Court File No.: CV-24-00712687-00CL

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 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

MOTION RECORD OF THE APPLICANTS
(Returnable March 25, 2024)

March 21, 2024

MILLER THOMSON LLP
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P.O. Box 1011
Toronto, ON Canada M5H 3S1

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Tel: 416.597.4321

Lawyers for the Applicants

TO THE SERVICE LIST:

Court File No.: CV-24-00712687-00CL

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

SERVICE LIST
(as at March 21, 2024)

TO:	**MILLER THOMSON LLP** Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON Canada M5H 3S1 **Larry Ellis LSO#: 49313K** lellis@millerthomson.com Tel: 416.595.8639 **Craig A. Mills LSO#: 40947B** cmills@millerthomson.com Tel: 416.595.8596 **Gina Rhodes LSO#: 78849U** grhodes@millerthomson.com Tel: 416.597.4321 Counsel for the Applicants

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AND TO:	**GOWLING WLG** 1 First Canadian Place 100 King Street West, Suite 1600 Toronto, OntarioM5X 1G5 **Virginie Gauthier** Tel: 416.369.7256 Email: virginie.gauthier@gowlingwlg.com **Haddon Murray** Tel: 416.862.3604 Email: haddon.murray@gowlingwlg.com Counsel for the Proposed Monitor
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AND TO:	**MINISTRY OF FINANCE (ONTARIO)** Legal Services Branch 777 Bay Street, 11th Floor Toronto, ON M5G 2C8 Email: insolvency.unit@ontario.ca
AND TO:	**ATTORNEY GENERAL OF CANADA** Department of Justice Canada Ontario Regional Office, Tax Law Section 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1 **Kelly Smith Wayland LSUC # 40290A** Tel: 647.533.7183 Email: Kelly.SmithWayland@justice.gc.ca Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca Lawyers for the Minister of National Revenue
AND TO:	**OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY CANADA** 151 Yonge Street, 4th Floor Toronto, ON M5C 2W7 Email: osbservice-bsfservice@ised-isde.gc.ca
AND TO:	**CANADA REVENUE AGENCY** **Kelly Smith Wayland** Tel: 647.533.7183 Email: Kelly.SmithWayland@justice.gc.ca Email:AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca

AND TO:	**GEORGE B. CALLAHAN** Barrister & Solicitor Callahan Law Office Idomo Business Centre 20 De Boers Drive, Suite 202 Toronto, ON M3J 0H1 Tel: (416) 366-1601 Fax: (416) 366-6837 Email: george@callahanlawoffice.ca Counsel for Thunderbird Spirit Ventures Inc.
AND TO:	**RECONSTRUCT LLP** Royal Bank Plaza, South Tower 200 Bay Street Suite 2305, P.O. Box 120 Toronto, ON M5J 2J3 **Sharon Kour** (LSO#58328D) skour@reconllp.com Tel: 416.613.8283 **Jared S. Rosenbaum** (LSO#74769U) jrosenbaum@reconllp.com Tel: 416.613.8284 Counsel for e2 Companies LLC, e2 Comply, LLC, and E2C ESA Bond 1, LLC
AND TO:	**HYDE ADVISORY INC.** Toronto, ON Attention: David Hyde Tel: 289.270.4933 Email: david@hydeadvisory.com

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lellis@millerthomson.com; cmills@millerthomson.com; grhodes@millerthomson.com; insolvency.unit@ontario.ca; osbservice-bsfservice@ised-isde.gc.ca; Alex.F.Morrison@parthenon.ey.com; Karen.K.Fung@parthenon.ey.com; Greg.J.Adams@parthenon.ey.com; virginie.gauthier@gowlingwlg.com;

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Court File No.: CV-24-00712687-00CL

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 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

INDEX

TAB 1

Court File No.: CV-24-00712687-00CL

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 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

NOTICE OF MOTION
(Returnable March 25, 2024)

The Applicants, 9869247 Canada Limited (d.b.a. Safari Flower Company) ("**Safari Flower**") and GN Ventures Ltd. ("**GN Ventures**") (collectively the "**Safari Flower Group**" or the "**Applicants**") will make a motion before the Honourable Mr. Justice Osborne on Monday, March 25, 2024 at 12:00 p.m. or as soon after that time as the motion can be heard, via Zoom videoconference.

