Js, in its capacity as the DIP Lender (the “**DIP Lender**”), shall be entitled to the benefit of the DIP Lender’s Charge in connection with the Applicants’ obligations under the Third DIP Amendment, which the DIP Lender’s Charge has the priority set out in paragraphs 38 and 40 of the Amended and Restated Initial Order.

6. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the Third DIP Amendment or DIP Lender’s Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (any of which, a “**Variation**”) whether by subsequent Order of this Court or pending an appeal from this Order, such Variation shall not in any way impair, limit or lessen the protections, rights or remedies of the DIP Lender, whether under this Order or under any of the documentation delivered pursuant hereto, with respect to any advances made prior to the DIP Lender being given notice of the Variation.

GENERAL

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

8. **THIS COURT ORDERS** that this Order and all of its provisions are effective from the date it is made without the need for entry and filing.



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF GREEN GROWTH BRANDS INC., GGB CANADA INC., GREEN GROWTH BRANDS REALTY LTD. AND XANTHIC BIOPHARMA LIMITED

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

ORDER
(Re: Stay Period Extension and Approval of
the Third DIP Amendment)

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Ashley Taylor LSO#: 39932E
Tel: (416) 869-5236
Email: ataylor@stikeman.com

Sanja Sopic LSO#: 66487P
Tel: (416) 869-6825
Email: ssopic@stikeman.com

Nicholas Avis LSO# 76781Q
Tel: (416) 869-5504
Email: navis@stikeman.com
Fax: (416) 947-0866

Lawyers for the Applicants