Court File No.: CV-24-00722104-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

B E T W E E N:

STOKE INVENTORY PARTNERS INC.

Applicant

And

GREENSEAL CANNABIS COMPANY LTD., ATLAS GLOBAL BRANDS INC.

Respondents

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c C.43, AS AMENDED

SECOND SUPPLEMENTARY APPLICATION RECORD

July 8, 2024

RECONSTRUCT LLP
Richmond-Adelaide Centre
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Lawyers for the Applicant

TO: THE SERVICE LIST

Court File No.: CV-24-00722104-00CL

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ONTARIO WATER TESTING CENTRE INC. 20 Currie Street Chatham, ON N7M 6L9 Email: Laboratory@OWTC.net Tel: (519) 351-8266 **PPSA registrant with respect to AgMedica Bioscience Inc.**	**BIZFUND CANADA LTD.** 405-1018 Finch Avenue West North York, ON M3J 3L5 Email: info@bizfund.ca Tel: (416) 224-2404 **PPSA registrant with respect to AgMedica Bioscience Inc.**
PRAXAIR CANADA INC. 1 City Centre Drive Mississauga, ON L5B 1M2 **Eric Mackenzie** Email: eric_mackenzie@praxair.com **PPSA registrant with respect to AgMedica Bioscience Inc.**	**HIS MAJESTY IN RIGHT OF ONTARIO REPRESENTED BY THE MINISTER OF FINANCE** 300-1400 Blair Towers Place Ottawa, ON K1J 9B8 **Ministry of Finance, AM & Collections Branch (EHT)** **London Tax Office** Email: insolvency.unit@ontario.ca **PPSA registrant with respect to AgMedica Bioscience Inc.**
DEPARTMENT OF JUSTICE, CANADA 120 Adelaide Street West Suite 400 Toronto, Ontario M5H 1T1 **Pat Confalone** pat.confalone@cra-arc.gc.ca **Edward Park** Edward.Park@justice.gc.ca **Kevin Dias** Kevin.Dias@justice.gc.ca Tel: 647.292.9368 **Lawyers for the Canada Revenue Agency**	

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TAB 1

Court File No.: CV-24-00722104-00CL

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AFFIDAVIT OF DAVID ADAM GOLDSTEIN

(Sworn July 8, 2024)

I, DAVID ADAM GOLDSTEIN of the City of Ojai, California **MAKE OATH AND SAY AS FOLLOWS**:

1. I am the Chief Executive Officer of Stoke Canada Finance Corp. ("**Stoke**"), a secured creditor of GreenSeal Cannabis Company Ltd. ("**GreenSeal**"). I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and in all such cases believe it to be true.

2. On June 20, 2024 GreenSeal and certain of its affiliates made an application for an initial order under the *Companies' Creditors Arrangement Act,* R.S.C., 1985, c. C-36 (the "**CCAA**") and an initial 10 day stay of proceedings was granted in connection therewith pending return of the

comeback hearing (the “**Comeback Hearing**”).

3. The Comeback Hearing was heard on June 28, 2024 and an amended and restated initial order (“**ARIO**”) was granted on the basis that the granting of the ARIO would be without prejudice to the ability of Stoke to seek the appointment of a receiver. In addition, the quantum of the court ordered charges would remain unchanged over the property, assets and undertakings of GreenSeal pending either a consensual resolution as to the CCAA proceedings or the return of Stoke’s application of to appoint a receiver.

4. Further hearings took place on July 2 and 5, 2024 in which adjournments were granted to permit Stoke and GreenSeal to attempt to resolve issues in dispute.

5. As part of those discussions, to assist GreenSeal’s efforts to reorganize under the CCAA, Stoke considered providing DIP financing to GreenSeal. After detailed review by our credit department and analyzing the merits of GreenSeal’s proposed arrangement plan with Howard Steinberg, an expert in cannabis reorganizations, and as further discussed below, Stoke believes that the cashflow forecasts provided by GreenSeal are highly speculative, making them both unreliable and generally unachievable. Accordingly, Stoke is not prepared to provide DIP financing and objects to what amounts to a plan by GreenSeal to use the proceeds of receivables that Stoke purchased and over which it has security to fund operations in support of a sale process that the company has been trying to advance, even for many months prior to the initial filing on June 20, 2024.

6. The fact that to my knowledge no other lender is prepared to advance a DIP loan in a similar manner suggests to me that Stoke’s conclusions are correct and extending such a loan will only increase Stoke’s credit exposure to a failing company. The only DIP loan that GreenSeal was able to secure was a proposed DIP facility that would have had priority over all creditors of GreenSeal, including both Stoke and Your Friendly Neighborhood Credit Union (“**YNCU**”), which

was withdrawn when YNCU objected to having its first ranking mortgage over GreenSeal's real estate subordinated to the DIP loan. I understand that YNCU also has a general security agreement over the assets of GreenSeal other than its real estate, which means that both YNCU and Stoke may be looking to the receivables of GreenSeal for recovery on account of the amounts owing to them.

7. Stoke seeks the appointment of a receiver for numerous reasons as outlined in the prior affidavits of Stoke, including the significant concern throughout this entire process as to the reliability of management of GreenSeal. The affidavits of Cristobal Arnao of Stoke have already explained how management of GreenSeal caused or allowed it to wholly disregard GreenSeal's obligations to Stoke. On top of that, since the commencement of these proceedings there are three further factors that evidence the need for the appointment of a receiver.