PROPOSED METHOD OF HEARING: The motion is to be heard:

- [ ] In writing under subrule 37.12.1(1) because it is
- [ ] In writing as an opposed motion under subrule 37.12.1(4);
- [ ] In person;
- [ ] By telephone conference;
- [X] By video conference.

at the following location

Zoom link to be uploaded on Caselines.

THE MOTION IS FOR:

1. An Order (the "**Stay Extension Order**"), substantially in the form attached as **Tab "3"** to the Applicants' Motion Record, *inter alia*:

   (a) abridging the time for service of the Notice of Motion and dispensing with service on any other person other than those served;

   (b) extending the stay period (the "**Stay Period**") in favour of the Applicants from March 29, 2024 to and including April 19, 2024 (the "**Extended Stay Period**"); and

2. Such further and other relief as counsel may advise, and as this Court may deem just.

THE GROUNDS FOR THE APPLICATION ARE:

3. Capitalized terms not otherwise defined herein have the meanings prescribed to them in the Amended and Restated Initial Order dated January 22, 2024 (the "**ARIO**"), the Affidavits of Leanne Brigitte Simons sworn January 11, 2024 (the "**First Simons Affidavit**"), January 22, 2024 (the "**Second Simons Affidavit**"), February 23, 2024 (the "**Third Simons Affidavit**") and the Third Report of the Monitor, to be filed (the "**Third Report**").

I. Background of CCAA Proceedings

4. On January 12, 2024, the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted the Initial Order in favour of the Applicants under the CCAA, which was thereafter amended and restated (the "**ARIO**") in favour of the

Applicants under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**").

5. Pursuant to the ARIO, among other things:

(a) The Applicants are parties to which the CCAA applies;

(b) Ernst & Young Inc. was appointed as Monitor of the Applicants in these CCAA Proceedings;

(c) A stay of proceedings was granted in favour of the Applicants for an initial stay period up to and including February 29, 2024;

(d) The Applicants were authorized to obtain and borrow under the DIP Term Sheet from NE SPC II LP (the "**DIP Lender**" or "**Blacksail**"), provided that borrowings under such credit facility did not exceed the principal amount of $1,000,000 (plus interest, fees, and expenses);

(e) The following charges against the Property were granted, in the following priority rankings (the "**Priority Charges**"):

(i) First – Administration Charge (to the maximum amount of $350,000);

(ii) Second – DIP Lender's Charge; and

(iii) Third – Directors' Charge (to the maximum amount of $243,000).

6. On February 27, 2024 this Court granted an Order (the "**February 27 Order**"), *inter alia*:

(a) extending the Stay Period from February 29, 2024 to including March 29, 2024;

(b) increasing the authorized borrowings under the Amended DIP Term Sheet and secured by the DIP Lender's Charge to a maximum principal amount of $1,300,000 plus interest, fees, legal costs and any other amounts payable under the Amended DIP Term Sheet;

(c) approving the key employee retention plan ("**KERP**") and granting a priority charge in favour of Management entitled to the KERP, ranking behind the Directors' Charge, in the maximum amount of $200,000;

(d) approving the settlement agreement dated February 22, 2024 among the Applicants, the Lenders and Hyde Advisory and Investments Inc. ("**HAI**") and the payments contemplated therein, and granting a priority charge in favour of HAI, ranking behind the DIP Lenders Charge and ahead of the Directors Charge, in the maximum amount of $180,000 plus applicable taxes; and

(e) approving the Monitor's First and Second Reports.

II. Update on the CCAA Proceedings

7. Since the February 27 Order, the Applicants' secured lenders, Blacksail and Gray Jay Estates Inc. (together, the "**Lenders**") have continued their negotiations in respect to the assignment of debt and security. Shortly thereafter, Blacksail advised the Applicants that Blacksail would be the purchaser of the Applicants' business.

8. As such, Blacksail and the Applicants, in consultation with the Monitor, have been negotiating a share purchase agreement (the "**Share Purchase Agreement**"). The Share Purchase Agreement contemplates Blacksail purchasing the shares of Safari Flower through a reverse vesting order (the "**Transaction**"). The Share Purchase Agreement is still being negotiated, but the material terms have been agreed upon.

