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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANNTRUST HOLDINGS INC., CANNTRUST INC., CTI HOLDINGS (OSOYOOS) INC. AND ELMCLIFFE INVESTMENTS INC.

Applicants

MOTION RECORD
(DIP Approval Order)
(Returnable April 30, 2021)

April 20, 2021

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TAB 1

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

ONTARIO
SUPERIOR COURT OF JUSTICE
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Applicants

NOTICE OF MOTION
(DIP Approval Order)
(Returnable April 30, 2021)

The Applicants will make a motion before a judge of the Ontario Superior Court of Justice (Commercial List) on April 30, 2021 at 10:00 a.m., or as soon after that time as the motion can be heard, by judicial videoconference via Zoom at Toronto, Ontario due to the COVID-19 pandemic. Please refer to the conference details attached as Schedule "A" hereto in order to attend. Please advise if you intend to join the motion by emailing Trevor Courtis at tcourtis@mccarthy.ca.

THE MOTION IS FOR an order (the "**DIP Approval Order**")**:**

(a) substantially in the form attached to the Motion Record at Tab 3, authorizing and empowering the CannTrust Group to borrow under a CCAA interim financing and exit credit facility (the "**DIP and Exit Loan**") to be provided by Cortland Credit Lending Corporation in its capacity as administrative agent (the "**Agent**") on behalf of itself, its affiliates and/or other lenders to be designated from time to time (collectively, the "**DIP Lender**") in the maximum amount of $22.5 million, on the terms and subject to the conditions set forth in the term sheet between the CannTrust Group and the Agent dated April 13, 2021 (the "**DIP Term Sheet**");

(b) granting a charge in favour of the DIP Lender on the property of the CannTrust Group in the maximum principal amount of $22.5 million (the "**DIP Lender's Charge**");

(c) sealing Confidential Exhibit "**C**" attached to the Guyatt Affidavit (as defined below) until further Order of the Court;

(d) extending the Stay Period (as defined in the Amended and Restated Initial Order, defined below) to June 30, 2021;

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

THE GROUNDS FOR THE MOTION ARE:

1. The facts in support of this motion are set out in the Affidavit of Greg Guyatt sworn April 19, 2021 (the "**Guyatt Affidavit**"). Capitalized terms used and not otherwise defined herein have the meanings given to them in the Guyatt Affidavit.

Background

2. The CannTrust Group is a licensed producer of cannabis in Canada that, prior to June 2019, operated an award-winning business that was experiencing operational growth and expanding into new markets and product segments.

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

4. On April 9, 2020, the Honourable Mr. Justice Hainey granted an order (the "**Amended and Restated Initial Order**") amending and restating the Initial Order to, among other things, extend the Stay Period to July 5, 2020. The Stay Period has been subsequently extended on several occasions and currently runs until and including April 30, 2021.

5. The CannTrust Group has made significant progress in its restructuring efforts since commencing these proceedings under the CCAA (the "**CCAA Proceedings**"). Among other things, the CannTrust Group has remediated its facilities, obtained the reinstatement of its cannabis licences, right-sized its business operations, resumed production and processing operations, returned to the recreational and medical cannabis markets and agreed to a framework (the "**Settlement Framework**") for the settlement of, among other claims, the claims asserted in multiple putative securities class actions that were commenced against the CannTrust Group in several provinces in Canada and at the federal and state level in the United States (the "**Actions**").

2. CannTrust Holdings Inc., CannTrust Inc. and Elmcliffe Investments Inc. (the "**CannTrust Plan Companies**") filed a plan of compromise, arrangement, and reorganization (the "**CCAA Plan**") and obtained an order authorizing them to conduct meetings of their creditors (the "**Meetings**") to vote on the CCAA Plan. Subject to approval of the CCAA Plan at the Meetings, the CannTrust Plan Companies will seek an order sanctioning the CCAA Plan on June 11, 2021 (the "**Sanction Order**").

3. The CCAA Plan and the Settlement Framework respectively contemplate that the CannTrust Plan Companies will fund certain amounts to pay secured, unsecured, and priority claims, all claims secured by the CCAA Charges (as defined in the CCAA Plan) and amounts to settle the Actions (the "**CCAA Payments**").

Need for Financing

4. The CannTrust Group has limited remaining cash and requires financing to provide the working capital necessary for it to continue to operate as a going concern during these CCAA Proceedings, to pursue implementation of the CCAA Plan including payment of the CCAA Payments, and to continue to operate upon exit from the CCAA Proceedings.

5. Without the DIP and Exit Loan in place, the CannTrust Group is at risk of being unable to continue operating beyond the near-term, may be unable to emerge from the CCAA proceedings as a going concern, and may not have the necessary liquidity to implement the CCAA Plan should it be approved by creditors and the Court and to emerge from the CCAA Proceedings.

The DIP and Exit Loan

6. The CannTrust Group has negotiated the DIP and Exit Loan with the DIP Lender to fund the CannTrust Group's operations and obligations during the CCAA Proceedings and beyond.

7. The DIP and Exit Loan credit facility limit is $22.5 million, which funds must be used to fund the CannTrust Group's working capital needs during the CCAA Proceedings and, upon satisfaction of the certain conditions, after the company's exit from the CCAA Proceedings.

8. The DIP Lender is entitled to certain fees typical of DIP loans in CCAA proceedings, including a Financing Review Fee, Break Fee, Utilization Fee, Termination Fee, as well as reimbursement of legal and transaction expenses.

9. The DIP and Exit Loan is guaranteed by Elmcliffe Investments [No. 2] Inc. and any other wholly-owned subsidiaries of the CannTrust Group. The DIP and Exit Loan will be secured by a first-ranking priority security interest in, and during the pendency of the CCAA Proceedings, a first-ranking super-priority DIP financing charge on the real property owned by the CannTrust Group and all other present and after-acquired property (other than certain excluded property).

10. The DIP and Exit Loan is the result of an extensive market solicitation effort by the CannTrust Group and extensive negotiations between the CannTrust Group and the DIP Lender,

each with the assistance of the CRO and in consultation with the Monitor. The DIP and Exit Loan is reasonable in the circumstances.

DIP Lender's Charge

11. As is typical, the DIP and Exit Loan is conditional upon, among other things, the issuance of a court order approving the DIP and Exit Loan and granting the DIP Lender's Charge over all present and after-acquired property, assets, and undertakings of the CannTrust Group other than certain excluded property. The DIP Lender's Charge would be in fourth ranking priority behind the Administration Charge, the Directors' Charge and the KERP Charge (as each are defined in the Amended and Restated Initial Order).

12. Notice of this motion has been given to all creditors likely to be affected by the security of the DIP Lender's Charge.

Sealing Order

13. The CannTrust Group seeks a sealing order in respect of the Confidential Exhibit "C" attached to the Guyatt Affidavit, which contains an unredacted version of the DIP Term Sheet. Certain sensitive financial and economic terms have been redacted from the DIP Term Sheet, disclosure of which has the potential to prejudice the CannTrust Group and the DIP Lender in future negotiations.

14. The sealing order is appropriate and the breadth and duration of the sealing order are narrowly tailored.

Stay Extension

15. The CannTrust Group is seeking a short extension of the Stay Period to June 30, 2021 to allow it to continue to proceed towards emerging from the CCAA Proceedings as a going concern. The extension will also allow the CannTrust Group to, among other things, conduct the Meetings, hold the hearing for the Sanction Order on June 11, 2021, and take other necessary steps towards implementing the CCAA Plan and completing the CCAA Proceedings..

16. The short proposed extension of the Stay Period is necessary and appropriate as: (i) the CannTrust Group has continued to act in good faith and with due diligence; and (ii) the CannTrust Group is expected to have sufficient liquidity to operate throughout the short proposed extension of the Stay Period.

6. CannTrust also relies upon the following:

(a) Section 11 and other provisions of the CCAA and the inherent and equitable jurisdiction of this Court;

(b) Rules 2.03, 3.02, 16, 37 and 39 of the *Rules of Civil Procedure* (Ontario), as amended;

(c) Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

(a) the affidavit of Greg Guyatt, sworn April 19, 2021; and

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

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

April 20, 2021

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TO: SERVICE LIST

SCHEDULE "A"

Conference Details to join Motion via Zoom

Topic: CannTrust Holdings Inc. (Court File No. CV-20-00638930-00CL)

Time: April 30, 10:00 AM Eastern Time (US and Canada)

Join Zoom Meeting:
https://zoom.us/j/96141533143?pwd=OHNlZURFaVBqSTcvdlhQQnd5cHYrQT09

Meeting ID: 961 4153 3143

Passcode: 665033

Find your local number: https://zoom.us/u/ac2q4o2Iis

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANNTRUST HOLDINGS INC. ET AL.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF MOTION
(DIP Approval)
(Returnable April 30, 2021)

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TAB 2

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

ONTARIO
SUPERIOR COURT OF JUSTICE
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Applicants

AFFIDAVIT OF GREG GUYATT
(Sworn April 19, 2021)

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

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

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

3. For ease of reference, the Applicants will be collectively referred to herein as the

"**CannTrust Group**". All dollar references herein are Canadian dollars unless otherwise referenced.

I. OVERVIEW

(i) Background

4. The CannTrust Group has made significant progress in its restructuring efforts since commencing these proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") on March 31, 2020.

5. As detailed further in previous affidavits that I have sworn in these proceedings, the CannTrust Group has remediated its facilities, obtained the reinstatement of its cannabis licences, right-sized its business operations, resumed production and processing operations, returned to the recreational and medical cannabis markets and agreed to a framework for the settlement of, among other claims, the claims asserted in multiple putative securities class actions that were commenced against the CannTrust Group in several provinces in Canada and at the federal and state level in the United States (the "**Actions**").

6. On April 16, 2021, CannTrust Holdings Inc., CannTrust Inc. and Elmcliffe Investments Inc. (the "**CannTrust Plan Companies**") filed a plan of compromise, arrangement and reorganization (the "**CCAA Plan**") and obtained an order authorizing them to conduct meetings of their creditors (the "**Meetings**") to vote on the CCAA Plan (the "**Meeting Order**").

7. The Meetings have been scheduled for May 28, 2021. If the CCAA Plan is approved by the majorities of creditors contemplated by the Meeting Order, the CannTrust Plan

Companies will seek court sanction of the CCAA Plan on June 11, 2021. If the sanction order is issued by this Court, the CannTrust Plan Companies will also seek approval of the settlement of the Actions in the United States.

8. The CannTrust Plan Companies believe that the compromises and arrangements proposed in the CCAA Plan are necessary to allow them to emerge from the CCAA Proceedings as a going concern.

9. It is also necessary for the CannTrust Group to obtain further financing to fund its operations during the remainder of the CCAA Proceedings, if necessary, and after completion of the CCAA Proceedings. As noted in previous affidavits filed in these proceedings, the CannTrust Group has limited remaining cash in excess of the $50 million needed to fund the proposed settlement of the securities claims pursuant to the CCAA Plan. As reported in the Eighth Report of Ernst & Young Inc. in its capacity as the monitor of the CannTrust Group (the "**Monitor**") dated March 15, 2021 (the "**Eighth Report**"):

(a) the CannTrust Group held cash and short-term investments of approximately $69.8 million as at February 28, 2021; and

(b) at that time, the CannTrust Group was projected to hold cash and short-term investments of approximately $53.7 million as at May 30, 2021.

10. Accordingly, the CannTrust Group has engaged in extensive discussions with various potential financiers and has entered into a term sheet with Cortland Credit Lending Corporation ("**Cortland**") to obtain needed financing, subject to approval of this Court.

(ii) Relief Sought on This Motion

11. I swear this affidavit in support of a motion by the CannTrust Group for an order substantially in the form of the draft order included at Tab 3 of the Motion Record of the CannTrust Group (the "**DIP Approval Order**"), among other things,

(a) authorizing and empowering the CannTrust Group to borrow under a CCAA interim financing and exit credit facility (the "**DIP and Exit Loan**") to be provided by Cortland in its capacity as administrative agent (the "**Agent**") on behalf of itself, its affiliates and/or other lenders to be designated from time to time (collectively, the "**DIP Lender**"), in the maximum amount of $22.5 million, on the terms and subject to the conditions set forth in the term sheet between the CannTrust Group and the Agent dated April 13, 2021 (the "**DIP Term Sheet**");

(b) granting a charge in favour of the DIP Lender on the property of the CannTrust Group in the maximum principal amount of $22.5 million (the "**DIP Lender's Charge**"); and

(c) extending the Stay Period (as defined in the Amended and Restated Initial Order, defined below) to June 30, 2021.

12. The DIP and Exit Loan is an essential bridge that will facilitate the CannTrust Group emerging from these CCAA Proceedings and continuing to operate thereafter for the benefit of its approximately 298 employees, the consumers and medical patients that rely on its products, its suppliers and the communities in which it operates. In my view, the terms of the

DIP and Exit Loan are commercially reasonable and better than the terms offered by other potential financiers that the CannTrust Group engaged with.

13. Accordingly, it is appropriate for this Court to grant the DIP Approval Order.

II. NEED FOR ADDITIONAL FINANCING

14. The CannTrust Group, with the assistance of its chief restructuring officer FTI Consulting Canada Inc. (the "**CRO**"), and in consultation with the Monitor, prepared a cash flow forecast (the "**Cash Flow Forecast**") running from March 1, 2021 to the week ending May 30, 2021 (the "**Forecast Period**") which was appended to the Eighth Report. A copy of the Cash Flow Forecast is attached hereto as **Exhibit "A"**.

15. The Cash Flow Forecast indicates that, among other things:

(a) the CannTrust Group held cash and short-term investments of approximately $69.8 million as at February 28, 2021;

(b) the operations of the CannTrust Group were projected to remain cash flow negative over the Forecast Period; and

(c) the CannTrust Group was projected to hold cash and short-term investments of approximately $53.7 million as at May 30, 2021.

16. The CannTrust Group has only recently returned to the recreational and medical cannabis markets and is still in the process of gradually (i) expanding its portfolio of recreational products and their market availability, (ii) re-engaging with medical cannabis patients, and (iii) increasing its cultivation space utilization and harvest levels commensurate

with its sales levels. In the Cash Flow Forecast, the CannTrust Group is projected to have receipts of approximately $6.3 million over the Forecast Period, compared with operational disbursements of approximately $20.6 million over the Forecast Period.

17. The CannTrust Group has made significant progress on the journey to turning around its business, however there is significant work that remains to be done before the business will be cash flow positive.

18. The CCAA Plan currently contemplates that the CannTrust Plan Companies will need to fund the following amounts, among others:

(a) a cash contribution of $50 million to settle securities claims;

(b) a contribution of $900,000 to fund distributions to general unsecured creditors of CannTrust Inc. ("**CannTrust Opco**");

(c) payment of secured claims against the CannTrust Plan Companies (as at March 1, 2021, there were proven secured claims against the CannTrust Plan Companies in the amount of $101,439);

(d) payment of CCAA Priority Payment Claims (as defined in the CCAA Plan); and

(e) payment of all claims secured by the CCAA Charges (as defined in the CCAA Plan) other than the DIP and Exit Loan.

19. The CannTrust Group accordingly requires additional financing to allow it to continue to operate as a going concern during these CCAA Proceedings while pursuing the

implementation of the CCAA Plan, and thereafter to provide the working capital necessary for the CannTrust Group's business operations after exiting the CCAA Proceedings. The CannTrust Group is seeking approval of the financing at this time to provide certainty to its stakeholders that it will have the necessary liquidity to implement the CCAA Plan should it be approved by creditors and the Court and to emerge from the CCAA Proceedings.