8. The first factor is that the cashflow forecasts provided by GreenSeal have been entirely inconsistent. Stoke has been provided with at least three versions of cash flow statements for GreenSeal. There was one delivered with GreenSeal's original application record, dated June 17, 2024 (the "**June 17th Cash Flow**"). Another cashflow forecast was appended to the monitor's first report dated June 27, 2024 (the "**June 27th Cash Flow**"). Recently on July 6, 2024, management for GreenSeal provided a further cashflow (the "**July 6th Cash Flow**") along with an explanation to Stoke (and others) about how GreenSeal might operate, a copy of which is attached as **Exhibit "A"**. The aggregate results from projected operations vary considerably, as follows:

	June 17th Cash Flow	**June 27th Cash Flow**	**July 6th Cash Flow**
Total receipts	$3,616,203	$4,280,547	$3,671,776
Total disbursements	$1,964,586	$3,740,109	$3,019,274
Net cash from operations	$1,651,617	$540,438	$652,503

9. The second factor is that Atlas Global Brands ("**Atlas**") and GreenSeal have suggested on several occasions that a sale process for GreenSeal will be better if it is included with the assets of Atlas and Agmedica Bioscience Inc. ("**Agmedica**") in the CCAA proceeding. Leaving aside the simple fact that the cannabis industry in Canada is undergoing an overall correction after overexpansion, management for GreenSeal have also made it clear that they believe that GreenSeal has low value. For example, in Exhibit "A" it is noted that "...the market value of a stand-alone cultivation site with no intangible assets (genetics, branding) and no other unique qualities, such as access to international markets through Atlas, would likely not realize sufficient recovery to satisfy all secured creditors." Assuming a joint sale process is successful, which was not the case the last time Agmedica restructured under the CCAA in 2020, any sale price would have to be allocated at least as to the assets of GreenSeal, Atlas and AgMedica, in circumstances where management is already saying GreenSeal has little value.

10. The third factor is that management of GreenSeal and Atlas have at varying times suggested that GreenSeal may have to make royalty payments to Atlas for use of the D*gg brand and to GreenSeal Nursery for plants grown from clones owned by it. None of the cash flow forecasts show any such royalties. Counsel for Stoke have asked GreenSeal and Atlas for any documentation to substantiate any such obligation. No such documentation was provided. In circumstances where management has already by their own admission directed more than $3 million from GreenSeal to AgMedica, the suggestion of royalty obligations seems to me to be a late assertion of obligations not reflected in the actual dealings among the companies, which appear to be highly informal, and may be designed to frustrate creditors.

11. There are further issues with the financial analysis and projections provided by GreenSeal and Atlas, which are addressed in the affidavit of Howard Steinberg that is being delivered along with this affidavit.

12. Stoke accordingly has no confidence in the willingness or ability of management of GreenSeal and Atlas to act fairly to the interests of all stakeholders and to provide accurate and reliable information and plans. Stoke asks that GreenSeal be put into receivership and that the cannabis assets be managed by a new chief restructuring officer.

SWORN REMOTELY by DAVID ADAM GOLDSTEIN stated as being located in Ojai, California, before me at the City of Toronto, in the Province of Ontario, this 8th day of July 2024, in accordance with O. Reg 431/20*, Administering Oath or Declaration Remotely.*

DocuSigned by:
Joel Turgeon
F5EAB6E5E55D48F...

A Commissioner for taking Affidavits.
Joel Turgeon

DocuSigned by:
David Adam Goldstein
B4FFB46373C4454...

DAVID ADAM GOLDSTEIN

THIS IS **EXHIBIT "A"** REFERRED TO IN THE
AFFIDAVIT OF DAVID ADAM GOLDSTEIN SWORN REMOTELY BY
DAVID ADAM GOLDSTEIN STATED AS BEING LOCATED IN OJAI, CALIFORNIA, BEFORE
ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO, THIS 8TH DAY OF
JULY 2024, IN ACCORDANCE WITH O. REG 431/20, *ADMINISTERING OATH OR DECLARATION REMOTELY*.

DocuSigned by:
Joel Turgeon
F5EAB6E5E55D48F...

A COMMISSIONER FOR TAKING AFFIDAVITS
Joel Turgeon

From: Bernie Yeung <Bernie@Atlasglobalbrands.com>
Sent: Saturday, July 6, 2024 1:40 PM
To: David Goldstein <david@stokeip.com>; kelly@chillspartners.com; Jared Rosenbaum <jrosenbaum@reconllp.com>; Howard Steinberg <howard@steinbergadvisory.ca>; Caitlin Fell <cfell@reconllp.com>; R. Brendan Bissell <bbissell@reconllp.com>
Cc: Van de Mosselaer, Randal <rvandemosselaer@osler.com>; Paterson, Mary <MPaterson@osler.com>; Karen K Fung <Karen.K.Fung@parthenon.ey.com>; Greg Adams <Greg.J.Adams@parthenon.ey.com>; Jason Cervi <Jason@Atlasglobalbrands.com>; Courtis, Trevor <TCOURTIS@mccarthy.ca>; Mike Bell <Mike.Bell@parthenon.ey.com>; Cameron, Joanna <jcameron@osler.com>
Subject: Stoke/YNCU Proposal for discussion: Sunday morning

Hi Kelly, David and all,

We have given a lot of thought to the best path forward that would preserve YNCU and Stoke's position while permitting GreenSeal to participate in the Atlas Global Brands SISP. We have designed a solution that:

- does not require Stoke to advance any additional funds;
- protects YNCU and Stoke's secured position;
- allows GreenSeal to continue to keep YNCU current;
- allows GreenSeal to pay interest to Stoke during the period it will take to run the SISP;
- permits us to include GreenSeal in the SISP process;
- includes a role for Howard as Information Monitor.