9. As such, the Applicants require a short extension of the Stay Period to finalize the Share Purchase Agreement and provide the requisite notice to the service list to seek Court approval of same.

III. Relief Sought in the Order

Extension of the Stay Period

10. The Stay Period currently expires on March 29, 2024. Accordingly, the Applicants seek to extend the Stay Period to April 19, 2024. It is expected that this will provide the Applicants and Blacksail time to finalize the Share Purchase Agreement and seek Court approval.

11. The cash flow forecast ending April 19, 2024, prepared by the Applicants, with the assistance of the Monitor, (the "**Cash Flow Forecast**"), demonstrates that the Applicants have sufficient cash during the Extended Stay Period to the sale approval motion of the Transaction.

12. The Extended Stay Period is reasonable in light of the Cash Flow Forecast.

13. The Applicants have acted and continue to act in good faith and with due diligence.

14. No creditors will suffer material prejudice as a result of the extension of the stay of proceedings for the Extended Stay Period.

15. The Monitor and the DIP Lender are supportive of the Extended Stay Period.

GENERAL

16. The provisions of the CCAA and the statutory, inherent and equitable jurisdiction of this Court;

17. Rules 1.04, 2.03, 3.02, 16, 37 and 39 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 106 and 137 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended; and

18. Such further and other grounds as counsel may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

19. The Affidavit of Dr. Leanne Brigitte Simons, sworn March 21, 2024, and the exhibits annexed thereto;

20. The Third Report, to be filed; and

21. Such further and other evidence as counsel may advise and as this Honourable Court may admit.

March 21, 2024

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Lawyers for the Applicants (Moving Parties)

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

Court File No.: CV-24-00712687-00CL

9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST
Proceeding commenced at Toronto

NOTICE OF MOTION
(RETURNABLE MARCH 25, 2024)

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Lawyers for the Applicants (Moving Parties)

TAB 2

Court File No.: CV-24-00712687-00CL

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 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

AFFIDAVIT OF LEANNE BRIGITTE SIMONS
(sworn March 21, 2024)

March 21, 2024

MILLER THOMSON LLP
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Lawyers for the Applicants

Court File No.: CV-24-00712687-00CL

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 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

AFFIDAVIT OF LEANNE BRIGITTE SIMONS (sworn March 21, 2024)

I, LEANNE BRIGITTE SIMONS, of the City of Burlington, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

1. I swear this Affidavit in support of a motion by the Applicants, 9869247 Canada Limited (d.b.a. Safari Flower Company) ("**Safari Flower**") and GN Ventures Ltd. ("**GN Ventures**", and collectively with Safari Flower, the "**Applicants**" or the "**Safari Flower Group**") for an Order (the "**Stay Extension Order**"), substantially in the form attached as **Tab "3"** to the Applicants' Motion Record, among other things, extending the stay period (the "**Stay Period**") in favour of the Applicants from March 29, 2024 to and including April 19, 2024 (the "**Extended Stay Period**").

2. I have personal knowledge of the matters to which I herein depose. Where I have obtained information from others, I have stated the source of my information and, in all such cases, believe such information to be true. All references to currency in this Affidavit are references to Canadian dollars, unless otherwise indicated.

3. Capitalized terms not otherwise defined herein have the meanings prescribed to them in the Amended and Restated Initial Order dated January 22, 2024 (the "**ARIO**"), or in my affidavits sworn January 11, 2024 (the "**First Simons Affidavit**"), January 22, 2024 (the "**Second Simons Affidavit**"), and February 23, 2024 (the "**Third Simons Affidavit**").

I. Background of the CCAA Proceedings

4. The full background of the Applicants leading to these CCAA Proceedings can be found in my First Affidavit.

5. On January 12, 2024, the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted the Initial Order in favour of the Applicants under the CCAA, which was thereafter amended and restated (the "**ARIO**") in favour of the Applicants under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**"). A copy of the ARIO is attached hereto as **Exhibit "A"**.