III. MARKET SOLICITATION

20. Over the last five months the CannTrust Group canvassed the financial community and engaged in negotiations with a number of potential lenders primarily in Canada and the US, with consideration given to a variety of potential transaction structures subject to the limitations under the cease trade order which the CannTrust Group's common shares are currently subject to in Canada.

21. Prior to entering into the DIP Term Sheet with the DIP Lender, the CannTrust Group contacted over 20 parties to solicit interest in advancing financing. The list of parties contacted included a number of parties recommended by the Monitor, the CRO and the Financial Advisor. Seven parties submitted proposals for consideration by the CannTrust Group.

22. Following negotiations with the parties with the strongest proposals, and after consultation with the Monitor and the CRO, the CannTrust Group selected the DIP Lender's proposal as the proposal best-suited to the company's needs in the immediate and longer term. The CannTrust Group engaged in extensive negotiations with the DIP Lender to finalize the terms of the DIP Term Sheet.

IV. DIP AND EXIT LOAN

23. All capitalized terms used in this section of my affidavit and not otherwise defined herein have the meanings provided to them in the DIP Term Sheet. A copy of the DIP Term Sheet with certain sensitive financial and economic terms redacted is attached hereto as **Exhibit "B"**. An unredacted copy of the DIP Term Sheet is attached hereto as **Confidential Exhibit "C"**.

24. The following are certain material terms of the DIP Term Sheet:

(a) Facility Limit: $22.5 million.

(b) Borrowers: CannTrust Holdings, CannTrust Inc., Elmcliffe and CTI Holdings (Osoyoos) Inc.

(c) Guarantors: Elmcliffe Investments [No. 2] Inc. and any other wholly-owned subsidiaries of any Borrower and/or Guarantor.

(d) Use of Proceeds: Funds advanced under the DIP and Exit Loan must be used to fund the CannTrust Group's working capital needs during the CCAA Proceedings and, upon satisfaction of the Conditions Precedent to Extension of the Credit Facility After CCAA Exit, after exit from the CCAA Proceedings upon implementation of the CCAA Plan.

(e) Term: The term of the DIP and Exit Loan ends on the earlier of (the "**Maturity Date**"): (i) 12 months from the initial advance under the DIP and Exit Loan, which date may be extended by an additional 12-month term upon request by

CannTrust Group and agreement by the parties; and (ii) any other Termination Date.

(f) Fees: The DIP Lender is entitled to:

(i) a Financing Review Fee and a Commitment Fee each equal to a specified percentage of the Facility Limit which are each payable upon issuance of the DIP Approval Order and the full execution of all required Credit Documents;

(ii) a Break Fee equal to a specified percentage of the Facility Limit which is payable if either a material misrepresentation has been made by any Borrower, or if the Borrowers do not allow for the closing of the DIP and Exit Loan by May 15, 2021;

(iii) a Utilization Fee equal to a specified percentage per annum of the unused portion of the DIP and Exit Loan, calculated daily and payable on the last day of each month;

(iv) a Termination Fee equal to a specified percentage of the Facility Limit, if the DIP and Exit Loan is terminated for any reason without the consent of the DIP Lender, payable on the termination date; and

(v) reimbursement of all costs, including legal expenses and consultant expenses incurred by the DIP Lender in connect with the DIP and Exit Loan, which shall be payable on demand;

(g) Deposit: The CannTrust Group has provided a $100,000 deposit to the DIP Lender to cover legal and other transaction expenses, which will be refunded to the Borrowers after subtracting all transaction and other due diligence costs incurred by the Agent.

(h) Collateral: The DIP and Exit Loan shall be secured by a first ranking super-priority security interest in, and during the pendency of the CCAA Proceedings, a first-ranking super-priority DIP financing charge on the real property owned by the Borrowers and all other present and after-acquired property (other than Excluded Property) of the Borrowers, subject to Permitted Encumbrances.

(i) Excluded Property: The following assets constitute Excluded Property for the purposes of the Credit Documents and the DIP Lender's Charge, among other things:

(i) cash in the amount of $50,000,000 that has been deposited into a separate account and is intended to be paid into a trust to be established for purposes of funding settlement and implementation of the CCAA Plan;

(ii) cash in the amount of $2,500,000 that has been deposited into a separate account and is intended to be used for purposes of settling claims and paying priority claims against the Borrowers under the CCAA Plan;

(iii) the "Assigned Claims" as defined and described in the restructuring supporting agreement dated January 19, 2021, between the Borrowers and certain representative plaintiffs in various class action proceedings commenced against the Borrowers;

(iv) any residual beneficial interest that the Borrowers have in CannTrust Directors and Officers Trust, a trust established by the Borrowers for purposes of settling potential director and officer liabilities (provided that, for greater certainty, if the Borrowers receive any distribution from the trust upon its termination, the proceeds of the distribution will become Collateral); and

(v) any reserve accounts maintained by the Borrowers (or any one of them), and all funds on deposit therein, in connection with the tolling agreement made as of January 31, 2018 among Balfour Energy Corp., CannTrust Inc. and Elmcliffe Investments Inc.

25. The DIP Facility contains the following Milestone Dates in Schedule "B":

(a) CCAA Plan filed by April 30, 2021;

(b) Creditors Meeting held by June 14, 2021;

(c) Plan Sanction Order issued by June 30, 2021;

(d) US Securities Class Action Dismissal Order issued by the later of the following: (i) September 30, 2021 and (ii) the date which occurs 130 days after the Borrowers obtain the Plan Sanction Order described immediately above;

(e) Plan Implementation by the later of the following: (i) October 31, 2021; and (ii) the date which occurs 31 days after the Borrowers obtain the US Securities Class Action Dismissal Order described immediately above; and

(f) Presentation of a go-forward business plan acceptable to the Agent on or before the earlier of: (i) October 31, 2021; and (ii) no less than 21 days before the Borrowers' exit from the CCAA Proceedings.

26. It is an Event of Default under the DIP Term Sheet if the Borrowers fail to meet any of these Milestone Dates.

V. DIP APPROVAL ORDER AND DIP LENDER'S CHARGE

(i) DIP Lender's Charge

27. As noted above, the DIP and Exit Loan is conditional upon, among other things, the issuance of a court order approving the DIP and Exit Loan and granting the DIP Lender's Charge over all present and after-acquired property, assets, and undertakings of the CannTrust Group other than the Excluded Property.

28. The relevant paragraphs of the proposed DIP Approval Order would replace paragraphs 57-62 of the Amended and Restated Initial Order of the Honourable Mr. Justice Hainey dated April 9, 2020 (the "**Amended and Restated Initial Order**") which deal with

priority of the various charges created by the Amended and Restated Initial Order. A copy of the Amended and Restated Initial Order is attached hereto as **Exhibit "D"**.

29. The proposed DIP Approval Order contemplates that the priority of the court-ordered charges would be as follows:

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

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

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

(d) **Fourth –** DIP Lender's Charge (to the maximum principal amount of $22.5 million);

(e) **Fifth –** Transaction Fee Charge; and

(f) **Sixth –** Intercompany Charge.

30. The DIP Lender's Charge, like all of the other charges created by the Amended and Restated Initial Order, would rank in priority to all other security interests, trusts, liens, charges, encumbrances and claims of secured creditors, statutory or otherwise. The CannTrust Group intends to provide notice of their motion for the DIP Approval Order to creditors who may be affected by the charge, including creditors with registered security interests against the CannTrust Group or its property and the applicable government taxing authorities.

31. The following personal and real property searches are attached hereto:

(a) *Personal Property Security Act* (Ontario) ("**ON PPSA**") search conducted against CannTrust Holdings, attached as **Exhibit "E"**;

(b) ON PPSA search conducted against CannTrust Opco, attached as **Exhibit "F"**;

(c) ON PPSA search conducted against Elmcliffe, attached as **Exhibit "G"**;

(d) ON PPSA search conducted against CTI Holdings (Osoyoos) Inc. ("**CTI**"), attached as **Exhibit "H"**;

(e) *Personal Property Security Act* (British Columbia) search conducted against CTI, attached as **Exhibit "I"**;

(f) Parcel register with respect to land in Fenwick, Ontario owned by Elmcliffe, attached as **Exhibit "J"**; and

(g) Parcel registers with respect to land in Oliver, British Columbia owned by CTI, attached as **Exhibit "K"**.

(ii) Sealing Order

32. The draft DIP Approval Order provides that the unredacted copy of the DIP Term Sheet attached hereto as Confidential Exhibit "C" shall be sealed, kept confidential and shall not form part of the public record unless otherwise ordered by the Court. Certain sensitive financial and economic terms have been redacted from the DIP Term Sheet at the request of the Agent, such as the interest rate, the amounts of the various fees, financial covenant thresholds and the borrowing base calculation methodology. Disclosure of these terms has the potential to prejudice the CannTrust Group and the DIP Lender in future negotiations with

respect to financing that may be obtained from, or provided to, other parties. While disclosure of certain of these terms may be customary in motions to approval interim financing in CCAA proceedings, the purpose of the DIP and Exit Loan is both to provide financing during the pendency of the CCAA Proceedings and afterwards, when these terms would normally be confidential as between the parties. Accordingly, in my view it is appropriate for these sensitive financial and economic terms to be sealed and kept confidential.

(iii) The DIP Approval Order is Appropriate

33. The DIP and Exit Loan is the result of an extensive market solicitation effort by the CannTrust Group and extensive negotiations between the CannTrust Group and the DIP Lender, each with the assistance of the CRO and in consultation with the Monitor. In my view, the terms of the DIP Term Sheet are reasonable in the circumstances.

34. Without the DIP and Exit Loan in place, the CannTrust Group is at risk of being unable to continue operating beyond the near-term and will be unable to emerge from the CCAA Proceedings as a going concern.

(iv) Stay Extension

35. The Stay Period currently runs until and including April 30, 2021. As set out further below, the requested stay extension to June 30, 2021 is necessary to allow the CannTrust Group to continue to proceed towards emerging from the CCAA Proceedings as a going concern.

A. *<u>The CannTrust Group Has Continued to Act in Good Faith and With Due Diligence</u>*

36. As set out herein, and in the previous affidavits sworn in these proceedings, the CannTrust Group has acted, and continues to act in good faith and with due diligence. Among other things, since the Stay Period was last extended on January 29, 2021, the CannTrust Group has:

(a) continued to work to accelerate its cultivation operations at the Fenwick Facility and its extraction, manufacturing and packaging operations at the Vaughan Facility;

(b) continued to work towards regaining market share in the recreational and medical cannabis markets;

(c) continued to work with the Monitor to advance the Claims Procedure, review the Claims that were filed in connection therewith, and engage in negotiations in an attempt to resolve the Disputed Claims;

(d) obtained the appointment of the Honourable Frank J.C. Newbould as Claims Officer on February 19, 2021 to adjudicate the Disputed Claims if they could not be resolved in a satisfactory manner within a reasonable time period;

(e) participated in an initial case conference held by the Claims Officer with respect to three Disputed Claims that were referred to him (but subsequently withdrawn by the claimants), and prepared certain materials in accordance with the timetable established by the Claims Officer;

(f) continued to actively participate in the Mediation Process in accordance with the procedures and timelines established by the Court-Appointed Mediator and negotiated the terms of the restructuring support agreements entered into with the Additional Settlement Parties, as outlined above; and

(g) developed the CCAA Plan and filed various materials in support of its motion for the Meeting Order, which was granted on April 16, 2021.

B. *The CannTrust Group Will Have Sufficient Liquidity*

37. The CannTrust Group, with the assistance of its CRO and in consultation with the Monitor, prepared a cash flow forecast running from April 19, 2021 to July 4, 2021 (the "**Stay Period Cash Flow Forecast**"). The Stay Period Cash Flow Forecast will be appended to a report of the Monitor, to be filed. The Stay Period Cash Flow Forecast demonstrates that the CannTrust Group will have sufficient liquidity to operate its business and meet its obligations during the proposed extension of the Stay Period.

C. *Progress to be Made During Proposed Extension*

38. The requested extension is necessary and appropriate in the circumstances to allow the CannTrust Group to:

(a) carry out the procedures contemplated in the proposed Meeting Order to call, hold and conduct the Meetings on May 28, 2021;

(b) if the CCAA Plan is approved by the majorities contemplated by the proposed Meeting Order, seek court approval of the CCAA Plan by seeking the CCAA

Sanction Order at the Sanction Hearing on June 11, 2021 or such later date as the Court may set;

(c) negotiate the Definitive Documents and other documentation contemplated by the CCAA Plan;

(d) take steps necessary to seek the U.S. Approval Order in the U.S. Class Action;

(e) work towards the satisfaction of the other Plan Implementation Conditions; and

(f) continue to work with the Monitor to advance the Claims Procedure by reviewing the remaining Proofs of Claims filed in connection therewith, and continue to engage in negotiations in an attempt to resolve the Disputed Claims.

39. The requested extension of the Stay Period to June 30, 2021 is necessary and appropriate to allow the CannTrust Group an opportunity to complete, or make substantial progress towards, each of these objectives.

40. I understand that the Monitor supports the issuance of the DIP Approval Order and will be filing a report with its views in that regard.

VI. CONCLUSION

41. For the reasons stated above, the relief requested in the DIP Approval Order is in the best interests of the CannTrust Group and its stakeholders and is appropriate in the circumstances.