We worked through the cashflows with EY and incorporated their comments. Kindly note the first tab called "Scenarios", where we provide a direct side by side comparison of: Atlas CCAA vs. Stoke Receivership (no continuing business) vs. Stoke Receivership (continuing business). As you can see, the attached proposal with the Atlas CCAA is a better economic outcome for Stoke, YNCU and all stakeholders than any form of receivership, in part because it minimizes restructuring costs. Once you have had a chance to review the attached materials, let us know if you are available for a call Sunday morning.

<u>The Proposal</u>
In essence, GreenSeal will pay Stoke, in 4 equal installments, an amount equivalent to the amounts

Stoke advanced against Purchase Receivables paid by customers before the end of September (end of the SISP process). Stoke is granted a first priority charge over GreenSeal's A/R balance for the remaining amounts received on Purchased Receivables (the "**Reserve Amount**"). GreenSeal is permitted to use the Reserve Amount to fund working capital ONLY if the GreenSeal A/R underpinning the charge exceeds the Reserve Amount by 1.25x. In this way, Stoke's position is fully protected.

To the extent Stoke owns the accounts receivable, YNCU is not primed. However, to the extent Stoke does not own the accounts receivable, YNCU is primed on the accounts receivable only. YNCU's first position on the land is preserved.

As you can see from the cash flows, this solution minimizes cost, maximizes recovery under a SISP, and protects both YNCU and Stoke in the meantime.

We look forward to discussing this with you,
Bernie

Bernie Yeung, MBA
Chief Executive Officer

ATLAS™ GLOBAL BRANDS

Bernie@AtlasGlobalBrands.com
atlasglobalbrands.com
Linkedin.com/company/atlasglobalbrands

Court File No. CV-24-00722386-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 5th
	)	
JUSTICE PENNY	)	DAY OF JULY, 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 ATLAS GLOBAL BRANDS INC., GREENSEAL CANNABIS COMPANY, LTD., GREENSEAL NURSERY, LTD., AGMEDICA BIOSCIENCE INC., WELLWORTH HEALTH CORP., 5047346 ONTARIO INC., 8050678 CANADA INC. AND TAVIVAT NATURALS INC.

THIRD AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by Atlas Global Brands Inc., GreenSeal Cannabis Company, Ltd., GreenSeal Nursery, Ltd., AgMedica BioScience Inc., Wellworth Health Corp., 5047346 Ontario Inc., 8050678 Canada Inc. and Tavivat Naturals Inc. (collectively, the "**Applicants**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day by judicial videoconference in Toronto, Ontario.

ON READING the affidavit of Jason Cervi affirmed June 19, 2024 and the Exhibits thereto (the "**Initial Cervi Affidavit**"), the affidavit of Jason Cervi affirmed June 26, 2024 and the Exhibits thereto, the confidential affidavit of Jason Cervi affirmed June 26, 2024 and the Exhibits thereto (the "**First Cervi Confidential Affidavit**"), the affidavit of Jason Cervi affirmed June 28, 2024 and the Exhibit thereto, the affidavit of Jason Cervi affirmed June 30, 2024 and the Exhibits thereto, the affidavit of Jason Cervi affirmed July 4, 2024 and the Exhibits thereto, affidavit of Jason Cervi affirmed July ●, 2024, the affidavit of Yitz Levinson affirmed on June 25, 2024 and the Exhibits thereto, the pre-filing report of the proposed monitor, Ernst & Young Inc. ("**EY**"), dated June 20, 2024, the first report dated June 27, 2024 of EY as the Court-appointed Monitor of the Applicants (in such capacity, the "**Monitor**"), the supplement to the first report dated July 2, 2024 of the Monitor, and the Second Report of the Monitor dated ●, 2024 and on being advised that Stoke Canada Finance Corp., Hillmount Capital Inc. and Hillmount Capital Mortgage Holdings Inc. (collectively, "**Hillmount**"), 2596690 Ontario Inc. (operating as AgriRoots Capital Management Inc.), Your Neighbourhood Credit Union Limited. ("**YNCU**"), and the remaining secured creditors were given abridged notice, in accordance with the affidavits of service to be filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and those other parties listed on the Counsel Slip, and on reading the consent of EY to act as the Monitor,

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 Initial Cervi Affidavit.

APPLICATION

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

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their current and future assets, licences, 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, 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 the Applicants deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize the central cash management system currently in place as described in the Initial Cervi Affidavit or, subject to 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 any plan of compromise or arrangement that may be filed with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that, subject to the consent of the Monitor, 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 benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of the Business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing expenses; and

(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.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, subject to the consent of the Monitor, 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.

8. **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, harmonized sales taxes 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 of the Applicants.