6. Pursuant to the ARIO, among other things:

(a) the Applicants are parties to which the CCAA applies;

(b) Ernst & Young Inc. was appointed as Monitor of the Applicants in these CCAA Proceedings;

(c) a stay of proceedings was granted in favour of the Applicants for an initial stay period up to and including February 29, 2024;

(d) the Applicants were authorized to obtain and borrow under the DIP Term Sheet from NE SPC II LP (the "**DIP Lender**" or "**Blacksail**"), provided that borrowings under such credit facility did not exceed the principal amount of $1,000,000 (plus interest, fees, and expenses);

(e) the following charges against the Property were granted, in the following priority rankings (the "**Priority Charges**"):

(i) First – Administration Charge (to the maximum amount of $350,000);

(ii) Second – DIP Lender's Charge; and

(iii) Third – Directors' Charge (to the maximum amount of $243,000).

2. On February 27, 2024 the Court granted an Order (the "**February 27 Order**"), attached hereto as **Exhibit "B"**, among other things:

(a) extending the Stay Period from February 29, 2024 to including March 29, 2024;

(b) increasing the authorized borrowings under the Amended DIP Term Sheet and secured by the DIP Lender's Charge to a maximum principal amount of $1,300,000 plus interest, fees, legal costs and any other amounts payable under the Amended DIP Term Sheet;

(c) approving the key employee retention plan ("**KERP**") and granting a priority charge in favour of Management entitled to the KERP, ranking behind the Directors' Charge, in the maximum amount of $200,000;

(d) approving the settlement agreement dated February 22, 2024 among the Applicants, the Lenders and Hyde Advisory and Investments Inc. ("**HAI**") and the payments contemplated therein, and granting a priority charge in favour of

HAI, ranking behind the DIP Lenders Charge and ahead of the Directors Charge, in the maximum amount of $180,000 plus applicable taxes; and

(e) approving the Monitor's First and Second Reports.

II. Update of the CCAA Proceedings

7. Since the February 27 Order, the Applicants' secured lenders, Blacksail and Gray Jay Estates Inc. (together, the "**Lenders**") have continued their negotiations in respect to the assignment of debt and security. Shortly thereafter, I was advised by Blacksail that Blacksail would be the purchaser of the Applicants' business.

8. As such, Blacksail and the Applicants, in consultation with the Monitor, have been negotiating a share purchase agreement (the "**Share Purchase Agreement**"). The Share Purchase Agreement contemplates Blacksail purchasing the shares of Safari Flower through a reverse vesting order (the "**Transaction**"). The Share Purchase Agreement is still being negotiated, but the material terms have been agreed upon.

9. As such, the Applicants require a short extension of the Stay Period to finalize the Share Purchase Agreement and provide the requisite notice to the service list to seek Court approval of same.

III. Relief Sought in the Order

Extension of the Stay Period

10. The Stay Period currently expires on March 29, 2024 and the Applicants seek to extend the Stay Period to April 19, 2024. It is expected that this will provide the Applicants and Blacksail time to finalize the Share Purchase Agreement and seek Court approval.

11. The cash flow forecast ending April 19, 2024, prepared by the Applicants, with the assistance of the Monitor, (the "**Cash Flow Forecast**"), demonstrates that the Applicants have sufficient cash during the Extended Stay Period to the sale approval motion of the Transaction. A copy of the Cash Flow Forecast will be attached to the Monitor's Third Report.

12. The Extended Stay Period is reasonable in light of the Cash Flow Forecast and provides the Applicants with time to negotiate and finalize the Share Purchase Agreement and seek Court approval of the Transaction.

13. No creditors will suffer material prejudice as a result of the extension of the stay of proceedings for the Extended Stay Period.

14. I am of the view that the Applicants have acted and continue to act in good faith and with due diligence.

15. I understand that the Monitor and the DIP Lender are supportive of the Extended Stay Period.

IV. CONCLUSION

16. I swear this affidavit in support of the Applicants' motion under the CCAA for the Stay Extension Order, and for no other or improper purpose.