SWORN BEFORE ME over videoconference on this 19th day of April, 2021. The affiant was located in the City of Mississauga, in the Province of Ontario and the Commissioner was located in the Town of Markham, in the Province of Ontario. This affidavit was commissioned remotely as a result of the COVID-19 pandemic.	Greg Guyatt

A Commissioner for taking Affidavits
Name: Alexander Steele (LSO# 75719P)

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

CANNTRUST

CCAA Cash Flow Forecast [1]

In thousands $CAD

Forecast Week Ending (Sunday)		07-Mar-21	14-Mar-21	21-Mar-21	28-Mar-21	04-Apr-21	11-Apr-21	18-Apr-21	25-Apr-21	02-May-21	09-May-21
Forecast Week		1	2	3	4	5	6	7	8	9	10
Receipts											
Receipts from Operations	[2]	94	94	94	94	201	201	201	201	201	464
Other Receipts/ (Service Charges)	[3]	-	-	3,000	-	(8)	-	25	-	(8)	-
Total Receipts		94	94	3,094	94	193	201	226	201	193	464
Operating disbursements											
Payroll and Benefits	[4]	(910)	(50)	(926)	-	(943)	(50)	(779)	-	(796)	(50)
Property Leases	[5]	-	-	-	-	(58)	-	-	-	(58)	-
Utilities	[6]	(118)	(24)	-	-	(518)	(118)	(24)	-	(518)	(118)
Other Operating Expenses	[7]	(585)	(724)	(983)	(554)	(2,169)	-	(1,451)	-	(2,125)	-
Capital Expenditures	[8]	(162)	-	-	-	(294)	-	-	-	(226)	-
Total Operating Disbursements		(1,775)	(798)	(1,909)	(554)	(3,982)	(168)	(2,254)	-	(3,723)	(168)
Cash from Operations		(1,681)	(704)	1,185	(460)	(3,789)	33	(2,028)	201	(3,530)	296
Restructuring Disbursements											
Restructuring Professional Fees	[9]	(57)	(284)	(208)	(17)	(260)	-	(175)	(62)	(260)	-
KERP		-	-	-	-	-	-	-	-	-	-
Total Restructuring Disbursements		(57)	(284)	(208)	(17)	(260)	-	(175)	(62)	(260)	-
Net Cash Inflows / (Outflows)		(1,738)	(988)	977	(477)	(4,049)	33	(2,203)	139	(3,790)	296
Cash											
Beginning Balance	[10]	69,780	68,042	67,054	68,031	67,554	63,505	63,538	61,335	61,474	57,684
Net Cash Inflows / (Outflows)		(1,738)	(988)	977	(477)	(4,049)	33	(2,203)	139	(3,790)	296
Ending Balance		68,042	67,054	68,031	67,554	63,505	63,538	61,335	61,474	57,684	57,980
Intercompany Advances	[11]										
Beginning Balance		45,300	45,300	50,300	50,300	50,300	55,300	55,300	55,300	55,300	55,300
Intercompany Advances		-	5,000	-	-	5,000	-	-	-	-	-
Cumulative Intercompany Advances		45,300	50,300	50,300	50,300	55,300	55,300	55,300	55,300	55,300	55,300

CANNTRUST

CCAA Cash Flow Forecast [1]

In thousands $CAD

Forecast Week Ending (Sunday)		16-May-21	23-May-21	30-May-21	Total
Forecast Week		11	12	13	
Receipts					
Receipts from Operations	[2]	464	464	464	3,237
Other Receipts/ (Service Charges)	[3]	23	-	(8)	3,024
Total Receipts		487	464	456	6,261
Operating disbursements					
Payroll and Benefits	[4]	(796)	-	(796)	(6,096)
Property Leases	[5]	-	-	(7)	(123)
Utilities	[6]	(24)	-	(518)	(1,980)
Other Operating Expenses	[7]	(1,076)	-	(1,788)	(11,455)
Capital Expenditures	[8]	-	-	(237)	(919)
Total Operating Disbursements		(1,896)	-	(3,346)	(20,573)
Cash from Operations		(1,409)	464	(2,890)	(14,312)
Restructuring Disbursements					
Restructuring Professional Fees	[9]	(175)	(17)	(260)	(1,775)
KERP		-	-	-	-
Total Restructuring Disbursements		(175)	(17)	(260)	(1,775)
Net Cash Inflows / (Outflows)		(1,584)	447	(3,150)	(16,087)
Cash					
Beginning Balance	[10]	57,980	56,396	56,843	69,780
Net Cash Inflows / (Outflows)		(1,584)	447	(3,150)	(16,087)
Ending Balance		56,396	56,843	53,693	53,693
Intercompany Advances	[11]				
Beginning Balance		56,380	61,380	61,380	
Intercompany Advances		5,000	-	-	
Cumulative Intercompany Advances		61,380	61,380	61,380	

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

SUMMARY OF TERMS AND CONDITIONS

CREDIT FACILITY FOR CANNTRUST HOLDINGS INC., CANNTRUST INC., ELMCLIFFE INVESTMENTS INC., AND CTI HOLDINGS (OSOYOOS) INC. PROVIDED BY CORTLAND CREDIT LENDING CORPORATION

April 13, 2021

The Agent, for and on behalf of the Lenders (as such terms are defined below), hereby commits to provide the entire amount of the Credit Facility to the Borrowers upon the terms and subject to the conditions set forth in this binding term sheet (this "**Term Sheet**"). Capitalized terms used herein without express definition will have the same meanings as are assigned to them in Schedule A. Any word defined in or importing the singular number has the same meaning when used in the plural number, and *vice versa*.

Agent	CORTLAND CREDIT LENDING CORPORATION, in its capacity as administrative agent for Lenders (in such capacity, "**Agent**").
Lender(s)	Cortland Credit Lending Corporation ("**Cortland**") or its affiliates and/or other lenders to be designated from time to time by the Agent without the prior written consent of the Borrowers (each a "**Lender**").
Borrower(s)	CannTrust Holdings Inc., CannTrust Inc., Elmcliffe Investments Inc., and CTI Holdings (Osoyoos) Inc. (collectively, the "**Borrowers**" and each, a "**Borrower**"). Unless otherwise stated, all obligations of the Borrowers are joint and several.
Guarantors:	Elmcliffe Investments (No. 2) Inc. and any other wholly-owned subsidiaries of any Borrower and/or Guarantor.
Currency	Unless otherwise noted, the currency of the Credit Facility shall be Canadian Dollars ("**CAD**").
Credit Facility	A Debtor-In-Possession and CCAA Exit Credit Facility (the "**Credit Facility**" or the "**Facility**") with a maximum limit of $22,500,000 ("**Facility Limit**"). The Credit Facility shall consist of a revolving loan whereby repayments and additional drawdowns are permitted from time to time, provided that each drawdown of the Credit Facility is in a minimum amount of $REDACTED and $REDACTED increments thereof provided that at no time shall amounts owing under the Credit Facility exceed the Borrowing Limit.
Use of Proceeds	Funds advanced under the Credit Facility shall be used to fund the Borrowers' working capital needs during the CCAA Proceedings and, upon satisfaction of the conditions set forth below beside the heading "Conditions Precedent to Extension of Credit Facility After CCAA Exit", after exit from the CCAA Proceedings upon implementation of a plan of arrangement under the CCAA by the Borrowers (the "**CCAA Plan**").
Interest Rate	Amounts drawn and outstanding under the Credit Facility will bear interest at a rate per annum equal to the greater of REDACTED. Interest on the principal amount outstanding under the Credit Facility will be due and payable in cash on the first Business Day of each month covering interest accrued over the past calendar month. Unless otherwise provided for herein, interest on any amount due hereunder shall be calculated daily and not in advance on the basis of a 365-day year. For the purposes

	of the *Interest Act* (Canada) in the case of a leap year, the annual interest rate corresponding to the interest calculated on the basis of a 365-day year is equal to the interest rate thus calculated multiplied by 366 and divided by 365. Any amount of principal, interest commission, discount, or any other nature remaining unpaid at maturity, shall bear interest at the rate provided for herein, being understood that the said interest rate on arrears shall not exceed the maximum rate provided by law. Interest on arrears shall be compounded monthly and payable on demand.
Fees	**Financing Review Fee** A Financing Review Fee equal to REDACTED% of the Facility Limit which is fully earned by the Agent and payable by the Borrowers to the Agent upon issuance of the DIP Order (as defined below). **Commitment Fee** A Commitment Fee equal to REDACTED% of the Facility Limit will be payable by the Borrowers to the Agent upon issuance of the DIP Order and the full execution of all required Credit Documents. **Break Fee** In the event that after the DIP Order has become a final order, either a material misrepresentation had been made by any Borrower, or the Borrowers do not allow for the closing of the Credit Facility by May 15, 2021, or such other date as may be mutually agreed upon, despite the Agent and the Lenders being prepared to offer the Credit Facility to the Borrowers, the Borrowers shall pay a Break Fee to the Agent in an amount equal to REDACTED% of the Facility Limit. **Utilization Fee** Any Unutilized Portion of the Credit Facility will bear a Utilization Fee at a rate of REDACTED% per annum ("**Utilization Fee Rate**"), calculated daily using the calculations provided hereunder ("**Utilization Fee**"). The Unutilized Portion shall be calculated as the Facility Limit less the advanced and outstanding amount under the Credit Facility ("**Unutilized Portion**"). The Utilization Fee shall be calculated daily as (i) the Unutilized Portion at the end of each Business Day, and in the case of a non-Business Day, the Unutilized Portion as of the immediately preceding Business Day, multiplied by (ii) the Utilization Fee Rate divided by 365. The Utilization Fee will be due and payable in cash on the last day of each month.
Expense Deposit	Borrowers shall provide a $100,000 deposit to the Agent to cover legal and other transaction expenses (field exam, inventory and real estate appraisals, etc.) and upon finalization of all transaction expenses, such deposit will be refunded to the Borrowers after subtracting all transaction and other due diligence costs incurred by the Agent from the initial $100,000 deposit amount. Agent acknowledges that such expense deposit was received in full on March 8, 2021.
Out-of-Pocket Expenses	All reasonable and documented out of pocket fees and expenses, including, without limitation, legal fees and third-party equipment appraisal, audit, monitoring and valuation fees, travel, quarterly field exam fees and all other out-of-pocket expenses associated with the Credit Facility are to be paid by the Borrowers on demand. If such reasonable and documented out-of-pocket expenses are billed to the Agent for any reason, the Borrowers shall reimburse the Agent within three (3) Business Days of the Agent providing the Borrowers a summary and evidence of the out-of-pocket expenses incurred.
Term of Credit Facility; Maturity Date	The term of the Credit Facility will be the earlier of (such earlier date, the "**Maturity Date**"): (i) 12 months from the initial advance under the Credit Facility (the "**Facility Term**"), which may be extended for an additional 12-month term upon the request of the Borrowers and the Agent and the Lenders agreeing to such extended term in

their sole discretion; and (ii) any other Termination Date. If the Credit Facility is terminated for any reason without the consent of the Agent within the Facility Term, a termination fee equal to REDACTED% of the Facility Limit ("**Termination Fee**") shall be payable by the Borrowers to the Agent on the Termination Date.

The Agent shall have the right to terminate the Credit Facility upon the occurrence of an Event of Default that is continuing and has not been waived.

The Agent shall have the immediate right to terminate the Credit Facility upon the giving of notice by the Agent to the Borrowers if an Event of Default has occurred and is continuing beyond a cure period or if the Credit Facility shall become, in whole or in part, illegal or in contravention of any Applicable Law or policy or request of any regulatory authority, unless such illegality or contravention resulted from the gross negligence or wilful misconduct of, or an illegal act by the Agent or a Lender.

The Agent shall have the right to terminate the Credit Facility upon 120 days' notice to the Borrowers if adverse market conditions are negatively affecting the liquidity of the Lenders; provided that, (i) the Termination Fee shall not be payable in such circumstances; and (ii) the repayment of the outstanding advances under the Credit Facility shall not be due and payable until 120 days after receipt of such notice by the Borrowers, unless otherwise agreed to in writing by the Borrowers.

The Facility may be terminated with the consent of both the Agent and the Borrowers, at which time, all accrued interest, principal and unpaid fees owing shall be paid in cash to the Agent on such Termination Date.

The date on which all outstanding principal under the Credit Facility shall become due and payable will be termed the "**Termination Date**" and will be the date which is the earliest to occur of the following:

i. The Maturity Date;
ii. The date on which any Event of Default occurs or is discovered to have occurred in the past and remains uncured beyond the cure or grace period provided herein and the Agent has terminated the Credit Facility by notice to the Borrowers (as provided above);
iii. Unless waived or otherwise consented to by the Agent, the date on which any of the Obligors undertake a liquidity, reorganization event, or Change of Control, other than in connection with implementation of the CCAA Plan or an internal reorganization in which the Agent retains the Security over the resulting entities from such reorganization; and
iv. Any other date which the Credit Facility becomes due and payable pursuant to any other terms within the Credit Documents.

Collateral

The Credit Facility shall be secured by a first ranking super-priority security interest in, and during the pendency of the CCAA Proceedings, a first-ranking super-priority DIP financing charge (the "**DIP Charge**") on (i) the Real Estate Collateral and (ii) all other present and after acquired property (other than Excluded Property) of the Borrowers ("**Other Collateral**" and together with the Real Estate Collateral, the "**Collateral**"), subject in each case to Permitted Encumbrances.

The security interest in the Collateral shall only be subordinate to the Administration Charge, the Directors' Charge, and the KERP Charge (all as defined in the Amended and Restated Initial Order) and only up to the amounts set out in paragraph 57 of the Amended and Restated Initial Order for the aforementioned charges. Upon termination of the CCAA Proceedings, security shall also be first-ranking on the Other Collateral (subject to Permitted Encumbrances).

Excluded Property	All of the following shall constitute "**Excluded Property**" for purposes of the Credit Documents and DIP Charge: i. cash in the amount of $50,000,000 deposited into a separate account during the CCAA Proceedings and to be paid into a trust to be established for purposes of funding settlement and implementation of the CCAA Plan; ii. cash in the amount of $2,500,000 deposited into a separate account and used for purposes of settling trade creditors and employment claims against the Borrowers under the CCAA Plan; iii. the "Assigned Claims" as defined and described in the restructuring supporting agreement dated January 19, 2021, between the Borrowers and certain representative plaintiffs in various class action proceedings commenced against the Borrowers; iv. any residual beneficial interest that the Borrowers have in CannTrust Directors and Officers Trust, a trust established by the Borrowers for purposes of settling potential director and officer liabilities (provided that, for greater certainty, if the Borrowers receive any distribution from the trust upon its termination, the proceeds of the distribution will become Collateral); and v. any reserve accounts maintained by the Borrowers (or any one of them), and all funds on deposit therein, in connection with the tolling agreement made as of January 31, 2018 among Balfour Energy Corp., CannTrust Inc. and Elmcliffe Investments Inc., provided that no Borrowers or any Guarantor will deposit any funds into such reserve accounts covered by this subsection (vi) while any amount is outstanding under the Credit Facility except for pre-scheduled payments set forth in a schedule provided by the Borrowers to the Agent.
Mandatory Repayment from Disposition of Real Estate Collateral	If a Borrower sells any of the Real Estate Collateral (with the prior written consent of the Agent and on terms satisfactory to the Agent), the Agent shall receive net sales proceeds from such sale (net only of usual closing adjustments), up to the total amount of the Borrowers' indebtedness to the Agent and the Lenders under the Credit Facility; provided that, in the case of the Osoyoos Property, (A) such repayment need only be in an amount equal to 55% of the appraised value of the Osoyoos Property from the net proceeds arising from the disposition of the Osoyoos Property; and (B) the balance of such net proceeds (if any) are deposited into a deposit account of the Borrowers subject to the Security. For greater certainty, any such repayment by the Borrowers may be re-borrowed and shall not cause a permanent reduction of the availability and commitments under the Credit Facility.
Concentration	Concentration of Approved Debtors will be determined by the Agent through due diligence and from time to time thereafter.
Security Documentation	As security for the indebtedness and all obligations of the Borrowers and any Guarantors to the Agent under or in connection with the Credit Documents, the Borrowers and the Guarantors shall provide to the Agent collateral mortgages in favour of the Agent (in the case of Borrowers or Guarantors which possess any Real Estate Collateral) (collectively, the "**Mortgages**") and a general security agreement ("**GSA**") in favour of the Agent, including all documentation related to the GSA as may be required to secure and maintain the Agent's first priority interest over the Collateral (collectively, "**Security**"), all of which shall be in a form and content acceptable to the Agent, acting reasonably in accordance with customary market practice.

Each Obligor will use its commercially reasonable efforts to obtain all necessary consents which may be required to pledge all shares and/or equity interests such Obligor owns in any non-wholly owned subsidiary in favour of the Agent. Each Obligor undertakes to provide all evidence that it has used its commercially reasonable efforts to obtain such consents from any Person required to grant such consent.

Blocked Account Control Agreements

Other than all accounts that relate to Excluded Property, the Borrowers shall maintain springing blocks in favour of the Agent over all bank accounts where a Borrower holds any funds (including all proceeds from Debtor Invoices and the proceeds of any disposition of any other Collateral), which will be subject to a blocked account control agreement in favour of the Agent (collectively, the "**Blocked Account Agreements**"), but which the Borrowers will retain exclusive control over the funds on deposit in such accounts until the Agent and the Lenders takes any enforcement action in accordance with this Term Sheet.