9. **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 date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

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) permanently or temporarily cease, downsize or shut down any of its Business or operations, and to dispose of redundant or non-material assets not exceeding $50,000 in any one transaction or $150,000 in the aggregate;

(b) terminate the employment of such of their employees or temporarily lay off such of their employees as they 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,

each of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business.

12. **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 Applicant, 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' claim to the fixtures in dispute.

13. **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

14. **THIS COURT ORDERS** that until and including (i) July 5, 2024 in relation to GreenSeal, (ii) July 26, 2024 in relation to the Applicants other than GreenSeal, or (iii) in each case 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 their respective employees and representatives acting in such capacities, 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

15. **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 their respective employees and representatives acting in such capacities, 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

16. **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, lease, sublease, 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

17. **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 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

18. **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 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 the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. **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.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. **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.

21. **THIS COURT ORDERS** that the directors and officers of GreenSeal shall be entitled to the benefit of and are hereby granted a charge (the "**GreenSeal Directors' Charge**") on the

Property of GreenSeal, which charge shall not exceed an aggregate amount of $740,000, as security for the indemnity provided in paragraph 20 of this Order.

22. **THIS COURT ORDERS** that the directors and officers of the Applicants other than GreenSeal shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property of Applicants other than GreenSeal, which charge shall not exceed an aggregate amount of $680,000, as security for the indemnity provided in paragraph 20 of this Order.

23. **THIS COURT ORDERS** that the Directors' Charge, as increased by this Order and as may be increased by any future Order of this Court, shall be subordinate to Hillmount and shall have the priority set out in paragraphs 50 and 52 herein.

24. **THIS COURT ORDERS** that the GreenSeal Directors' Charge, as may be increased by any future Order of this Court, shall be subordinate to YNCU and Stoke and shall have the priority set out in paragraphs 50 and 52 herein.

25. **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 20 of this Order.

APPOINTMENT OF MONITOR

26. **THIS COURT ORDERS** that EY 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.

27. **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) 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 Atlas, GreenSeal Nursery, AgMedica, Wellworth, 5047 Ontario, 8050 Canada, and Tavivat (collectively, the "**Borrowers**"), to the extent required by the Borrowers, in their dissemination, to Shalcor Management Inc. (the "**DIP Lender**") and its counsel on Friday of each week of financial and other information as agreed to between the Borrowers and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;

(d) assist GreenSeal (to the extent required) with providing financial and other information to Stoke, its Information Monitor (as hereinafter defined), and its counsel;

(e) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the DIP Lender regarding the Borrowers, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than once per week, or as otherwise agreed to by the DIP Lender;

(f) 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, wherever located and to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform their duties arising under this Order;

(g) 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

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

28. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property or be deemed to take possession of the Property, 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, as amended, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, as amended, the *Excise Act*, *2001*, S.C. 2002, c. 22, as amended, the Ontario *Cannabis Licence Act, 2018*, S.O. 2018, c. 12, Sched. 2, as amended, the Ontario *Cannabis Control Act, 2017*, S.O. 2017, c. 26, Sched. 1, as amended, the *Ontario Cannabis Retail Corporation Act, 2017*, S.O. 2017, c. 26, Sched. 2, as amended, the British Columbia *Cannabis Control and Licensing Act*, S.B.C. 2018, c. 29, as amended, the British Columbia *Cannabis Distribution Act*, S.B.C. 2018, c. 28, as amended, or such other applicable federal or provincial legislation or regulations (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 within the meaning of any Cannabis Legislation or otherwise, 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.

29. **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 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, S.C. 1999, c. 33, as amended, the *Fisheries Act*, R.S.C. 1985, c. F-14, the Ontario *Environmental Protection Act*, R.S.O. 1990, c. E.19, the *Ontario Water Resources Act*, R.S.O. 1990, c. O.40, the Ontario *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1, the British Columbia *Environmental Management Act*, S.B.C. 2003, c. 53, the British Columbia *Fish*

Protection Act, S.B.C. 1997, c. 21 or the British Columbia *Riparian Areas Protection Act*, S.B.C. 1997, c. 21 and all regulations thereunder (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.

30. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants and the DIP Lender 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 are 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.

31. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its respective employees and representatives acting such capacities shall incur any liability or obligation as a result of the appointment of the Monitor or the carrying out by it of the provisions of this Order, including under any Cannabis Legislation, 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.

32. **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 to the Monitor, and the Applicants' counsel on a weekly basis, along with retainers in the amounts of $50,000, $50,000, and $150,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

33. **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.

34. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, 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 $600,000 as security for their professional fees and disbursements incurred at their standard rates and charges, both before and after the making of this Order in respect of these proceedings, except that the Administration Charge shall rank in priority to YNCU and Stoke to a maximum amount of $400,000, subject to further Order of this Court. Furthermore, the Administration Charge, as increased by this Order and as may be increased by any future Order of this Court shall be subordinate to Hillmount and shall have the priority set out in paragraphs 50 and 52 herein.

DIP FINANCING

35. **THIS COURT ORDERS** that the Borrowers are hereby authorized and empowered to obtain and borrow under a credit facility from the DIP Lender in order to finance the Borrowers' working capital requirements and other general corporate purposes and capital expenditures.

36. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet between the Borrowers and the DIP Lender dated as of June 29, 2024 (the "**DIP Term Sheet**"), filed.