SWORN before me at the City of Toronto, in the Province of Ontario, this 21st day of March, 2024 in accordance with O. Reg. 431/20 Administering Oath or Declaration Remotely Commissioner for Taking Affidavits	**LEANNE BRIGITTE SIMONS**

This is Exhibit "A" referred to in the Affidavit of Leanne Brigitte Simons sworn by Leanne Brigitte Simons of the City of Burlington, in the Regional Municipality of Halton, before me at the City of Toronto, in the Province of Ontario, on March 21, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

GINA RHODES

Court File No.: CV-24-00712687-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 22ND
	)	
JUSTICE OSBORNE	)	DAY OF JANUARY, 2024

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 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) and GN VENTURES LTD. (the "**Applicants**")

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day via Zoom video conference.

ON READING the affidavits of Leanne Brigitte Simons sworn on January 12, 2024 (the "**Simons Affidavit**"), January 19, 2024 (the "**Second Simons Affidavit**") and January 22, 2024 (the "**Supplementary Simons Affidavit**"), the first report of Ernst & Young Inc., dated January 19, 2024 (the "**First Report**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, and counsel for Gray Jay Estates Inc. ("**Gray Jay**") and Blacksail, in its capacity as general partner of NE SPC II LP and the DIP Lender (as hereinafter defined), no one appearing for any other party although duly served as appears from the affidavit of service of Maureen McLaren sworn on January 22, 2024, and on reading the consent of Ernst & Young Inc., to act as the Monitor of the Applicants ("**Monitor**"),

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms have the meanings given to them in the Simons Affidavit and the Second Simons Affidavit.

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 a plan 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 business (the "**Business**") and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, 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 they deem reasonably necessary or desirable in the ordinary course of business 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 banking and cash management system currently in place as described in the Simons Affidavit or replace it with another substantially similar banking and 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 any 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 the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order:

(a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and employee expenses payable on or after the date of this Order, 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 in respect of these proceedings, at their standard rates and charges; and

(c) any taxes, duties, or other payments required under the Cannabis Legislation (as defined below).

8. **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 this Order, 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; and

(b) payment for goods or services actually supplied to the Applicants following the date of this Order.

9. **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, and (iii) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sales 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 Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, 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.

10. **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 this 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

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

(a) with the consent of the Monitor, permanently or temporarily cease, downsize or shut down any of their business or operations and to dispose of redundant or non-material assets not exceeding $200,000 in any one transaction or $1,000,000 in the aggregate;

(b) terminate the employment of such of its employees or temporarily lay off such of its employees as the Applicants deem appropriate; and

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

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

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

12. **THIS COURT ORDERS** that until and including February 29, 2024, 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, 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.

NO EXERCISE OF RIGHTS OR REMEDIES

13. **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.

NO INTERFERENCE WITH RIGHTS

14. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, 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 any of the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

15. **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, testing and irradiation 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 date of this Order 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

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

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

17. **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 former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof 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

18. **THIS COURT ORDERS** that the Applicants shall indemnify their 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.

19. **THIS COURT ORDERS** that the 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 $243,000, as security for the indemnity provided in paragraph 18 of this Order. The Directors' Charge shall have the priority set out in paragraphs 38 and 40 herein.

20. **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 18 of this Order.

APPOINTMENT OF MONITOR

21. **THIS COURT ORDERS** that Ernst & Young Inc. is hereby 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.

22. **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, including the management and use of any funds advanced by the DIP Lender (as defined below) to the Applicants under the DIP Term Sheet (as defined below);

(b) 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;

(c) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lender and its counsel 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 the basis set out in the Definitive Documents (as defined below);

(d) 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;

(e) if required in the circumstances, advise the Applicants in its development of a Plan and any amendments to a Plan;

(f) assist the Applicants in communications with their stakeholders, including creditors or governmental authorities;

(g) have full and complete access to the Property wherever it may be located, 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;

