

District of British Columbia
Division No. 03 - Vancouver
Court No. B-230269
Estate No. 11-2960200

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
RSC 1985, c. B-3, AS AMENDED**

AND

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF TANTALUS LABS LTD.**

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
)
MADAM JUSTICE FITZPATRICK) 10/JUL/2023
)

ON THE APPLICATION of the Applicant, Tantalus Labs Ltd. ("**Tantalus**"), coming on for hearing in person at Vancouver, British Columbia, on the 10th day of July, 2023; **AND ON HEARING** William E.J. Skelly, counsel for the Applicant, Peter J. Reardon, counsel for the Proposal Trustee, and those other counsel listed on **Schedule "A"** hereto; **AND UPON READING** the material filed, including the First Affidavit of Lucas Jenkins, made on July 7, 2023 (the "**Jenkins Affidavit**"), the First Report of the Trustee, Ernst & Young Inc. (the "**Proposal Trustee**"), made on July 7, 2023, (the "**Trustee's Report**") **AND ON BEING ADVISED** that Canada Revenue Agency ("**CRA**") was given notice of this Application; **AND** pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3, as amended (the "**BIA**"), the British Columbia *Supreme Court Rules*, and the inherent jurisdiction of this Honourable Court;

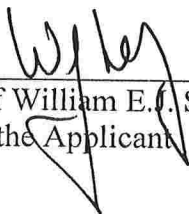
THIS COURT ORDER AND DECLARES THAT:

1. The time for service of the Notice of Application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this Notice of Application is properly returnable today, and no other than those persons served is entitled to service of the Notice of Application.
2. The status quo in respect of the cannabis excise license (the "**Excise Licence**") in the within Notice of Intention to Make Proposal proceedings (the "**Proposal Proceedings**") shall be maintained and renewed to July 27, 2023.
3. The status quo shall include the following:

- a. CRA shall be stayed from taking any actions against Tantalus with respect to the cannabis stamps and cannabis inventory;
 - b. Tantalus shall be permitted to continue selling its cannabis inventory in the ordinary course under the Excise Licence, which Tantalus validly held at the time at the commencement of the Proposal Proceedings.
4. The Proposal Trustee shall approve every sale of the cannabis inventory in the ordinary course of business.
 5. Endorsement of this Order by counsel appearing on this Notice of Application, except for counsel for the Applicant, is hereby dispensed with.


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

APPROVED BY:



Signature of William E. Skelly
Lawyer for the Applicant

BY THE COURT



REGISTRAR IN BANKRUPTCY

Form
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Schedule "A"

(List of Counsel)

Name of Counsel	Party Represented
William E.J. Skelly Jess R. Reid	The Applicant, Tantalus Labs Ltd.
Peter J. Reardon	The Proposal Trustee, Ernst & Young Inc.
Aminollah Sabzevari	Canada Revenue Agency
Eamonn Watson	The Lender, The Sungrown Mortgage Corporation

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