37. **THIS COURT ORDERS** that the Borrowers 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 DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Borrowers 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 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.

38. **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 (subject to paragraph 39 below), 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 50 and 52 herein.

39. **THIS COURT ORDERS** that the DIP Lender's Charge shall have no priority over Hillmount for so long as Hillmount's security remains in place. Upon the filing of the Monitor's Confirmation Certificate (as hereinafter defined) the DIP Lender's Charge shall then have the priority set out in paragraphs 50 and 52 hereof over the Property previously subject to security in favour of Hillmount.

40. **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 three (3) days' notice to the Borrowers and the Monitor, may exercise any and all of its rights and remedies against the Borrowers or the Property of the Borrowers 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 Borrowers and set off and/or consolidate any amounts owning by the DIP Lender to the Borrowers against the obligations of the Borrowers 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 Borrowers and for the appointment of a trustee in bankruptcy of the Borrowers; 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 Borrowers or the Property of the Borrowers.

BRIDGE FINANCING

41. **THIS COURT ORDERS** that conditional upon this Court's approval of the DIP Term Sheet, the Borrowers are hereby authorized and empowered to obtain and borrow under a credit facility from the DIP Lender in order to pay out Hillmount in accordance with a Payout Statement dated July 2, 2024 (with such additional interest and other amounts as may accrue or be payable until all amounts are paid in full) (the "**Hillmount Payout**"), provided that borrowings under such credit facility shall not exceed $3,750,000 (the "**Bridge Facility**").

42. **THIS COURT ORDERS** that such Bridge Facility shall be on the terms and subject to the conditions set forth in the Bridge Term Sheet between the Borrowers and the DIP Lender dated as of June 29, 2024 (the "**Bridge Term Sheet**"), filed.

43. **THIS COURT ORDERS** that upon Hillmount confirming to the Monitor in writing that it has received the Hillmount Payout, the Monitor shall file a certificate with the Court advising that the Hillmount Payout has been completed (the "**Monitor's Confirmation Certificate**").

44. **THIS COURT ORDERS** that, upon the filing of the Monitor's Confirmation Certificate, as security for the payment and performance of the Borrowers' obligations under the Bridge Term Sheet, the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Bridge DIP Charge**") on the Property owned by 5047 Ontario including, for certainty, the Chatham Facility, together with any and all collateral to which Hillmount currently has first ranking security, which Bridge DIP Charge shall not secure an obligation that exists before this Order is made. The Bridge DIP Charge shall have the priority set out in paragraphs 50 and 52 hereof.

45. **THIS COURT ORDERS** that, upon the filing of the Monitor's Confirmation Certificate the application of Hillmount shall be deemed withdrawn on a without costs basis.

GREENSEAL'S ACCOUNTS RECEIVABLES

46. **THIS COURT ORDERS** that pursuant to the terms of the Receivables Purchase Agreement dated June 7, 2023, as amended, between GreenSeal and Stoke (the "**RPA**"), GreenSeal is hereby authorized and directed to pay to Stoke an amount equivalent to the Advance Amount (as defined in the RPA) listed on the purchase summary for the purchase order (the "**Stoke**

Purchase Order") in respect of which payment is received (the "**Stoke Funded Amount**"), as reflected in Exhibit ● of the Sixth Cervi Affidavit (the "**Advance Repayments**"). The Advance Repayments shall not exceed $**[500,000]** in aggregate unless otherwise ordered by this Court. The Advance Repayments shall be made in installments pursuant to Exhibit ● of the Sixth Cervi Affidavit and each installment shall not exceed the estimated installment amount listed on Exhibit ● of the Sixth Cervi Affidavit.

47. **THIS COURT ORDERS** that GreenSeal is hereby permitted to use payments received on account of Stoke Purchase Orders other than the Stoke Funded Amount to fund its working capital needs (the "**Reserve Amount**") as reflected in Exhibit ● of the Fifth Cervi Affidavit; provided however, that GreenSeal shall not use such Reserve Amount if the GreenSeal accounts receivable (the "**GS A/R**") balance is less than 1.25 times the cumulative Reserve Amounts used by GreenSeal for its working capital needs.

48. **THIS COURT ORDERS** that, to secure the Reserve Amounts used by GreenSeal, Stoke shall be entitled to the benefit of and is hereby granted a charge (the "**Stoke Receivables Charge**") on the GS A/R equal to the Reserve Amounts used plus the Information Monitor's Fees (as hereinafter defined). The Stoke Receivables Charge shall not exceed $**[830,000]**. The Stoke Receivables Charge shall have the priority set out in paragraph 50 and 52 herein.