In the event any Borrower's Debtor Invoices are included in the Borrowing Base, all proceeds of such accounts receivable must be deposited into a deposit account which Cortland maintains exclusive control over through a full block on such account where such balances automatically sweep daily to the Agent's accounts and will be applied as follows: (i) first, as a repayment under the Credit Facility; and (ii) second, any excess funds (if any) shall have transferred to a bank account of the Borrowers (or as the Borrowers may otherwise direct). Each Obligor will use its commercially reasonable efforts to set up such cash management arrangements with its depositary bank and the Agent in order to implement the foregoing.

Conditions Precedent to the Closing Date

The obligation of the Agent and the Lenders to make the Credit Facility available to the Borrowers and to fund the initial advance under the Credit Facility are subject to and conditional upon satisfaction (or waiver by the Agent) of the following conditions precedent:

1. Order of the Court approving the Credit Facility and related transactions, granting the DIP Charge and providing for the priority of the security in the Collateral in form and substance satisfactory to the Agent and its counsel (the "**DIP Order**").

2. Confirmation that no amount is or will be owing pursuant to the Transaction Fee Charge as defined in the Amended and Restated Initial Order at the time of granting of the DIP Order.

3. Written confirmation from Greenhill & Co. Canada, Ltd. that no amount will be owing to them from the Borrowers as a result of the closing of the Agent's Credit Facility.

4. Receipt by the Agent of a certificate for the business and property insurance maintained by the Borrowers naming the Agent and the Lenders as mortgagees and loss payees.

5. Receipt by the Agent of certificate for the commercial general liability insurance maintained by the Borrowers, naming the Agent and the Lenders as additional insureds.

6. Each of the representations and warranties made by the Borrowers in this Term Sheet and each Credit Document shall be true and correct in all material respects.

7. Receipt of all information necessary in order for the Agent to comply with legal and internal requirements in respect of money laundering legislations,

proceeds of crime legislation, and "know your customer" requirements (as applicable).

8. Payment by the Borrowers to the Agent of any reasonable and documented expenses incurred by the Agent or the Lenders in connection with the Credit Facility (including the negotiation, ongoing monitoring and any costs of enforcement).

9. No Material Adverse Change since the date of the latest financial statements provided to the Agent.

10. Each Borrower shall have granted written permission to the Agent and the Lenders to contact each of such Borrower's end customers and its own suppliers for the purposes of verification, other than, in each case, individual medicinal customers and subject to compliance with privacy laws and confidentiality obligations of the Borrowers.

11. Receipt of real estate appraisals on the Real Estate Collateral addressed to the Agent (or with a transmittal letter permitting the Agent and the Lenders to rely on such appraisals) acceptable to the Agent where such appraised value is based on alternative best use. The Agent acknowledges and agrees that the real estate appraisals completed by Cushman & Wakefield, Inc. are acceptable to satisfy this condition precedent.

12. Receipt of Phase 1 environmental reports on the Real Estate Collateral acceptable to the Agent, including a Phase II if required, addressed to the Agent and the Lenders (or with a transmittal letter permitting the Agent and the Lenders to rely on such report(s)).

13. Review of the Borrowers' forecast financial statements for fiscal year 2021 and most recent 13- week cash flow forecast as provided from time to time by the Borrowers to the Agent, which is satisfactory to the Agent.

14. Background checks on the senior management of the Borrowers satisfactory to the Agent.

Conditions Precedent to each Subsequent Advance under the Credit Facility

The following conditions precedent shall be satisfied, or waived by the Agent, prior to each subsequent advance under the Credit Facility:

1. delivery to the Agent of a drawdown request with a Borrowing Base, duly executed by the Borrowers;

2. each of the representations and warranties made by the Borrowers in this Term Sheet and each Credit Document shall be true and correct in all material respects as of the date made or deemed made (other than to the extent any representation and warranty relate specifically to an earlier date);

3. the DIP Order must not be vacated, stayed, amended, or otherwise caused to become ineffective without the prior written consent of the Agent;

4. Confirmation that no amount is or will be owing pursuant to the Transaction Fee Charge as defined in the Amended and Restated Initial Order while any amounts are outstanding pursuant to the Credit Facility; and

5. no Event of Default shall have occurred and be continuing, nor will any Event of Default occur as a result of the requested advance.

Conditions Precedent to Extension of Credit Facility After CCAA Exit	The following conditions precedent shall be satisfied, or waived by the Agent, prior to the continuation of the availability of the Credit Facility by the Agent and the Lenders to the Borrowers upon the Borrowers exit from the CCAA Proceedings: 1. the Agent being satisfied with the Borrowers' business plan and forecast; 2. an order of the Court sanctioning the CCAA Plan; 3. notwithstanding anything set out in Schedule "B", the CCAA Plan shall have been implemented and become effective by no later than October 31, 2021; 4. the Agent is satisfied (acting reasonably) with the terms of the CCAA Plan and Order of the Court sanctioning the CCAA Plan; 5. negotiation, execution and delivery of a credit agreement (the "**Credit Agreement**") incorporating terms and conditions which are substantially similar to this Term Sheet and such other terms and conditions to be agreed upon between the Agent and the Borrowers to address the Borrowers' business plan upon exit of the CCAA Proceedings and due diligence by the Agent in respect of the same; 6. Completion of satisfactory cash management arrangements relating to the Collateral, including the Blocked Account Agreements, as required; 7. Completion of Security, including receipt of customary legal opinions, in form and substance satisfactory to the Agent and its counsel; 8. Execution of a satisfactory subordination agreement, priorities agreement, intercreditor agreement, estoppel letters or similar arrangements between the Agent and each of the following prior secured creditors of the Obligors to be determined following the completion of PPSA searches in the Provinces of Alberta and Saskatchewan; 9. if required by the Agent, third party appraisal and/or full review of all Collateral; 10. if required by the Agent, receipt of equipment appraisals covering the Approved Equipment where such appraisal is conducted by an appraiser approved and engaged by Cortland; 11. each of the representations and warranties made by the Borrowers in the Credit Agreement shall be true and correct in all material respects as of the date made or deemed made (other than to the extent any representation and warranty relate specifically to an earlier date); and 12. no Event of Default has occurred and is continuing.
Facility Covenants	So long as the Credit Facility is in effect, and until the obligations of the Borrowers to the Agent and the Lenders under the Credit Facility have been indefeasibly paid in full, and except as otherwise permitted by the prior written consent of the Agent, each Borrower covenants and agrees with the Agent that it: 1. Will pay all sums of money when due under the terms of the Credit Documents. 2. Will immediately advise the Agent of any event which constitutes or which, with notice, lapse of time or both, would constitute an Event of Default. 3. Will file all tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and

provide adequate reserves for the payment of any tax, the payment of which is being contested.

4. Will give the Agent, as applicable, 30 days prior notice in writing of any Change of Control, and unless otherwise expressly waived by the Agent in writing, the Borrowers must repay all amounts outstanding under the Credit Facility prior to, or concurrently with, any Change of Control.

5. Will comply in all material respects with all applicable laws, including all Environmental Laws.

6. Will comply with the Borrowing Limit at all times.

7. Will immediately advise the Agent of any material action requests or material violation notices received concerning it and hold the Agent harmless from and against any losses, costs or expenses which the Agent may suffer or incur for any environment related liabilities existent now or in the future with respect to it except to the extent such losses, costs or expenses have resulted from the gross negligence, bad faith or wilful misconduct of the Agent.

8. Will immediately advise the Agent of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of the Credit Documents.

9. Will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils.

10. Will, at reasonable times and upon reasonable notice (provided that upon the occurrence of an Event of Default, the Agent is permitted to do the following at any time and without notice) permit the Agent or its representatives, from time to time, upon reasonable prior written notice and during normal business hours, i) to visit and inspect a Borrower's premises, properties and assets and examine and obtain copies of such Borrower's records or other information, and ii) to discuss such Borrower's affairs with the auditors of such Borrower (in the presence of such Borrower's representatives as it may designate). Each Borrower hereby authorizes and directs any such third party to provide to the Agent or its representatives all such information, records or documentation reasonably requested by the Agent.

11. Except for Permitted Encumbrances, will not, without the prior written consent of the Agent which will not be unreasonably withheld, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights.

12. Will not, without the prior written consent of the Agent, sell, transfer, convey, lease or otherwise dispose of any of its assets, properties or undertakings (a) to any third party, other than (i) in the ordinary course of business and on arm's-length, commercially reasonable terms; (ii) obsolete or otherwise superfluous tangible assets; (iii) the shares/equity interests of any non-wholly owned subsidiaries of the Borrowers or Guarantors and any minority interests held by the Borrowers or Guarantors, provided that such proceeds of any sale or disposal of shares/equity interests owned by any Borrower or such Guarantor shall be used first to pay down the principal balances outstanding under the Credit Facility; (iv) Osoyoos Property, so long as the net proceeds of such sale are used as follows: (A) an amount equal to REDACTED% of the appraised value of the Osoyoos Property from the net proceeds arising from the disposition of the Osoyoos Property are paid to the Agent to repay outstanding advances under the Credit Facility; and (B) the balance of such net proceeds (if any) are

deposited into a deposit account of the Borrowers subject to the Security; (v) Excluded Property subject to the provision contained in (iii) above; and (vi) any other Property that has a fair market value of $REDACTED or less per calendar year in the aggregate; or (b) to any other Borrower or any Guarantor.

13. Will not, without the prior written consent of the Agent, provide any guarantees, financial assistance or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other person, other than (a) to or for another Obligor; (b) the Security; and (c) Permitted Indebtedness.

14. Will not, without giving the Agent, 15 days prior notice in writing and obtaining the Agent' s written consent, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person and it will either: (i) cause any such resulting Person to become a borrower or guarantor, as applicable, hereunder and to grant such security and enter into such agreements as the Agent may require and in the event a Borrower is acquired within the Facility Term, or is the non-surviving party in a merger, or sells all or substantially all of its assets, the Credit Facility will not be automatically terminated and the surviving party must agree to be bound by the Credit Documents; or (ii) the Borrowers shall repay all principal, accrued interest, fees and expenses owing to the Agent pursuant to the Credit Documents in the event the Agent withholds its consent.

15. Will not pay any dividends, other corporate distributions, interest or principal on subordinated debt, other than regularly scheduled principal payments on the promissory note dated March 6, 2017 granted by Elmcliffe Investments Inc. in favour of 1970030 Ontario Inc.

16. Will not make any disbursements or provide any funding to any entity which is not an applicant in the Borrowers' CCAA Proceedings or a Guarantor.

17. Will not acquire or move any Collateral to any jurisdiction outside the Provinces of Ontario or British Columbia or any other jurisdiction where the Agent has perfected its Security over such Collateral without first executing and delivering all such security and other documentation and completing all registrations, recordings and filings to grant in favour of the Agent a security interest in such Collateral and to render effective the security interest granted thereby, all in form and substance satisfactory to the Agent.

18. Will not incur additional indebtedness other than Permitted Indebtedness.

19. Will maintain a minimum Tangible Net Worth of $REDACTED

20. Will maintain a level of actual EBITDA equal to or greater than the EBITDA levels as presented on the Borrowers' Approved Budget Forecast where such actual EBITDA earned (or lost) in any consecutive-three month period must be (i) equal to or greater than REDACTED% of projected EBITDA in such period if projected EBITDA is to be positive, or (ii) greater than or equal to projected EBITDA in such period if EBITDA is projected to be negative, provided that a breach of this covenant will not occur if any absolute variance from actual EBITDA to projected EBITDA is less than $REDACTED for such three-month period.

21. Shall notify the Agent within one (1) Business Day of any Account Debtor notifying such Borrower that they are contesting any invoice amount greater than an amount to be determined.

22. Will at all times allow the Agent to have view access over all bank accounts maintained by each Borrower.

23. Will fully cooperate with each party conducting any field exam or due diligence on behalf of the Agent and will permit and reimburse the Agent for all costs associated with any appraisals at a minimum of once per calendar year.

24. Will provide information upon request by the Agent as it relates to any vendor number or similar identification of such obligor by its end customers and/or suppliers.

Reporting Covenants

So long as the Credit Facility is in effect, and until the obligations of the Borrowers to the Agent and the Lenders under the Credit Facility have been indefeasibly paid in full, and except as otherwise permitted by the prior written consent of the Agent, each Borrower covenants and agrees that it will provide or cause to be provided to the Agent, all of the following, in form and detail satisfactory to the Agent:

(i) Quarterly, within 30 days after each calendar quarter, financial reporting from each of the Borrowers on both a consolidated and unconsolidated basis

(ii) Monthly, within 30 days after the end of each calendar month;

   i. internal management prepared financial statements of the Obligors as at the end of such calendar month on a consolidated and unconsolidated basis;

   ii. a trial balance of the Obligors as at the end of such calendar month;

(iii) Monthly, within 10 days after the end of each calendar month, proof of all payments required to be made on all taxes owing by the Obligors;

(iv) Monthly, within 2 Business Days after the end of each calendar month;

   i. A Borrowing Base as at the last day of such calendar month

   ii. Bank statements of the Obligors

   iii. a cash reconciliation, to the extent not provided in any Borrowing Base, reconciling all purchases, repayments, chargebacks, write-offs and any other transactions covering the prior calendar month

(v) Weekly, and specifically on the Monday of each week, for the period covering the immediately prior week ending on Friday of such prior week;

   i. a Borrowing Base as at the Friday of the immediately prior week;

   ii. a cash reconciliation, to the extent not provided in any Borrowing Base, reconciling all purchases, repayments, chargebacks, write-offs, credit memos and any other transactions covering the prior week.

   iii. A 13-week cash forecast of the Borrowers covering the following 13-weeks from the time of reporting such forecast.

(vi) As requested, copies of all original final purchase orders, invoices, supply agreements etc.;

(vii) Other items as the Agent may reasonably request from time to time.