(h) 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

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

23. **THIS COURT ORDERS** that the Monitor shall not occupy or take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of (or be deemed to take Possession of), or exercise (or be deemed to have exercised) any rights of control over any activities in respect of, the Property, or any assets, properties or undertakings of any of the Applicants, or the direct or indirect subsidiaries or affiliates of any of the Applicants, including any joint venture entities, for which a permit or license is issued or required pursuant to any provision 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, under the *Cannabis Act*, S.C. 2018, c. 16, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, the *Excise Tax Act*, R.S.C. 1985, c. E. 15, *Excise Act, 2001,* S.C. 2002, c.22, the Ontario *Cannabis Control Act, 2017,* S.O. 2017, c. 26, Sched. 1, *Ontario Cannabis Retail Corporation Act*, 2017, S.O. 2017, c. 26, the *Cannabis License Act*, *2018*, S.O. 2018, c. 12, or other such applicable federal or provincial legislation (collectively, the "**Cannabis Legislation**") 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, and nothing in this Order shall be construed as resulting in the Monitor being an

employer or successor employer within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

24. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take Possession of 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, 1999*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, the Ontario *Occupational Health and Safety Act*, the Canadian *Fisheries Act*, and regulations thereunder (collectively, the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental 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, unless it is actually in possession.

25. **THIS COURT ORDERS** that 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.

26. **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, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

27. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to the date of this Order 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 and counsel for the Applicants on a weekly basis and, in addition, pay the Monitor and counsel to the Monitor retainers in the amounts of $25,000 and $25,000, respectively, to be held by them as additional security for payment of their respective fees and disbursements outstanding from time to time.

28. **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.

29. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Applicants' counsel 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 $350,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of

these proceedings. The Administration Charge shall have the priority set out in paragraphs 38 and 40 hereof.

DIP FINANCING

30. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from NE SPEC II LP (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 $1,000,000 (plus interest, fees and expenses in accordance with the DIP Term Sheet) unless permitted by further Order of this Court.

31. **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 January 19, 2024 (the "**DIP Term Sheet**"), filed.

32. **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, with the DIP Term Sheet, the "**Definitive Documents**"), as are contemplated by the DIP 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 their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP 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.

33. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property to secure the obligations of the Applicants to the DIP Lender under the DIP Term Sheet, 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 38 and 40 hereof.

34. **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 Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon four (4) business days' written 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 DIP 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 DIP 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.

35. **THIS COURT ORDERS AND DECLARES** that, unless agreed to by the DIP Lender, the DIP Lender shall be treated as unaffected in any Plan under the CCAA, or any proposal filed by the Applicants under the BIA, with respect to any advances made under the Definitive Documents or the DIP Term Sheet.

36. **THIS COURT ORDERS** that nothing herein contained shall require or deem the DIP Lender to take Possession of, or exercise any rights of control over any activities in respect of, any of the Property or the property of any direct or indirect subsidiaries or affiliates of any of the Applicants, including any joint venture entities, that is or may be: (i) subject to any Cannabis Legislation; or (ii) 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 Environmental Legislation.

37. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the DIP Lender under this Order, any other Order of the Court (whether made pursuant to these proceedings or otherwise), or at law, the DIP Lender shall incur no liability or obligation as a result of carrying out the provisions of this Order, including under any Cannabis Legislation, save and except for any gross negligence or willful misconduct on its part.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

38. **THIS COURT ORDERS** that the priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $350,000);

Second – DIP Lender's Charge (to the maximum principal amount of $1,000,000 plus interest, fees, legal costs and any other amounts payable under the DIP Term Sheet);

Third – Directors' Charge (to the maximum amount of $243,000).

39. **THIS COURT ORDERS** that the filing, registration or perfection of 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.

40. **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.

41. **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 Charges, or further Order of this Court.

42. **THIS COURT ORDERS** that the Directors' Charge, the Administration Charge, the DIP Term Sheet, the Definitive Documents and the DIP Lender's Charge 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**") and/or the DIP Lender 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 DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by any of the Applicants of any Agreement to which any Applicant 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 Applicants entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

(c) the payments made by the Applicants pursuant to this Order, the DIP 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.

43. **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.

SERVICE AND NOTICE

44. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five (5) business days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the any of 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.

45. **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: www.ey.com/ca/safari

46. **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 respective Applicant 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

47. **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 its powers and duties hereunder.

48. **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.

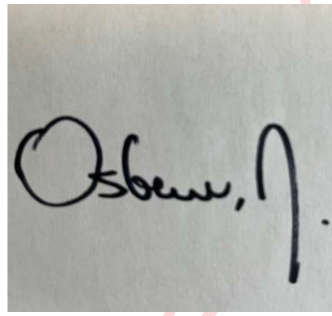
49. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms 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.