APPOINTMENT OF INFORMATION MONITOR

49. **THIS COURT ORDERS** that Steinberg Advisory Corp. is hereby appointed to act as information monitor of the GS A/R (the "**Information Monitor**") through the services of Howard Steinberg ("**Steinberg**") as described in the Sixth Cervi Affidavit on the following terms:

(a) the Information Monitor is permitted to: (i) monitor the GS A/R; (ii) monitor GreenSeal's inventory including its quality; and (iii) make recommendations to GreenSeal regarding profitably monetizing GreenSeal's inventory;

(b) the Information Monitor shall: (i) be subject to the Non-Competition and Non-Solicitation Agreement between GreenSeal and the Information Monitor as described in the Sixth Cervi Affidavit; (ii) have no authority to exercise any control over GreenSeal's Property or Business; (iii) not be entitled to bind GreenSeal to any contractual or other obligations; and (iv) be deemed to be acting for and on behalf of Stoke and not as an agent or representative of GreenSeal;

(c) the Information Monitor shall be entitled to payment from Stoke for its reasonable fees, expenses and disbursements contemplated therein (collectively, the "**IM Fees**") and Stoke shall be entitled to Stoke Receivables Charge;

(d) the Information Monitor or Steinberg shall not be or be deemed to be a director, *de facto* director, or employee of GreenSeal or any of its subsidiaries or affiliates; and

(e) nothing in this Order shall be construed as resulting in the Information Monitor or Steinberg being an employer, successor employer, a responsible person, operator or person with apparent authority within the meaning of any statute, regulation or rule of law, or equity (including any Environmental Legislation (as defined below)) for any purpose whatsoever.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

50. **THIS COURT ORDERS** that, save and except as it relates to the security in favour of Hillmount, which is unaffected by the priority charges granted herein (subject to the limits described in paragraph 52 herein), the priorities of the Stoke Receivables Charge, the Administration Charge (subject to the limits described in paragraph 34 herein), the DIP Lender's Charge, the Bridge DIP Charge, the Directors' Charge (subject to the limits described in paragraph 23 herein), and the GreenSeal Directors' Charge (subject to the limits described in paragraph 24 herein) (collectively, the "**Charges**") shall be as follows:

First – Stoke Receivables Charge (to the maximum amount of $**[850,000]**)

Second – Administration Charge (to the maximum amount of $600,000);

Third – DIP Lender's Charge (to the maximum principal amount of $5,000,000 plus interest, expenses and fees under the DIP Term Sheet at the relevant time);

Fourth – Bridge DIP Charge (to the maximum principal amount of $3,750,000 plus interest, expenses and fees under the Bridge Term Sheet at the relevant time);

Fifth – Directors' Charge (to the maximum amount of $680,000); and

Fifth – GreenSeal Directors' Charge (to the maximum amount of $740,000).

51. **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.

52. **THIS COURT ORDERS** that the Charges shall constitute a charge on the Property, except in respect of: a) the Stoke Receivables Charge which shall only be a Charge against the GS A/R; b) the DIP Lender's Charge and Bridge DIP Charge which shall only be Charges in respect of the Borrowers' Property; c) the Directors' Charge which shall only be a Charge in respect of the Applicants' Property other than GreenSeal's Property; d) the GreenSeal Directors' Charge which shall only be a Charge in respect of GreenSeal's Property; and e) 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 except that, until such time as the Monitor's Confirmation Certificate is filed, the Administration Charge shall rank in priority to Hillmount to a maximum amount of $400,000 and the Director's Charge shall rank in priority to Hillmount to a maximum amount of $500,000 but only in respect of amounts claimed thereunder for the period of June 20 to June 28, 2024.

53. **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 (with respect to Property of the Borrowers) and the other beneficiaries of the Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

54. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees 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 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.

55. **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

56. **THIS COURT ORDERS** that the decision by the Applicants to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, and press releases (collectively, the "**Securities Filings**") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including, without limitation, the *Securities Act* (Ontario), R.S.O., c. S.5 and comparable statutes enacted by other provinces of Canada, the CSE Policies 1-10 and the rules, regulations and policies of the Canadian Securities Exchange and OTCQB® (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 Securities Filings required by the Securities Provisions.

57. **THIS COURT ORDERS** that none of the directors, officers, employees, and other representatives of the Applicants, nor the Monitor shall have any personal liability for any failure by the Applicants to make any Securities Filings required by the Securities Legislation during the Stay Period, 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 against the directors, officers, employees and other representatives of the Applicants of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by the Applicants. For greater certainty, nothing in this Order is intended to or shall encroach on the jurisdiction of any securities regulatory authorities (the "**Regulators**") in the matter of regulating the conduct of market participants and to issue or maintain cease trader orders if and when required pursuant to applicable securities law. Further, nothing in this Order shall constitute or be construed as an admission by the Regulators that the Court has jurisdiction over matters that are within the exclusive jurisdiction of the Regulators under the Securities Legislation.

SERVICE AND NOTICE

58. **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 addresses 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 (excluding individual employees or former employees), 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.

59. **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/toronto/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/atlasglobal.

60. **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.

61. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicants' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

62. **THIS COURT ORDERS** that the Monitor shall maintain and update as necessary a list of all Persons appearing in person or by counsel in these proceedings (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the case website as part of the public materials in relation to these proceedings. Notwithstanding the foregoing, the Monitor nor its counsel shall have any liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

SEALING

63. **THIS COURT ORDERS** that the First Cervi Confidential Affidavit is hereby sealed pending further Order of the Court and shall not form part of the public record.

GENERAL

64. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of its powers and duties under this Order or in the interpretation or application of this Order.

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

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

67. **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, and that EY 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.

68. **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.

69. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order.

70. **THIS COURT ORDERS** that the terms of this Order are expressly without prejudice to the rights of all parties to seek relief at the next hearing in the CCAA proceeding, including as it relates to any termination of the CCAA proceeding and appointment of a Receiver or Receivers over the Applicants.