Representations and Warranties

Each Borrower represents and warrants (subject to obtaining the DIP Order, where applicable) to the Agent and the Lenders, upon which the Agent and the Lenders rely on in entering this Term Sheet that:

1. each Borrower is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and is duly qualified, licensed or registered

to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary;

2. each Borrower has all requisite corporate power and authority to (i) own and operate its properties and assets and to develop, own and operate its business and (ii) to enter into and perform its obligations under this Term Sheet and the other Credit Documents to which it is a party;

3. the execution and delivery by each Borrower of this Term Sheet and the other Credit Documents to which it is a party and the performance by each Borrower of its respective obligations hereunder and thereunder have been duly authorized by all necessary corporate action and no authorization under any applicable law, and no registration, qualification, designation, declaration or filing with any governmental authority, is or was necessary therefor, other than filings which may be made to register or otherwise record the DIP Charge;

4. this Term Sheet and each of the other Credit Documents to which it is a party has been duly executed and delivered by each Borrower and constitutes a legal, valid and binding obligation of each Borrower, enforceable against it in accordance with its terms, subject only to any limitation under applicable laws relating to (i) bankruptcy, insolvency, reorganization, moratorium or creditors' rights generally and (ii) the discretion that a court may exercise in the granting of equitable remedies;

5. the Collateral (i) is owned by or licensed to the Borrowers and is only located at the locations disclosed in writing to the Agent and the Lenders, (ii) has not been sold, leased or otherwise disposed of other than inventory in the ordinary course of business and (iii) is not subject to any rights of any person or entity other than Permitted Encumbrances;

6. the execution and delivery by each Borrowers of this Term Sheet and the other Credit Documents to which it is a party and the performance by each Borrower of its obligations hereunder and thereunder and compliance with the terms, conditions and provisions hereof and thereof, will not conflict with or result in a breach of (i) its constating documents or by-laws; (ii) the material contracts to which it is party or (iii) any applicable law;

7. all statements (whether financial or otherwise), information, reports, budgets, forecasts and projections made available by a Borrower or anyone on its behalf to the Agent are true, complete and accurate in all material respects and do not omit any information necessary to make them true, complete and accurate in all material respects;

8. the business operations of each Borrower has been and will continue to be conducted in compliance with all laws of each jurisdiction in which business has been or is being carried on, other than to the extent it would not cause a Material Adverse Change;

9. each Borrower has obtained all licenses and permits required for the operation of its business, which licenses and permits remain in full force and effect. No proceedings have been commenced or, to the knowledge of the Borrowers, threatened to revoke or amend any of such licenses or permits;

10. no Borrower is aware of any person with a secured claim against any Borrower or the Collateral except for the Permitted Encumbrances and the relevant tax authorities and each Borrower is not aware of any unpaid deductions at source owing to the relevant tax authorities;

11. each Borrower has filed or caused to be filed all tax returns and reports which are required to have been filed and has paid or caused to be paid all taxes required to have been paid by it, except taxes that are being contested in good

faith by appropriate proceedings and for which adequate cash reserves are being maintained;

12. other than the CCAA Proceedings and litigation proceedings stayed by the Amended and Restated Initial Order, there are no material actions, suits or proceedings (including any tax-related matter) by or before any arbitrator or governmental authority or by any other person pending against or, to the knowledge of each Borrower, threatened against or affecting the Borrowers;

13. (i) each Borrower is and has been in material compliance with all applicable environmental laws, including obtaining, maintaining and complying with all permits required by any applicable environmental law, (ii) no Borrower is party to, and no real property currently or previously owned, leased or otherwise occupied by or for any Borrower is subject to or the subject of, any contractual obligation or any pending or, to the knowledge of the Borrowers, threatened order, action, investigation, suit, proceeding, audit, claim, demand, dispute or notice of violation or of potential liability or similar notice under or pursuant to any environmental law which could reasonably be expected to result in a remedial obligation having a Material Adverse Change, (iii) no encumbrance in favour of any governmental authority securing, in whole or in part, environmental liabilities has attached to any property of the Borrowers and no facts, circumstances or conditions exist that could reasonably be expected to result in any such encumbrance attaching to any such property, (iv) no Borrower has caused or suffered to occur a release of any hazardous substances or conditions creating any potential for such a release at, to or from any real property other than in compliance with environmental laws and except when failure to do so could not reasonably be expected to have a Material Adverse Change, (v) no Borrower has engaged in operations that, and no facts, circumstances or conditions exist that, in the aggregate, would have a reasonable likelihood of resulting in material environmental liabilities, and (vi) each Borrower has made available to the Agent copies of all existing environmental reports, reviews and audits and all documents pertaining to actual or potential environmental liabilities, in each case to the extent such reports, reviews, audits and documents are in its possession, custody or control;

14. each Borrower maintains insurance policies and coverage which (i) is sufficient for compliance with law and all material agreements to which a Borrower is a party and (ii) provide adequate insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons engaged in the same or similar business to the assets and operations of the Borrowers; and

15. all factual information provided by or on behalf of the Borrowers to the Agent for the purposes of or in connection with this Term Sheet, the other Credit Documents or any transaction contemplated herein is true and accurate in all material respects on the date as of which such information is dated or certified and remains true as of the date provided and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided.

Target Closing Date

The target date for the closing of this Credit Facility is based on a verbally indicated date of on or before May 7, 2021. The Borrowers will seek to obtain the DIP Order at a hearing on or before May 7, 2021 on notice to the service list in the CCAA Proceedings and such other parties as the Borrows or the Agent consider appropriate.

Exclusivity

With the execution of this Term Sheet, Borrowers grant exclusivity to the Agent to provide to the Borrowers a senior-secured revolving credit facility until the earlier of:

	(i) May 7, 2021; and (ii) the date that the Borrowers obtain the DIP Order (or the Court declines to make the DIP Order).
Amendments/Waivers	This Term Sheet may not be amended nor waived except by an instrument in writing signed by each of the Borrowers and the Agent.
Successors and Assigns; Enurement	This Term Sheet shall be binding upon and enure to the benefit of the Agent, the Lenders and the Borrowers and their respective successors and permitted assigns.
Assignment	No Borrower shall assign any of its rights or obligations under this Term Sheet or any of the Credit Documents to any Person, without the prior written consent of the Agent. The Agent and the Lenders may assign, sell or participate its rights or obligations with respect to this Term Sheet or any of the Credit Documents to any Person, without the prior written consent of the Borrowers.
Governing Law	This Term Sheet shall be governed and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, and each of the Agent, the Lenders and the Borrowers irrevocably attorns to the exclusive jurisdiction of the courts of Ontario.
Execution in Counterparts	This Term Sheet may be executed in counterparts, whether by original copy or facsimile or other electronic means, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same instrument.
Agent and Lenders' Counsel:	Dentons Canada LLP
Expiry	If the foregoing correctly sets forth our agreement, please indicate your acceptance of the terms hereof by returning to the Agent an executed counterpart to this Term Sheet not later than 5:00 p.m. (Toronto time) on April 13, 2021. The Agent's and the Lenders' commitments and agreements herein will expire at such time in the event the Agent has not received such executed counterpart from the Borrowers in accordance with the immediately preceding sentence.

[Signature Page Follows]

Each Borrower authorizes Cortland Credit Lending Corporation to collect, use and disclose information for the purposes of verification, assessing our credit worthiness, and contract administration. Each Borrower agrees that this information may be collected from any third parties, including current employees, credit bureaus and other persons or organization with whom we have or had financial dealings.

CORTLAND CREDIT LENDING CORPORATION, as Agent and on behalf of the Lenders

Sean Rogister	Chief Executive Officer
Name	**Title**

Sean Rogister

Signed

Accepted this 13th day of April, 2021

CANNTRUST HOLDINGS INC. as Borrower and on behalf of all other Borrowers

Greg Guyatt	Chief Executive Officer
Name	**Title**

Greg Guyatt
Signed

SCHEDULE A
DEFINED TERMS

"Acceptable Appraiser"	means a Person, who at no time has had an interest, direct or indirect, in the real property being appraised and who, at the time such appraisal was conducted and signed, was designated as an appraiser by the Appraisal Institute of Canada having the designation A.A.I.C. or C.R.A. and who was otherwise acceptable and selected by the Agent and who, in the reasonable opinion of the Borrowers, was qualified to appraise real property in the province in which such real property is located. Each of the Parties acknowledges and agrees that each of Cushman & Wakefield, Inc., Colliers International Group Inc. and Altus Group Limited and their affiliates constitute an Acceptable Appraiser for purposes of the Credit Documents.
"Account Debtor"	means any party which owes any amount under invoices owing to the Borrowers or any Borrower.
"Amended and Restated Initial Order"	means the Amended and Restated Initial Order dated April 9, 2020, made in the CCAA Proceeding.
"Approved Appraised Real Estate Value"	means the net orderly liquidation value of the Real Estate Collateral in question where such value is based on best alternative use, such value to be determined by an Acceptable Appraiser, and such appraisal to be conducted once at any time in each calendar year. Until such time as a revised or substitute appraisal (acceptable to the Agent) is obtained in respect of the Real Estate Collateral, that the Approved Appraised Real Estate Value is as follows: (i) $REDACTED for the Pelham Property; and (ii) $REDACTED for the Osoyoos Property.
"Approved Budget Forecast"	Means the budget forecast provided by the Borrowers to the Agent which at the time of transmission had the file name 'REDACTED
"Approved Debtor"	means each Account Debtor which satisfies any Debtor Eligibility Criteria relevant to classifying debtors of the Borrowers which may be established by the Agent from time to time. The Parties acknowledge and agree that the following Persons are "Approved Debtors" for purposes of the Credit Documents: (i) Ontario Cannabis Store; (ii) Alberta Gaming, Liquor and Cannabis; (iii) British Columbia Liquor Distribution Branch; (iv) Saskatchewan Liquor and Gaming Authority; (v) Liquor, Gaming & Cannabis Authority of Manitoba; (vi) Cannabis NB; (vii) Nova Scotia Liquor Corporation; (viii) Prince Edward Island Cannabis Management Corporation; (ix) Newfoundland and Labrador Liquor Corporation;

(x) Societe quebecoise du cannabis;
(xi) Nunavut Liquor and Cannabis Commission;
(xii) Yukon Liquor Corporation; and
(xiii) Northwest Territories Liquor and Cannabis Commission.

"Approved Debtor Invoice"

Any invoice originally owing from an Approved Debtor to a Borrower and which complies with the following eligibility criteria which may be amended by the Agent from time to time:

(i) Such invoice is aged less than 90 days past the invoice date;
(ii) Such invoice does not have any potential Priority Liens which may be attached to it, in the opinion of the Agent;
(iii) Such invoice is not due from any Approved Debtors whose aggregate outstanding invoice balance that is aged greater than 90 days from the invoice date with any Borrower is greater than REDACTED% of the total amount of invoices outstanding issued by such Borrower and are outstanding at any point in time with such Account Debtor (REDACTED% cross-aging restriction);
(iv) Such invoice is not related to any products which are either voluntarily or involuntary recalled by either the Borrowers, any regulatory authority, or any supplier of the Borrowers;
(v) Such invoice is not an invoice which has been issued to a foreign entity;
(vi) Such invoice is not an invoice which is contestable by the Account Debtor;
(vii) Such invoice is valid and collectible in the full amount from the named Account Debtor without right of set-off;
(viii) Such amount payable pursuant to the invoice is able to be provided as security to the Agent;
(ix) Such amount payable on such invoice directs the Account Debtor to pay the amount payable via wire transfer to a bank account of a Borrower that is subject to the DIP Charge or the Security and is not payable by cheque in any event and such account where proceeds are deposited has a full block in favour of the Agent where balances are swept daily to the Agent; and
(x) Other conditions that the Agent may require from time to time upon notice to the Borrowers;

"Approved Equipment"

means certain unencumbered equipment owned by an Obligor which satisfies the Equipment Eligibility Criteria

"Approved Equipment Availability"

means, only after the required equipment appraisals are completed by an appraiser selected and approved by Cortland, the amount which is the lesser of (i) REDACTED% of cost and (ii) REDACTED% of net orderly liquidation value (as determined by a third-party appraiser selected by the Agent) for any Approved Equipment.

"Borrowing Base"	means the calculations prepared by the Borrowers and reviewed by the Agent from time to time which calculates availability under the Credit Facility, such document to determine the advanceable amount under the Credit Facility and presented in a form as required by the Agent. The Borrowing Base will be calculated as follows: (i) REDACTED. Such resulting amount following steps (i) through (ix) above will be the "**Borrowing Base Availability**". If the result of subtracting the amount outstanding under the credit facility from the Borrowing Base Availability is negative at any time, such negative amount is the "**Borrowing Base Shortfall**".
"Borrowing Limit"	means, at any relevant time, the lesser of; (i) the Facility Limit or (ii) the Borrowing Base Availability.
"Business Day"	Any day that is not a Saturday or Sunday or a day recognized as a statutory holiday in the Province of Ontario, Canada or the country of Canada. If a required payment falls on a non -business day, then such payment shall be made on the next Business Day.
"CCAA"	means the *Companies' Creditors Arrangement Act* (Canada).
"CCAA Proceedings"	means the proceedings in Ontario Court File No. CV-20-00638930-00CL whereby the Borrowers have sought to restructure pursuant to the CCAA.
"Change of Control"	means either (i) CannTrust Holdings Inc. ceases to Control the other Obligors, (ii) the assignment, sale, transfer or other disposition of (A) all or substantially all of the assets and business of the Obligors, (B) any material business of any Obligor, (C) a material portion of the Collateral (in each case whether in a single transaction or a series of transactions), or (iii) any transaction or series of transactions whereby any Person or group of Persons, acting jointly or otherwise in concert, acquire the right, by contract or otherwise, to direct the management and activities of any Borrower.
"Contaminant"	includes any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental Law.
"Control"	means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and "***Controlling***" and "***Controlled***" have meanings correlative thereto.
"Credit Documents"	means, collectively, this Term Sheet, the Credit Agreement, the Security, and all other documents contemplated by this Term Sheet and the Security.
"Debtor Eligibility Criteria"	means the criteria set by the Agent through the due diligence stage and from time to time thereafter which identifies and sets any

	requirements or restrictions for the purpose of determining whether any debtor is an Approved Debtor as it relates to the Credit Facility.
"Debtor Invoice"	means any invoice owing from an Account Debtor to any of the Borrowers as the case may be.
"EBITDA"	means for the Obligors taken in aggregate; net income plus interest, depreciation, amortization, taxes, fair value (gains) or losses on any assets and share-based compensation.
"Eligible Inventory"	means inventory owned by the Borrowers which complies with the Inventory Eligibility Criteria which may be amended from time to time.
"Environmental Activity"	means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater.
"Environmental Laws"	means all applicable laws relating to the environment or occupational health and safety, or any Environmental Activity.
"Equipment Eligibility Criteria"	means the criteria set by the Agent from time to time used to determine whether such equipment of the Borrowers and the Guarantors shall be considered Approved Equipment.
"Event of Default"	means the occurrence of any one or more of the following: (i) if any Borrower at any time shall fail to pay or perform with regard to the obligation to repay the principal and interest on any Loan Advance, to pay for any adjustment, or to make any remittance on the date required by the Credit Documents for such payment; (ii) if any Borrower or any representative of any Borrower ceases or threatens to cease carrying on its business or if a petition shall be filed, an order shall be made or an effective resolution shall be passed for the winding up or liquidation of such Borrower; (iii) if a Bankruptcy Event of any Borrower occurs (other than under the CCAA Proceedings); (iv) if the Borrowers fail to meet any of the Milestone Dates; (v) if a Change of Control occurs; (vi) if at any time a Borrowing Base Shortfall exists and the Borrowers do not repay an amount equal to the excess of such Borrowing Base Shortfall on the same day of such occurrence, provided that the Agent shall grant the Borrowers two 3-Business Day cure periods in each 12-month period to allow for the Borrowers to correct any such Borrowing Base Shortfall; (vii) if any encumbrancer, lien holder or person acting on its behalf shall take possession of the Collateral or any material part thereof;

(viii) excluding amounts that are subject to the stay of proceedings under the Amended and Restated Initial Order, if any Borrower permits any sum which has been admitted as due by such Borrower or is not disputed to be due by it and which forms or is capable of being made a charge on any Collateral in priority to the Security Interest to remain unpaid after proceedings have been taken to enforce such charge;

(ix) if any representation or warranty made by any Borrower or any of its officers, employees or agents to the Agent shall be false or inaccurate in any material respect and such representation and warranty is not thereafter made true and correct within 3 Business Days of any Borrower becoming aware of it being false or inaccurate. The 3-Business Day cure period will only be granted by the Agent to the Borrowers once per 12-month period;

(x) if any Borrower or Affiliate (as defined in the *Canada Business Corporations Act*) of any Borrower engages in business activities related to Cannabis within the United States of America so long as such activity is not legal in the United States of America;

(xi) if any Borrower defaults in the observance or performance of any provision relating to the indebtedness or liability of such Borrower to any person in excess of $REDACTED (taken in aggregate), other than indebtedness or liabilities that are subject to the Amended and Restated Initial Order;

(xii) if there will have occurred any event of circumstance that has resulted in, or could reasonably be expected to result in, a Material Adverse Change;

(xiii) if any amount of proceeds of any Collateral is deposited to any bank account of the Borrowers that is not subject to the Security;

(xiv) if any license, permit or approval required by any law, regulation or governmental policy or any governmental authority for the operation by any Borrower of its business shall be withdrawn, materially altered in a manner materially detrimental to the business of such license holder, or cancelled; or

(xv) if a final judgment, execution, writ of seizure and sale, sequestration or decree for the payment of money in an amount, individually or in the aggregate, of at least $REDACTED (not covered by independent third-party insurance as to which liability has been accepted by such insurance carrier) shall have been obtained or entered against a Borrower, unless such judgment, execution, writ of seizure and sale, sequestration or decree is and remains vacated, discharged or stayed pending appeal within the applicable appeal period.