50. **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 the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

51. **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.

52. **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.

53. **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.



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IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) and GN VENTURES LTD. (the "**Applicants**")

Court File No.: CV-24-00712687-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST

Proceeding commenced at TORONTO

AMENDED AND RESTATED INITIAL ORDER
(Dated January 22, 2024)

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Lawyers for the Applicants

60489534\1

This is Exhibit “B” referred to in the Affidavit of Leanne Brigitte Simons sworn by Leanne Brigitte Simons of the City of Burlington, in the Regional Municipality of Halton, before me at the City of Toronto, in the Province of Ontario, on March 21, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

GINA RHODES

Court File No. CV-24-00712687-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY THE 26^{TH}
JUSTICE OSBORNE	)	DAY OF FEBRUARY, 2024

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 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

ORDER
(Re: Stay Extension, DIP Increase, and Approval of KERP and Consultant Agreement)

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: (a) extending the stay of proceedings to and including March 29, 2024, (b) increasing the authorized borrowings under the Amended DIP Term Sheet between the Applicants and NE SPC II LP (the "**DIP Lender**") dated February 23, 2024 (the "**Amended DIP Term Sheet**") and the maximum amount of the DIP Lender's Charge (as defined in the Initial Order and ARIO); (c) approving the key employment retention plan (the "**KERP**") and granting a priority charge in favour of certain employees ("**Management**") entitled to the KERP ranking behind the Directors' Charge, (d) approving the settlement agreement between the Applicants, the Lenders (as defined below), and Hyde Advisory & Investments Inc. ("**HAI**") dated February 22, 2024 (the "**Consultant Agreement**") and granting a priority charge in favour of HAI ranking behind the DIP Lender's Charge (as defined in the ARIO), and (e) approving the activities, conduct and reports of Ernst & Young Inc., in its capacity as monitor of the Applicants (the "**Monitor**"), was heard this day by Zoom videoconference,

ON READING the Motion Record of the Applicants and the Second Report of the Monitor dated February 23, 2024 ("**Second Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for Gray Jay Estates Inc., counsel for Blacksail, in its capacity as general partner of NE SPC II LP and the DIP Lender, and counsel for HAI, and those other parties appearing as indicated by the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Shallon Garrafa sworn February 23, 2024 and Maureen McLaren sworn February 27, 2024,

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms have the meanings given to them in the Affidavits of Dr. Brigitte Simons sworn February 23, 2024 (the "**Third Simons Affidavit**"), and February 27, 2024 (the "**Supplementary Simons Affidavit**"), and the Amended and Restated Initial Order dated January 12, 2024 (the "**ARIO**").

EXTENSION OF STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period is hereby extended from February 29, 2024 to and including March 29, 2024.

DIP FINANCING INCREASE

4. **THIS COURT ORDERS** that the maximum authorized borrowings under the Amended DIP Term Sheet is hereby increased from the principal amount of $1,000,000 to $1,300,000 (plus interest, fees, and expenses).

5. **THIS COURT ORDERS** that the maximum amount secured by the DIP Lender's Charge shall be the principal amount of $1,300,000 plus interest, fees, legal costs and any other amounts payable under the Amended DIP Term Sheet.

KEY EMPLOYEE RETENTION PLAN

6. **THIS COURT ORDERS** that the Applicants' key employee retention plan (the "**KERP**") described in the Supplementary Simons Affidavit, be and is hereby approved and the Applicants are authorized and directed to make the payments contemplated thereunder, including but not limited to the payment of $30,000 each to Management as of the date of this Order, in accordance with the terms and conditions of the KERP.

7. **THIS COURT ORDERS** that the beneficiaries of the KERP shall be entitled to the benefit of and are hereby granted a charge (the "**KERP Charge**") on the Property in the amount of $200,000. The KERP Charge shall have the priority as among the Charges set out in paragraph 10 hereof and shall rank in priority to all other Encumbrances in favour of any Person.