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

Court File No: CV-24-00722386-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ATLAS GLOBAL BRANDS INC., GREENSEAL CANNABIS COMPANY, LTD., GREENSEAL NURSERY, LTD., AGMEDICA BIOSCIENCE INC., WELLWORTH HEALTH CORP., 5047346 ONTARIO INC., 8050678 CANADA INC. AND TAVIVAT NATURALS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT TORONTO

THIRD AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicants

Court File No. CV-24-00722386-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 5th
	)	
JUSTICE PENNY	)	DAY OF JULY, 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 ATLAS GLOBAL BRANDS INC., GREENSEAL CANNABIS COMPANY, LTD., GREENSEAL NURSERY, LTD., AGMEDICA BIOSCIENCE INC., WELLWORTH HEALTH CORP., 5047346 ONTARIO INC., 8050678 CANADA INC. AND TAVIVAT NATURALS INC.

~~SECOND~~THIRD AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by Atlas Global Brands Inc., GreenSeal Cannabis Company, Ltd., GreenSeal Nursery, Ltd., AgMedica BioScience Inc., Wellworth Health Corp., 5047346 Ontario Inc., 8050678 Canada Inc. and Tavivat Naturals Inc. (collectively, the "**Applicants**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day by judicial videoconference in Toronto, Ontario.

ON READING the affidavit of Jason Cervi affirmed June 19, 2024 and the Exhibits thereto (the "**Initial Cervi Affidavit**"), the affidavit of Jason Cervi affirmed June 26, 2024 and the Exhibits thereto, the confidential affidavit of Jason Cervi affirmed June 26, 2024 and the Exhibits thereto (the "**First Cervi Confidential Affidavit**"), the affidavit of Jason Cervi affirmed June 28, 2024 and the Exhibit thereto, the affidavit of Jason Cervi affirmed June 30, 2024 and the Exhibits thereto, the affidavit of Jason Cervi affirmed July 4, 2024 and the Exhibits thereto, ~~the~~ affidavit of Jason Cervi affirmed July ●, 2024, the affidavit of Yitz Levinson affirmed on June 25, 2024 and the Exhibits thereto, the pre-filing report of the proposed monitor, Ernst & Young Inc. ("**EY**"), dated June 20, 2024, the ~~affidavit of Yitz Levinson affirmed on June~~

~~25, 2024 and the Exhibits thereto, the~~ first report dated June 27, 2024 of EY as the Court-appointed Monitor of the Applicants (in such capacity, the "**Monitor**"), ~~and~~ the supplement to the first report dated July 2, 2024 of the Monitor, and the Second Report of the Monitor dated ●, 2024 and on being advised that Stoke Canada Finance Corp., Hillmount Capital Inc. and Hillmount Capital Mortgage Holdings Inc. (collectively, "**Hillmount**"), 2596690 Ontario Inc. (operating as AgriRoots Capital Management Inc.), Your Neighbourhood Credit Union Limited. ("**YNCU**"), and the remaining secured creditors were given abridged notice, in accordance with the affidavits of service to be filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and those other parties listed on the Counsel Slip, and on reading the consent of EY to act as the Monitor,

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 Initial Cervi Affidavit.

APPLICATION

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

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their current and future assets, licences, 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, 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 the Applicants deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize the central cash management system currently in place as described in the Initial Cervi Affidavit or, subject to 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 any plan of compromise or arrangement that may be filed with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that, subject to the consent of the Monitor, 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 benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of the Business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing expenses; and

(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.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, subject to the consent of the Monitor, 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.

8. **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, harmonized sales taxes 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 of the Applicants.

9. **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 date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

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) permanently or temporarily cease, downsize or shut down any of its Business or operations, and to dispose of redundant or non-material assets not exceeding $50,000 in any one transaction or $150,000 in the aggregate;

(b) terminate the employment of such of their employees or temporarily lay off such of their employees as they 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,

each of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business.

12. **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 Applicant, 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' claim to the fixtures in dispute.

13. **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

14. **THIS COURT ORDERS** that until and including (i) July 5, 2024 in relation to GreenSeal, (ii) July 26, 2024 in relation to the Applicants other than GreenSeal, or (iii) in each case 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 their respective employees and representatives acting in such capacities, 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

15. **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 their respective employees and representatives acting in such capacities, 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

16. **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, lease, sublease, 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

17. **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 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

18. **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 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 the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. **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.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. **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.

21. **THIS COURT ORDERS** that the directors and officers of GreenSeal shall be entitled to the benefit of and are hereby granted a charge (the "**GreenSeal Directors' Charge**") on the Property of GreenSeal, which charge shall not exceed an aggregate amount of $740,000, as security for the indemnity provided in paragraph 20 of this Order.

22. **THIS COURT ORDERS** that the directors and officers of the Applicants other than GreenSeal shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property of Applicants other than GreenSeal, which charge shall not exceed an aggregate amount of $680,000, as security for the indemnity provided in paragraph 20 of this Order.

23. **THIS COURT ORDERS** that the Directors' Charge, as increased by this Order and as may be increased by any future Order of this Court, shall be subordinate to Hillmount and shall have the priority set out in paragraphs ~~46~~50 and ~~48~~52 herein.