"Insured Advance Rate" means REDACTED%

"Lien" means any security interest, mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge against or interest in property or other priority or preferential arrangement of any kind or nature whatsoever, in each case to secure payment of a debt or performance of an obligation, including any conditional sale or any sale with recourse.

“Material Adverse Change”	means any event, circumstance or change that could be expected to result, individually or in the aggregate, in a material adverse effect, in any respect, on (a) the legality, validity or enforceability of any of the Credit Documents or any of the security interests provided for thereunder, (b) the right or ability of a Borrower to perform any of its obligations under any of the Credit Documents, in each case to which it is a party, or to consummate the transactions contemplated under any of the Credit Documents, (c) the financial condition, assets, business or prospects of the Borrowers, taken as a whole, (d) any Material Permit, (e) a Borrower’s ability to retain, utilize, exploit or comply with its obligations under any Material Permit, or (f) the rights or remedies of the Agent under any of the Credit Documents; provided that, (i) any change in the financial condition of a Borrower as the date hereof caused by or related to the COVID-19 global pandemic occurring prior to the date of this Term Sheet will not constitute a Material Adverse Change; and (ii) the commencement and continuation of the CCAA Proceedings will not constitute a Material Adverse Change.
“Material Permits”	means all cannabis licences issued by Health Canada to CannTrust Inc. which are required to legally conduct its business.
“Milestone Dates”	means the dates set out in Schedule B.
“Obligors”	means the Borrowers and any Guarantors.
“Osoyoos Property”	means Osoyoos & Oliver, Silkameen, Division of Yale Land District, British Columbia (Title Number: CA7422902) comprised of 4 parcels of land having a combined area of 81.50 acres, which are currently zoned for agricultural purposes.
“Parties”	means the Agent, the Lenders and the Borrowers and the term “**Party**” shall mean any one of such Parties.
“Pelham Property”	means 1396 Balfour Street Pelham, Ontario (PIN: 64030-0908 LT), having a total site area of 65.5 acres of land improved with 8.27 acres of glass and double ply greenhouses and service buildings.
“Permitted Encumbrances”	means, collectively, (i) Liens granted in favor of the Agent pursuant to the Credit Documents and the DIP Charge, (ii) Subordinated Liens, (iii) Liens granted in favor of a lessor of vehicles, provided that such Liens attach only to such leased vehicles and the proceeds thereof and do not attach to any other Collateral and such lien covered in clause (iii) has been expressly approved and consented to by the Agent; (iv) existing equipment leases and related arrangements; (v) liens for taxes, rates, assessments or other governmental charges or levies not yet due, or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person; (vi) undetermined or inchoate liens, rights of distress and charges incidental to current operations that have not at such time been filed or exercised and of which none of the Agent has been given notice, or that relate to obligations not due or payable, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person; (vii) reservations, limitations, provisos and conditions expressed in any original grant

	from the Crown or other grants of real or immovable property, or interests therein, that do not materially affect the use of the affected land for the purpose for which it is used by that Person; (viii) licences, easements, rights of way and rights in the nature of easements (including licences, easements, rights of way and rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) that do not materially impair the use of the affected land for the purpose for which it is used by that Person; (ix) title defects, irregularities or other matters relating to title that are of a minor nature and that in the aggregate do not materially impair the use of the affected property for the purpose for which it is used by that Person; (x) the right reserved to or vested in any governmental authority by the terms of any lease, licence, franchise, grant or permit acquired by that Person or by any statutory provision to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof; (xi) security given to a public utility or any governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of its business; (xii) a Lien created by a judgment of a court of competent jurisdiction, as long as the judgment is being contested diligently and in good faith by appropriate proceedings by that Person and does not result in an Event of Default; and (xiii) a Lien in favour of a financial institution to secure indebtedness under letters of credit, corporate credit cards and/or other cash management.
“Permitted Indebtedness”	shall include (i) certain intercompany indebtedness owing by any Obligor to any other Obligor, (ii) existing indebtedness which is exclusive to; (A) promissory note dated March 6, 2017 granted by Elmcliffe Investments Inc. in favour of 1970030 Ontario Inc.; (B) the letter of credit issued in favour of landlord of Unit 1 of 3280 Langstaff Road in Vaughan, Ontario; (C) debt under corporate credit cards and letters of credit in an aggregate amount not to exceed $250,000; and (D) equipment leases; and (iii) future indebtedness owing to other third parties where such indebtedness is fully subordinated and postponed to the Agent and the Lenders and the Agent has consented to such indebtedness.
“Person”	means an individual, a corporation, a limited partnership, a general partnership, a trust, a joint stock company, a joint venture, an association, a syndicate, a bank, a trust company, a governmental authority and any other legal or business entity.
“Priority Lien”	means any Lien that is not a Subordinated Lien.
“Priority Supplier Lien”	means any Supplier Lien that is not a Subordinated Supplier Lien.
“Real Estate Advance Rate”	means REDACTED%**.**
“Real Estate Collateral”	means the unencumbered real estate owned by the Obligors.
“Restricted Cash”	means cash (i) in the amount of approximately $6,000,000 that the Borrowers deposited in a trust to settle potential directors and officers liabilities; and (ii) in the amount of approximately $250,000 that is pledged as cash collateral for use of the Borrowers’ line of

	credit, corporate credit cards, letters of credit and other cash management.
"Subordinated Lien"	means any Lien for which the holder thereof has agreed, pursuant to a subordination agreement in form satisfactory to the Agent, that such Lien shall at all times be subordinated and postponed in favor of the Liens granted in favor of the Agent.
"Subordinated Supplier Lien"	means any Supplier Lien that is a Subordinated Lien.
"Tangible Net Worth"	As it relates to the Obligors on a consolidated basis and where the following definition may change in the Credit Documents; the value in dollars which remains after subtracting the following from the Obligors' total assets at any point in time: (i) REDACTED.
"Uninsured Advance Rate"	means REDACTED%
"Unrestricted Cash"	means the aggregate value of cash held by the Borrowers in accounts which have either a full or springing block in favour of the Agent, and in any event, is not Restricted Cash.

SCHEDULE B

MILESTONE DATES

The following events are to occur by the dates set forth below, unless otherwise agreed to by the Agent and the Borrowers in writing:

1. CCAA Plan Filed by April 30, 2021.

2. Creditors Meeting by June 14, 2021.

3. Plan Sanction Order by June 30, 2021.

4. US Securities Class Action Dismissal Order by the later of the following: (i) September 30, 2021 and (ii) the date which occurs 130 days after the Borrowers obtain the Plan Sanction Order described immediately above.

5. Plan Implementation by the later of the following: (i) October 31, 2021; and (ii) the date which occurs 31 days after the Borrowers obtain the US Securities Class Action Dismissal Order described immediately above.

6. Presentation of a go-forward business plan acceptable to the Agent on or before the earlier of: (i) October 31, 2021; and (ii) no less than 21 days before the Borrowers' exit from the CCAA Proceedings.

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

____
A Commissioner for taking affidavits

Confidential

Unredacted copy of the DIP Term Sheet, dated April 13, 2021.

Filed subject to a request for a Sealing Order.

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 9TH
	)	
MR. JUSTICE HAINEY	)	DAY OF APRIL, 2020

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANNTRUST HOLDINGS INC., CANNTRUST INC., CTI HOLDINGS (OSOYOOS) INC., AND ELMCLIFFE INVESTMENTS INC.

Applicants

AMENDED AND RESTATED INITIAL ORDER

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

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

AMENDING AND RESTATING INITIAL ORDER

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

SERVICE

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

APPLICATION

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

PLAN OF ARRANGEMENT

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

POSSESSION OF PROPERTY AND OPERATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RESTRUCTURING

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

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

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

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

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

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

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

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

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

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

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

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

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

NO INTERFERENCE WITH RIGHTS

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

CONTINUATION OF SERVICES

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

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

NON-DEROGATION OF RIGHTS

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

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

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

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

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

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

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

APPOINTMENT OF MONITOR

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

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

(a) monitor the Applicants' receipts and disbursements;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

APPROVAL OF CHIEF RESTRUCTURING OFFICER ENGAGEMENT

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

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

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

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

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

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

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

APPROVAL OF FINANCIAL ADVISOR ENGAGEMENT

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

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

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

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

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

ADMINISTRATION CHARGE

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

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

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

TRANSACTION FEE CHARGE

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

INTERCOMPANY FINANCING

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

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

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

KERP AND KERP CHARGE

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

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

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

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

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

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

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

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

Fourth – Transaction Fee Charge;

Fifth – Intercompany Charge.

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

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

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

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

61. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicants of any Agreement to which it is a party;

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

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

62. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

RELIEF FROM REPORTING OBLIGATIONS

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

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

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

SERVICE AND NOTICE

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

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

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

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

GENERAL

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

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

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

or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

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

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

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

Hainey J.

SUPERIOR COURT OF JUSTICE
ENTERED

APR 1 5 2020 JP

COUR SUPÉRIEURE DE JUSTICE
ENTRÉ

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANNTRUST HOLDINGS INC. ET AL.

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

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

Proceeding commenced at Toronto

AMENDED AND RESTATED INITIAL ORDER

McCarthy Tétrault LLP
Suite 5300, Toronto Dominion Bank Tower
Toronto ON M5K 1E6
Fax: 416-868-0673

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Alexander Steele LSO#: 475719P
Tel: 416-601-8370
Email: asteele@mccarthy.ca
Lawyers for the Applicants

DOC#: 19528138

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for :	McCarthy Tetrault LLP (Corporate Search)
Reference :	1577
Docket :	222750-5321929
Search ID :	807584
Date Processed :	4/1/2021 2:51:59 PM
Report Type :	PPSA Electronic Response
Search Conducted on :	CANNTRUST HOLDINGS INC.
Search Type :	Business Debtor

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST HOLDINGS INC.

FILE CURRENCY: March 31, 2021

RESPONSE CONTAINS: APPROXIMATELY 1 FAMILIES and 1 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST HOLDINGS INC.

FILE CURRENCY: March 31, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 1 ENQUIRY PAGE : 1 OF 1

SEARCH : BD : CANNTRUST HOLDINGS INC.

00 FILE NUMBER : 755733645 EXPIRY DATE : 23SEP 2029 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20190923 1405 1462 6951 REG TYP: P PPSA REG PERIOD: 10
02 IND DOB : IND NAME:
03 BUS NAME: CANNTRUST HOLDINGS INC.
OCN :
04 ADDRESS : 3280 LANGSTAFF ROAD
CITY : VAUGHAN PROV: ON POSTAL CODE: L4K5B6
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
TRISURA GUARANTEE INSURANCE COMPANY
09 ADDRESS : 333 BAY STREET SUITE 1610, BOX 22
CITY : TORONTO PROV: ON POSTAL CODE: M5H2R2

	CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	MV INCL	AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE
10		X	X	X	X	X			X

YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: TRISURA GUARANTEE INSURANCE COMPANY
17 ADDRESS : 333 BAY STREET SUITE 1610, BOX 22
CITY : TORONTO PROV: ON POSTAL CODE: M5H2R2
LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for :	McCarthy Tetrault LLP (Corporate Search)
Reference :	1577
Docket :	222750-524509
Search ID :	805424
Date Processed :	3/17/2021 1:21:22 PM
Report Type :	PPSA Electronic Response
Search Conducted on :	CANNTRUST INC.
Search Type :	Business Debtor
Update Search - Retrieve records starting from this date only :	2020-03-19

An update search is a limited search only. The database may contain records which were filed prior to the date specified in the "on or after" section. A update search should only be conducted if a full search has already been done.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST INC.

FILE CURRENCY: March 16, 2021

RESPONSE CONTAINS: APPROXIMATELY 3 FAMILIES and 7 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

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          MINISTRY OF CONSUMER AND BUSINESS SERVICES
          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
                      ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST INC.

FILE CURRENCY: March 16, 2021


1C FINANCING STATEMENT / CLAIM FOR LIEN

   FAMILY :   1 OF   3       ENQUIRY PAGE :   1 OF   7

SEARCH  : BD  : CANNTRUST INC.

00 FILE NUMBER : 761352282   EXPIRY DATE : 01APR 2040 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 1          MV SCHEDULE ATTACHED :
REG NUM : 20200401 1559 1590 0777 REG TYP: P  PPSA    REG PERIOD: 20
02 IND DOB :            IND NAME:
03 BUS NAME: CANNTRUST INC.
OCN :
04 ADDRESS : 7300 KEELE STREET
CITY    : VAUGHAN                  PROV: ON    POSTAL CODE: L4K 1Z9
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                          PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
BALFOUR ENERGY INC.
09 ADDRESS : 77 KING STREET WEST, SUITE 3000
CITY    : TORONTO                  PROV: ON    POSTAL CODE: M5K 1G8
CONS.                                MV                   DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10                     X      X
YEAR MAKE                         MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 CASH OR TOLLING FEE RESERVE FUNDS HELD IN DEBTORS BANK OF MONTREAL
14 CANADIAN DOLLAR ACCOUNT # 0002-1750-935 IN ACCORDANCE WITH A TOLLING
15 AGREEMENT AND BLOCKED ACCOUNT AGREEMENT
16 AGENT: FOGLER, RUBINOFF LLP (THILL)
17 ADDRESS : 77 KING STREET WEST, SUITE 3000 PO BOX 9
CITY    : TORONTO                  PROV: ON     POSTAL CODE: M5K 1G8

CONTINUED

  *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***
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          MINISTRY OF CONSUMER AND BUSINESS SERVICES
          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
                      ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST INC.

FILE CURRENCY: March 16, 2021


2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

   FAMILY :   1 OF   3       ENQUIRY PAGE :   2 OF   7

SEARCH  : BD  : CANNTRUST INC.
FILE NUMBER 761352282
PAGE   TOT                   REGISTRATION NUM      REG TYPE
01 CAUTION  :     001 OF 1    MV SCHED:     20200414 0844 1590 1391
21 REFERENCE FILE NUMBER : 761352282
22 AMEND PAGE:     NO PAGE: X  CHANGE: A  AMNDMNT REN YEARS:      CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: CANNTRUST INC.