APPROVAL OF CONSULTANT AGREEMENT

8. **THIS COURT ORDERS AND DECLARES** that the Consultant Agreement and payments contemplated thereunder to HAI are hereby approved, including but not limited to the payment of $200,000 to HAI as of the date of this Order, and the execution of the Consultant

Agreement by the Applicants is hereby approved, authorized and ratified, with such minor amendments as the Applicants, with the consent of the Monitor, may deem necessary. The Applicants are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable to implement the Consultant Agreement and actions contemplated therein.

9. **THIS COURT ORDERS** that HAI shall be entitled to the benefit of and is hereby granted a charge (the "**Consultant Charge**") on the Property in the amount of $180,000 plus applicable taxes. The Consultant Charge shall have the priority among the Charges set out in paragraph 10 hereof and shall rank in priority to all other Encumbrances in favour of any Person.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

10. **THIS COURT ORDERS** that the priorities of the Administration Charge, DIP Lender's Charge, Directors' Charge, KERP Charge and Consultant Charge as set out in paragraph 38 of the ARIO, shall be amended as follows:

First – Administration Charge (to the maximum amount of $350,000);

Second – DIP Lender's Charge (to the maximum amount of $1,300,000, plus interest, fees, legal costs and any other amounts payable under the Amended DIP Term Sheet);

Third – Consultant Charge (to the maximum amount of $180,000, plus applicable taxes);

Fourth – Directors' Charge (to the maximum amount of $243,000); and

Fifth – KERP Charge (to the maximum amount of $200,000).

APPROVAL OF MONITOR'S REPORTS, CONDUCT, AND ACTIVITIES

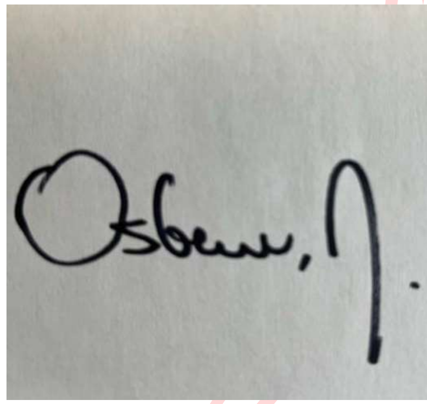
11. **THIS COURT ORDERS** that the First Report of the Monitor dated January 19, 2024, the Second Report and the activities, conduct and decisions of the Monitor as set out therein are hereby ratified and approved, provided that only the Monitor, in its personal capacity and only with respect to its own personal liability shall be entitled to rely upon or utilize in any way such approval.

GENERAL

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere, 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.

13. **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 the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

14. **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.



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IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

Court File No.: CV-24-00712687-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER
(Dated February 26, 2024)

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IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) and GN VENTURES LTD. (the "**Applicants**")

Court File No.: CV-24-00712687-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF LEANNE BRIGITTE SIMONS
(sworn March 21, 2024)

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TAB 3

Court File No. CV-24-00712687-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 25TH
JUSTICE OSBORNE	)	DAY OF MARCH, 2024

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 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

STAY EXTENSION ORDER

THIS MOTION made by the Applicants, 9869247 Canada Limited (d.b.a. Safari Flower Company) and GN Ventures Ltd. (together, the "**Applicants**") for an Order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), *inter alia*, extending the stay of proceedings, was heard this day via Zoom videoconference.

ON READING the Motion Record of the Applicants and the Third Report of the Monitor dated March ●, 2024 ("**Third Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the Lenders, and those other parties appearing as indicated by the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Maureen McLaren sworn March 21, 2024,

SERVICE

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

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Third Report.

EXTENSION OF STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period is hereby extended from March 29, 2024 to and including April 19, 2024.

GENERAL

4. **THIS COURT DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.

5. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada 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 the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

6. **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.

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 9869247 CANADA LIMITED (d.b.a. SAFARI FLOWER COMPANY) AND GN VENTURES LTD. (collectively, the "**Applicants**")

Court File No.: CV-24-00712687-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER
(STAY EXTENSION ORDER)
(Dated March 25, 2024)

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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.C-36 AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SAFARI FLOWER COMPANY *et al*.

Court File No.: CV-24-00712687-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

MOTION RECORD OF THE APPLICANTS
(Returnable March 25, 2024)

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