25 OTHER CHANGE:
26 REASON: TO CORRECT THE NAME OF THE SECURED PARTY ON FILE NUMBER 761352282 TO
27 /DESCR: BE BALFOUR ENERGY CORP.
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY:                        PROV:       POSTAL CODE:


29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
BALFOUR ENERGY CORP.
09 ADDRESS : 77 KING STREET WEST, SUITE 3000
CITY    : TORONTO                 PROV : ON    POSTAL CODE : M5K 1G8
CONS.                             MV                     DATE OF      NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : FOGLER, RUBINOFF LLP (THILL)
17 ADDRESS : 77 KING STREET WEST, SUITE 3000 PO BOX 9
CITY    : TORONTO                 PROV : ON    POSTAL CODE : M5K 1G8

END OF FAMILY

  *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***
```

```
          MINISTRY OF CONSUMER AND BUSINESS SERVICES
          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
                      ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST INC.

FILE CURRENCY: March 16, 2021


1C FINANCING STATEMENT / CLAIM FOR LIEN

   FAMILY :   2 OF   3       ENQUIRY PAGE :   3 OF   7

SEARCH  : BD  : CANNTRUST INC.

00 FILE NUMBER : 761457771   EXPIRY DATE : 14APR 2025 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 2          MV SCHEDULE ATTACHED :
REG NUM : 20200414 0914 1532 6079 REG TYP: P  PPSA    REG PERIOD: 5
02 IND DOB :            IND NAME:
03 BUS NAME: CANNTRUST INC.
OCN :
04 ADDRESS : 3280 LANGSTAFF RD
CITY    : CONCORD                 PROV: ON    POSTAL CODE: L4K 5B6
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
BANK OF MONTREAL/BANQUE DE MONTREAL
09 ADDRESS : 250 YONGE STREET, 9TH FLOOR
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5B 2L7
CONS.                               MV                   DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10                     X      X
YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 LF269 PLEDGE OF INSTRUMENT AND ASSIGNMENT OF PROCEEDS.COLLATERAL
14 DESCRIBED AS ?GUARANTEED INVESTMENT  CERTIFICATES (GIC) NO.
15 00061016633 ?
16 AGENT: CSRS
17 ADDRESS : 4126 NORLAND AVE
CITY    : BURNABY                 PROV: BC     POSTAL CODE: V5G 3S8

CONTINUED

  *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***
```

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST INC.

FILE CURRENCY: March 16, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

```
   FAMILY :   2 OF   3       ENQUIRY PAGE :   4 OF   7

SEARCH  : BD  : CANNTRUST INC.

00 FILE NUMBER : 761457771   EXPIRY DATE : 14APR 2025 STATUS :
01 CAUTION FILING :          PAGE : 002 OF 2         MV SCHEDULE ATTACHED :
REG NUM : 20200414 0914 1532 6079 REG TYP:           REG PERIOD:
02 IND DOB :            IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:


08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:
CONS.                               MV                  DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10
YEAR MAKE                      MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 IN THE PRINCIPAL AMOUNT OF ?$250,000.00?
14
15
16 AGENT:
17 ADDRESS :
CITY    :                         PROV:        POSTAL CODE:

END OF FAMILY

  *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***
```

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST INC.

FILE CURRENCY: March 16, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 3 ENQUIRY PAGE : 5 OF 7

SEARCH : BD : CANNTRUST INC.

00 FILE NUMBER : 761507802 EXPIRY DATE : 17APR 2026 STATUS :
01 CAUTION FILING : PAGE : 001 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20200417 1053 1862 2523 REG TYP: P PPSA REG PERIOD: 6
02 IND DOB : IND NAME:
03 BUS NAME: CANNTRUST INC
OCN :
04 ADDRESS : 3280 LANGSTAFF ROAD UNIT 1
CITY : CONCORD PROV: ON POSTAL CODE: L4K 5B6
05 IND DOB : IND NAME:
06 BUS NAME: CANNTRUST INC
OCN :
07 ADDRESS : 1396 BALFOUR STREET
CITY : FENWICK PROV: ON POSTAL CODE: L0S 1C0

08 SECURED PARTY/LIEN CLAIMANT :
PRAXAIR CANADA INC.
09 ADDRESS : 1 CITY CENTRE DRIVE
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L5B 1M2

	CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	MV INCL	AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE
10			X						

YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 EQUIPMENT SUPPLIED BY THE SECURED PARTY, CONSISTING OF BULK CRYOGENIC
14 STORAGE TANKS USED FOR THE STORAGE, FILLING AND DELIVERY OF
15 INDUSTRIAL AND MEDICAL GASES INCLUDING, WITHOUT LIMITATION, ARGON,
16 AGENT: CYBERBAHN
17 ADDRESS : 4610-199 BAY STREET
CITY : TORONTO PROV: ON POSTAL CODE: M5L 1E9

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST INC.

FILE CURRENCY: March 16, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 3 ENQUIRY PAGE : 6 OF 7

SEARCH : BD : CANNTRUST INC.

00 FILE NUMBER : 761507802 EXPIRY DATE : 17APR 2026 STATUS :
01 CAUTION FILING : PAGE : 002 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20200417 1053 1862 2523 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:

CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	MV INCL	AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE
10								

YEAR	MAKE	MODEL	V.I.N.
11			
12			

GENERAL COLLATERAL DESCRIPTION
13 HYDROGEN, CARBON DIOXIDE, NITROGEN, NITROUS OXIDE AND OXYGEN, AND
14 CRYOGENIC FREEZERS, TOGETHER WITH ALL RELATED ACCESSORIES, PARTS,
15 COMPONENTS AND ATTACHMENTS AND ALL PROCEEDS OF OR RELATING TO ANY OF
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CANNTRUST INC.

FILE CURRENCY: March 16, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 3 ENQUIRY PAGE : 7 OF 7

SEARCH : BD : CANNTRUST INC.

```
00 FILE NUMBER : 761507802   EXPIRY DATE : 17APR 2026 STATUS :
01 CAUTION FILING :          PAGE : 003 OF 003        MV SCHEDULE ATTACHED :
REG NUM : 20200417 1053 1862 2523 REG TYP:            REG PERIOD:
02 IND DOB :            IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:


08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:
CONS.                               MV                  DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10
YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 THE FOREGOING AS WELL AS ALL PRESENT OR AFTER-ACQUIRED PROPERTY THAT
14 MAY BE DERIVED FROM THE SALE OR OTHER DISPOSITION OF THE COLLATERAL
15 DESCRIBED HEREIN.
16 AGENT:
17 ADDRESS :
CITY    :                         PROV:        POSTAL CODE:
LAST SCREEN
```

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for :	McCarthy Tetrault LLP (Corporate Search)
Reference :	1577
Docket :	222750-5321929
Search ID :	807585
Date Processed :	4/1/2021 2:52:00 PM
Report Type :	PPSA Electronic Response
Search Conducted on :	ELMCLIFFE INVESTMENTS INC.
Search Type :	Business Debtor

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: ELMCLIFFE INVESTMENTS INC.

FILE CURRENCY: March 31, 2021

ENQUIRY CONTAINS 0 PAGES, 0 FAMILY(IES).

NO REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE INTERPRETATION AND USE THAT ARE MADE OF IT.

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for :	McCarthy Tetrault LLP (Corporate Search)
Reference :	1577
Docket :	222750-5321929
Search ID :	807586
Date Processed :	4/1/2021 2:52:00 PM
Report Type :	PPSA Electronic Response
Search Conducted on :	CTI HOLDINGS (OSOYOOS) INC.
Search Type :	Business Debtor

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CTI HOLDINGS (OSOYOOS) INC.

FILE CURRENCY: March 31, 2021

RESPONSE CONTAINS: APPROXIMATELY 2 FAMILIES and 4 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CTI HOLDINGS (OSOYOOS) INC.

FILE CURRENCY: March 31, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 4

SEARCH : BD : CTI HOLDINGS (OSOYOOS) INC.

00 FILE NUMBER : 752917383 EXPIRY DATE : 26MAR 2021 STATUS : D DISCHARGED
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20190702 1707 1462 9311 REG TYP: P PPSA REG PERIOD: 4
02 IND DOB : IND NAME:
03 BUS NAME: CTI HOLDINGS (OSOYOOS) INC.
OCN :
04 ADDRESS : 7621 BC-97
CITY : OSOYOOS PROV: ON POSTAL CODE: V0H1T0
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
ENTERPRISE FLEET MANAGEMENT CANADA, INC
09 ADDRESS : 77 BELFIELD RD STE 100
CITY : TORONTO PROV: ON POSTAL CODE: M9W1G6

	CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	MV INCL	AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE
10	X					X	37119		X

	YEAR	MAKE	MODEL	V.I.N.
11	2019	FORD	F-150	1FTEW1EP7KKC80961
12				

GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: ENTERPRISE FLEET MANAGEMENT, INC
17 ADDRESS : 9315 OLIVE BLVD
CITY : ST. LOUIS PROV: MO POSTAL CODE: 63132

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CTI HOLDINGS (OSOYOOS) INC.

FILE CURRENCY: March 31, 2021

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 2 ENQUIRY PAGE : 2 OF 4

SEARCH : BD : CTI HOLDINGS (OSOYOOS) INC.
FILE NUMBER 752917383
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20210326 1703 1462 4856
21 REFERENCE FILE NUMBER : 752917383
22 AMEND PAGE: NO PAGE: CHANGE: C DISCHRG REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: CTI HOLDINGS (OSOYOOS) INC.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10
11
12
13
14
15
16 NAME : ENTERPRISE FLEET MANAGEMENT, INC
17 ADDRESS : 9315 OLIVE BLVD
CITY : ST. LOUIS PROV : MO POSTAL CODE : 63132

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

```
          MINISTRY OF CONSUMER AND BUSINESS SERVICES
          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
                      ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CTI HOLDINGS (OSOYOOS) INC.

FILE CURRENCY: March 31, 2021


1C FINANCING STATEMENT / CLAIM FOR LIEN

   FAMILY :   2 OF   2       ENQUIRY PAGE :   3 OF   4

SEARCH  : BD  : CTI HOLDINGS (OSOYOOS) INC.

00 FILE NUMBER : 754353972   EXPIRY DATE : 26MAR 2021 STATUS : D DISCHARGED
01 CAUTION FILING : X        PAGE : 01  OF 001        MV SCHEDULE ATTACHED :
REG NUM : 20190813 1404 1462 3363 REG TYP: P  PPSA    REG PERIOD: 4
02 IND DOB :            IND NAME:
03 BUS NAME: CTI HOLDINGS (OSOYOOS) INC.
OCN :
04 ADDRESS : 1632-133A STREET
CITY    : SURREY                  PROV: BC    POSTAL CODE: V4A6H5
05 IND DOB :            IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY    :                         PROV:       POSTAL CODE:



08 SECURED PARTY/LIEN CLAIMANT :
ENTERPRISE FLEET MANAGEMENT CANADA, INC
09 ADDRESS : 77 BELFIELD RD  STE 100
CITY    : TORONTO                 PROV: ON    POSTAL CODE: M9W1G6
CONS.                               MV                    DATE OF  OR NO FIXED
GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10 X                                  X     28735                          X
YEAR MAKE                      MODEL              V.I.N.
11 2019 NISSAN                    ROGUE              5N1AT2MV6KC761013
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: ENTERPRISE FLEET MANAGEMENT, INC
17 ADDRESS : 9315 OLIVE BLVD
CITY    : ST. LOUIS               PROV: MO     POSTAL CODE: 63132

CONTINUED

  *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***
```

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CTI HOLDINGS (OSOYOOS) INC.

FILE CURRENCY: March 31, 2021

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 2 OF 2 ENQUIRY PAGE : 4 OF 4

```
SEARCH  : BD  : CTI HOLDINGS (OSOYOOS) INC.
FILE NUMBER 754353972
PAGE   TOT                   REGISTRATION NUM      REG TYPE
01 CAUTION  :     001 OF 1    MV SCHED:     20210326 1401 1793 9381
21 REFERENCE FILE NUMBER : 754353972
22 AMEND PAGE:     NO PAGE:    CHANGE: C  DISCHRG REN YEARS:      CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: CTI HOLDINGS (OSOYOOS) INC.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY:                         PROV:       POSTAL CODE:


29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY    :                         PROV :       POSTAL CODE :
CONS.                             MV                     DATE OF      NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : ENTERPRISE FLEET MANAGEMENT, INC
17 ADDRESS : 9315 OLIVE BLVD
CITY    : ST. LOUIS               PROV : MO    POSTAL CODE : 63132
LAST SCREEN
```

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

This is Exhibit “I” referred to in the

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

```
                         BC OnLine: PPRS SEARCH RESULT           2021/04/01
Lterm: XPSP0054       For: PD43818  DYE AND DURHAM CORPORATION        11:53:17

                                                 Index: BUSINESS DEBTOR
List of matches:

Exact: CTI HOLDINGS (OSOYOOS) INC.


                                                                Page:   1

                         BC OnLine: PPRS SEARCH RESULT           2021/04/01
Lterm: XPSP0054       For: PD43818  DYE AND DURHAM CORPORATION        11:53:17

                                                 Index: BUSINESS DEBTOR
Search Criteria: CTI HOLDINGS (OSOYOOS) INC.

**************** P P S A   S E C U R I T Y   A G R E E M E N T ****************
        *** DISCHARGED ***
            Reg. Date: AUG 13, 2019          Reg. Length: 4 YEARS
            Reg. Time: 07:07:12              Expiry Date: AUG 13, 2023
          Base Reg. #: 696242L                 Control #: D6237906
Block#

 S0001  Secured Party: ENTERPRISE FLEET MANAGEMENT CANADA,
                       INC
                       77 BELFIELD RD  STE 100
                       TORONTO ON  M9W1G6

=D0001    Base Debtor: CTI HOLDINGS (OSOYOOS) INC.
            (Business) 1632-133A STREET
                       SURREY BC  V4A6H5

        Vehicle Collateral:
        Type              Serial #    Year         Make/Model         MH Reg.#

 V0001   MV         5N1AT2MV6KC761013 2019  NISSAN ROGUE

------------------------ T O T A L   D I S C H A R G E ------------------------

                         Reg. #: 858966M            Reg. Date: MAR 26, 2021
                                                    Reg. Time: 11:09:46
                                                    Control #: D7420472
                 Base Reg. Type: PPSA SECURITY AGREEMENT
                    Base Reg. #: 696242L       Base Reg. Date: AUG 13, 2019

          Registering
                Party: ENTERPRISE FLEET MANAGEMENT, INC
                       9315 OLIVE BLVD
                       ST. LOUIS MO  63132

********************************************************************************

  Some, but not all, tax liens and other Crown claims are registered at the
  Personal Property Registry (PPR) and if registered, will be displayed on
  this search result.  HOWEVER, it is possible that a particular chattel is
  subject to a Crown claim that is not registered at the PPR.  Please consult
  the Miscellaneous Registrations Act, 1992 for more details.  If you are
  concerned that a particular chattel may be subject to a Crown claim not
  registered at the PPR, please consult the agency administering the type
  of Crown claim.

>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>> END OF SEARCH <<<<<<<<<<<<<<<<<<<<<<<<<<<<<<<<
```

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

PROPERTY DESCRIPTION: PART OF LOT 14 CONCESSION 8 PELHAM BEING FIRSTLY: PART 1 PLAN 59R8668; SECONDLY: PARTS 1 & 2 PLAN 59R4462; THIRDLY: PART 1 PLAN 59R647 SAVE AND EXCEPT RO385535; FOURTHLY: AS IN PE16925; FIFTHLY: AS IN RO257496; TOWN OF PELHAM

PROPERTY REMARKS: PLANNING ACT CONSENT AS IN RO202266. PLANNING ACT CONSENT AS IN BB33260. PLANNING ACT CONSENT AS IN BB33260. PLANNING ACT CONSENT AS IN RO452820. PLANNING ACT CONSENT AS IN BB33260. PA OK -CONSENT AS IN RO275973 (0046), RO234368, RO275974 (0045).

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
CONSOLIDATION FROM 64030-0003, 64030-0047, 64030-0904

PIN CREATION DATE:
2019/01/11

OWNERS' NAMES
ELMCLIFFE INVESTMENTS INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
*** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2019/01/11 ***						
***SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:*						
*** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES **						
*** AND ESCHEATS OR FORFEITURE TO THE CROWN.*						
*** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF*						
*** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY*						
*** CONVENTION.*						
*** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.*						
***DATE OF CONVERSION TO LAND TITLES: 2003/03/17 ***						
59R647	1973/11/13	PLAN REFERENCE				C
59R4462	1985/03/13	PLAN REFERENCE				C
59R8668	1993/12/07	PLAN REFERENCE				C
SN502623	2017/03/06	TRANSFER	$7,500,000	1970030 ONTARIO INC.	ELMCLIFFE INVESTMENTS INC.	C
REMARKS: PLANNING ACT STATEMENTS. AS TO FIRSTLY, SECONDLY & THIRDLY						
SN543145	2018/02/14	CHARGE		*** DELETED AGAINST THIS PROPERTY *** ELMCLIFFE INVESTMENTS INC.	MERIDIAN CREDIT UNION LIMITED	
REMARKS: AS TO FIRSTLY, SECONDLY & THIRDLY						
SN543146	2018/02/14	NO ASSGN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** ELMCLIFFE INVESTMENTS INC.	MERIDIAN CREDIT UNION LIMITED	
REMARKS: SN543145 AS TO FIRSTLY, SECONDLY & THIRDLY						

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
SN569263	2018/10/24	TRANS PERSONAL REP	$725,000	MCCARTHY, COLLEEN LILY MCCARTHY, ROSS ALFRED	ELMCLIFFE INVESTMENTS INC.	C
REMARKS: PLANNING ACT STATEMENTS. AS TO FOURTHLY AND FIFTHLY						
SN570219	2018/11/01	NOTICE OF LEASE		ELMCLIFFE INVESTMENTS INC.	CANNTRUST INC.	C
REMARKS: AS TO FIRSTLY, SECONDLY & THIRDLY						
SN570981	2018/11/06	NOTICE OF SUBLEASE		CANNTRUST INC.	BALFOUR ENERGY CORP.	C
REMARKS: SN570219. AS TO FIRSTLY, SECONDLY & THIRDLY						
SN572404	2018/11/19	APL CONSOLIDATE		ELMCLIFFE INVESTMENTS INC.		C
SN575620	2018/12/18	NO SEC INTEREST	$2	CATERPILLAR FINANCIAL SERVICES LIMITED		C
REMARKS: AS TO FIRSTLY, SECONDLY & THIRDLY						
SN597810	2019/08/07	DISCH OF CHARGE		*** COMPLETELY DELETED *** MERIDIAN CREDIT UNION LIMITED		
REMARKS: SN543145.						
SN629868	2020/05/22	CONSTRUCTION LIEN	$71,812	VERHOEF ELECTRIC INC.		C
SN634434	2020/07/07	CERTIFICATE		VERHOEF ELECTRIC INC.		C
REMARKS: SN629868						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

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

affidavit of **Greg Guyatt** sworn before

me this 19th day of April, 2021

A Commissioner for taking affidavits

TITLE SEARCH PRINT 2021-04-01, 13:21:12

File Reference: 222750/524509 Requestor: Roberta Cooper

Declared Value $2364083

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District	KAMLOOPS
Land Title Office	KAMLOOPS
Title Number	CA7421058
From Title Number	KT59372
Application Received	2019-03-29
Application Entered	2019-04-02
Registered Owner in Fee Simple	
Registered Owner/Mailing Address:	CTI HOLDINGS (OSOYOOS) INC., INC.NO. BC1191744 3280 LANGSTAFF ROAD VAUGHAN, ON L4K 5B6
Taxation Authority	Penticton Assessment Area
Description of Land	
Parcel Identifier:	011-259-540
Legal Description:	

LOT 664 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN 2066

Legal Notations	NONE
Charges, Liens and Interests	NONE
Duplicate Indefeasible Title	NONE OUTSTANDING
Transfers	NONE
Pending Applications	NONE

PARCEL IDENTIFIER (PID): 011-259-540

SHORT LEGAL DESCRIPTION:S/2066/////664
MARG:*

TAXATION AUTHORITY:
1 Penticton Assessment Area

FULL LEGAL DESCRIPTION: CURRENT
LOT 664 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN 2066

MISCELLANEOUS NOTES:
O/C - DF H23577
CG 232396F

ASSOCIATED PLAN NUMBERS:
SUBDIVISION PLAN KAP2066

AFB/IFB: MN: Y PE: 0 SL: 1 TI: 1

TITLE SEARCH PRINT 2021-04-01, 13:21:12

File Reference: 222750/524509 Requestor: Roberta Cooper

Declared Value $899916

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District	KAMLOOPS
Land Title Office	KAMLOOPS
Title Number	CA7421057
From Title Number	KT59373
Application Received	2019-03-29
Application Entered	2019-04-02

Registered Owner in Fee Simple

Registered Owner/Mailing Address: CTI HOLDINGS (OSOYOOS) INC., INC.NO. BC1191744
3280 LANGSTAFF ROAD
VAUGHAN, ON
L4K 5B6

Taxation Authority Penticton Assessment Area

Description of Land

Parcel Identifier: 007-861-940

Legal Description:

LOT 407 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN 1957
EXCEPT PLAN 14139

Legal Notations

THIS CERTIFICATE OF TITLE MAY BE AFFECTED BY THE AGRICULTURAL LAND
COMMISSION ACT SEE PLAN M11063

Charges, Liens and Interests

Nature:	RIGHT OF WAY
Registration Number:	108979E
Registration Date and Time:	1964-05-20 10:07
Registered Owner:	WEST KOOTENAY POWER AND LIGHT COMPANY LIMITED
Remarks:	PART OUTLINED RED ON PLAN A847
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	KN14073
Registration Date and Time:	1999-02-18 09:32
Registered Owner:	WEST KOOTENAY POWER LTD.

Duplicate Indefeasible Title	NONE OUTSTANDING
Transfers	NONE
Pending Applications	NONE

PARCEL IDENTIFIER (PID): 007-861-940

SHORT LEGAL DESCRIPTION:S/1957/////407
MARG:REM *

TAXATION AUTHORITY:
1 Penticton Assessment Area

FULL LEGAL DESCRIPTION: CURRENT
LOT 407 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN 1957
EXCEPT PLAN 14139

MISCELLANEOUS NOTES:
PL A847
CG 102098F
CROWN GRANT - SEE 102099F

ASSOCIATED PLAN NUMBERS:
SUBDIVISION PLAN KAP1957
RIGHT OF WAY PLAN KAP847A

AFB/IFB: MN: Y PE: 0 SL: 1 TI: 1

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District	KAMLOOPS
Land Title Office	KAMLOOPS
Title Number	CA7422321
From Title Number	CA7413497
Application Received	2019-03-29
Application Entered	2019-04-02

Registered Owner in Fee Simple

Registered Owner/Mailing Address: CTI HOLDINGS (OSOYOOS) INC., INC.NO. BC1191744
3280 LANGSTAFF ROAD
VAUGHAN, ON
L4K 5B6

Taxation Authority Penticton Assessment Area

Description of Land

Parcel Identifier: 007-523-033

Legal Description:

LOT 3 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN 21397

Legal Notations

THIS CERTIFICATE OF TITLE MAY BE AFFECTED BY THE AGRICULTURAL LAND COMMISSION ACT SEE PLAN M11063

Charges, Liens and Interests

Nature:	STATUTORY RIGHT OF WAY
Registration Number:	LB358079
Registration Date and Time:	2009-12-14 13:34
Registered Owner:	FORTISBC INC.

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

PARCEL IDENTIFIER (PID): 007-523-033

SHORT LEGAL DESCRIPTION:S/21397/////3
MARG:
TAXATION AUTHORITY:
1 Penticton Assessment Area

FULL LEGAL DESCRIPTION: CURRENT
LOT 3 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN 21397

MISCELLANEOUS NOTES:

ASSOCIATED PLAN NUMBERS:
SUBDIVISION PLAN KAP21397

AFB/IFB: MN: N PE: 0 SL: 1 TI: 1

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District KAMLOOPS
Land Title Office KAMLOOPS

Title Number CA7422902
From Title Number LB220219

Application Received 2019-03-29

Application Entered 2019-04-02

Registered Owner in Fee Simple
Registered Owner/Mailing Address: CTI HOLDINGS (OSOYOOS) INC., INC.NO. BC1191744
3280 LANGSTAFF ROAD
VAUGHAN, ON
L4K 5B6

Taxation Authority Penticton Assessment Area

Description of Land
Parcel Identifier: 002-841-258
Legal Description:
LOT 23 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN 1729

Legal Notations
THIS CERTIFICATE OF TITLE MAY BE AFFECTED BY THE AGRICULTURAL LAND COMMISSION ACT, SEE PLAN M11063

Charges, Liens and Interests
Nature: STATUTORY RIGHT OF WAY
Registration Number: LA68885
Registration Date and Time: 2006-05-26 11:03
Registered Owner: FORTISBC INC.

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

PARCEL IDENTIFIER (PID): 002-841-258

SHORT LEGAL DESCRIPTION:S/1729/////23
MARG:
TAXATION AUTHORITY:
1 Penticton Assessment Area

FULL LEGAL DESCRIPTION: CURRENT
LOT 23 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN 1729

MISCELLANEOUS NOTES:
CG 158544F

ASSOCIATED PLAN NUMBERS:
PLAN KAP1729

AFB/IFB: MN: Y PE: 0 SL: 1 TI: 1

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANNTRUST HOLDINGS INC. ET AL.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

AFFIDAVIT OF GREG GUYATT
(Sworn April 19, 2021)

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Lawyers for the Applicants

MT DOCS 21340142

TAB 3

Court File No. CV-20-00647824-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	FRIDAY, THE 30TH
	)	
MR. JUSTICE HAINEY	)	DAY OF APRIL, 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 CANNTRUST HOLDINGS INC., CANNTRUST INC., CTI HOLDINGS (OSOYOOS) INC. AND ELMCLIFFE INVESTMENTS INC.

Applicants

DIP APPROVAL ORDER

THIS MOTION, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order, among other things, authorizing and empowering the Applicants to obtain and borrow under a credit facility and granting a charge over the Applicants' property in respect of those borrowings, was heard this day by way of judicial video conference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the affidavit of Greg Guyatt sworn April ●, 2021 (the "**Guyatt Affidavit**"), the Ninth Report of Ernst & Young Inc. in its capacity as the monitor of the Applicants (the "**Monitor**") dated ●, 2021 (the "**Ninth Report**"), and on hearing the submissions of counsel for the Applicants, the Monitor and any such other counsel that were present as listed on the counsel slip, no other party appearing although duly served as appears from the affidavit of service, filed:

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that all capitalized terms used herein but not otherwise defined shall have the meanings given to them in the Amended and Restated Initial Order of the Honourable Mr. Justice Hainey dated April 9, 2020 (the "**Amended and Restated Initial Order**").

DIP FINANCING

3. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from Cortland Credit Lending Corporation, as administrative agent for the lenders (the "**DIP Lender**"), in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed the principal amount of $22,500,000 unless permitted by further Order of this Court.

4. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the term sheet between the Applicants and the DIP Lender dated as of April 13, 2021 (the "**Term Sheet**"), filed.

5. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

6. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge to the maximum principal amount of $22,500,000 (the "**DIP Lender's Charge**") on the Property which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 57 and 59 of the Amended and Restated Initial Order (as amended by this Order).

7. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the Term Sheet, the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon ten (10) days' notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Term Sheet, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the Term Sheet, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

8. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"), with respect to any advances made under the Term Sheet or the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

9. **THIS COURT ORDERS** that, with effect from and after the date of this Order, paragraphs 57-62 of Amended and Restated Initial Order shall have no further force and effect and that, from and after the date of this Order, they are replaced with the following paragraphs. For greater certainty, nothing in this Order shall charge or affect the Excluded Property (as such term is defined in the Term Sheet):

> 57. **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors' Charge, the KERP Charge, the DIP Lender's Charge, the Transaction Fee Charge and the Intercompany Charge (the "**Charges**"), as among them with respect to any Property to which they apply, shall be as follows:
>
> **First –** Administration Charge (to the maximum amount of $1.4 million);
>
> **Second –** Directors' Charge (to the maximum amount of $3.55 million);
>
> **Third –** KERP Charge (to the maximum amount of $1.4 million);
>
> **Fourth –** DIP Lender's Charge (to the maximum principal amount of $22,500,000);
>
> **Fifth –** Transaction Fee Charge; and
>
> **Sixth –** Intercompany Charge.
>
> 58. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
>
> 59. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

60. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges unless the Applicants also obtain the prior written consent of the Monitor, the DIP Lender and the beneficiaries of the other Charges, or further Order of this Court.

61. **THIS COURT ORDERS** that the Charges, the Term Sheet and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges or the execution, delivery or performance of the Term Sheet or the Definitive Documents; and

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

62. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

COURT ORDERED PROTECTIONS

10. **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 Term Sheet, the Definitive Documents, or the DIP Lender's Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a "**Variation**") whether by subsequent order of this Court on 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 (as made prior to the Variation), under the Term Sheet or the Definitive Documents or under any of the documentation delivered hereto or thereto, with respect to any advances made prior to the DIP Lender being given notice of the Variation and the DIP Lender shall be entitled to rely on this Order as issued (including, without limitation, the DIP Lender's Charge) for all advances so made.

11. **THIS COURT ORDERS AND DECLARES** that any motion for a Variation by this Court of the provisions of this Order in respect of the Term Sheet, the Definitive Documents, or the DIP Lender's Charge may only be brought by a party that has not been served with notice of the within motion and any such motion must be brought on not less than five (5) business days' notice to the Applicants, the Monitor, the DIP Lender and any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

DUTIES OF THE MONITOR

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

(a) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lender and its counsel, on a periodic basis to be agreed on with the DIP Lender, of financial and other information as agreed to between the Applicants and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender; and

(b) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis as agreed to by the DIP Lender.

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

SEALING ORDER

14. **THIS COURT ORDERS** that Confidential Exhibit "**C**" to the Guyatt Affidavit, which contains an unredacted version of the Term Sheet, shall be sealed, kept confidential and shall not form part of the public record unless otherwise ordered by the Court.

STAY EXTENSION

15. **THIS COURT ORDERS** that the Stay Period (as defined in the Amended and Restated Initial Order) be and is hereby extended until and including June 30, 2021.

GENERAL

16. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Order or for advise and directions concerning the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

17. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all persons against whom it may be enforceable.

18. **THIS COURT ORDERS** that this Order is effective from the date that it is made, and is enforceable without any need for entry and filing.

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

20. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANNTRUST HOLDINGS INC. ET AL.

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

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

MOTION RECORD
(DIP Approval Order)
(Returnable April 30, 2021)

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