24. **THIS COURT ORDERS** that the GreenSeal Directors' Charge, as may be increased by any future Order of this Court, shall be subordinate to YNCU and Stoke and shall have the priority set out in paragraphs ~~46~~50 and ~~48~~52 herein.

25. **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 20 of this Order.

APPOINTMENT OF MONITOR

26. **THIS COURT ORDERS** that EY 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.

27. **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) 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 Atlas, GreenSeal Nursery, AgMedica, Wellworth, 5047 Ontario, 8050 Canada, and Tavivat (collectively, the "**Borrowers**"), to the extent required by the Borrowers, in their dissemination, to Shalcor Management Inc. (the "**DIP Lender**") and its counsel on Friday of each week of financial and other information as agreed to between the Borrowers and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;

(d) assist GreenSeal (to the extent required) with providing financial and other information to Stoke, its Information Monitor (as hereinafter defined), and its counsel;

(e) ~~(d)~~ advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the DIP Lender regarding the Borrowers, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than once per week, or as otherwise agreed to by the DIP Lender;

(f) ~~(e)~~ 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, wherever located and to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform their duties arising under this Order;

(g) ~~(f)~~ 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

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

28. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property or be deemed to take possession of the Property, 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, as amended, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, as amended, the *Excise Act*, *2001*, S.C. 2002, c. 22, as amended, the Ontario *Cannabis Licence Act, 2018*, S.O. 2018, c. 12, Sched. 2, as amended, the Ontario *Cannabis Control Act, 2017*, S.O. 2017, c. 26, Sched. 1, as amended, the *Ontario Cannabis Retail Corporation Act, 2017*, S.O. 2017, c. 26, Sched. 2, as amended, the British Columbia *Cannabis Control and Licensing Act*, S.B.C. 2018, c. 29, as amended, the British Columbia *Cannabis Distribution Act*, S.B.C. 2018, c. 28, as amended, or such other applicable federal or provincial legislation or regulations (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 within the meaning of any Cannabis Legislation or otherwise, 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.

29. **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 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, S.C. 1999, c. 33, as amended, the *Fisheries Act*, R.S.C. 1985, c. F-14, the Ontario *Environmental Protection Act*, R.S.O. 1990, c. E.19, the *Ontario Water Resources Act*, R.S.O. 1990, c. O.40, the Ontario *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1, the British Columbia *Environmental Management Act*, S.B.C. 2003, c. 53, the British Columbia *Fish Protection Act*, S.B.C. 1997, c. 21 or the British Columbia *Riparian Areas Protection Act*, S.B.C. 1997, c. 21 and all regulations thereunder (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.

30. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants and the DIP Lender 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 are 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.

31. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its respective employees and representatives acting such capacities shall incur any liability or obligation as a result of the appointment of the Monitor or the carrying out by it of the provisions of this Order, including under any Cannabis Legislation, 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.

32. **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 to the Monitor, and the Applicants' counsel on a weekly basis, along with retainers in the amounts of $50,000, $50,000, and $150,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

33. **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.

34. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, 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 $600,000 as security for their professional fees and disbursements incurred at their standard rates and charges, both before and after the making of this Order in respect of these proceedings, except that the Administration Charge shall rank in priority to YNCU and Stoke to a maximum amount of $400,000, subject to further Order of this Court. Furthermore, the Administration Charge, as increased by this Order and as may be increased by any future Order of this Court

shall be subordinate to Hillmount and shall have the priority set out in paragraphs ~~46~~50 and ~~48~~52 herein.

DIP FINANCING

35. **THIS COURT ORDERS** that the Borrowers are hereby authorized and empowered to obtain and borrow under a credit facility from the DIP Lender in order to finance the Borrowers' working capital requirements and other general corporate purposes and capital expenditures.

36. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet between the Borrowers and the DIP Lender dated as of June 29, 2024 (the "**DIP Term Sheet**"), filed.

37. **THIS COURT ORDERS** that the Borrowers 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 DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Borrowers 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 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.

38. **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 (subject to paragraph 39 below), 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 ~~46~~50 and ~~48~~52 herein.

39. **THIS COURT ORDERS** that the DIP Lender's Charge shall have no priority over Hillmount for so long as Hillmount's security remains in place. Upon the filing of the Monitor's Confirmation Certificate (as hereinafter defined) the DIP Lender's Charge shall then have the

priority set out in paragraphs ~~46~~50 and ~~48~~52 hereof over the Property previously subject to security in favour of Hillmount.

40. **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 three (3) days' notice to the Borrowers and the Monitor, may exercise any and all of its rights and remedies against the Borrowers or the Property of the Borrowers 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 Borrowers and set off and/or consolidate any amounts owning by the DIP Lender to the Borrowers against the obligations of the Borrowers 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 Borrowers and for the appointment of a trustee in bankruptcy of the Borrowers; 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 Borrowers or the Property of the Borrowers.

BRIDGE FINANCING

41. **THIS COURT ORDERS** that conditional upon this Court's approval of the DIP Term Sheet, the Borrowers are hereby authorized and empowered to obtain and borrow under a credit facility from the DIP Lender in order to pay out Hillmount in accordance with a Payout Statement dated July 2, 2024 (with such additional interest and other amounts as may accrue or be payable until all amounts are paid in full) (the "**Hillmount Payout**"), provided that borrowings under such credit facility shall not exceed $3,750,000 (the "**Bridge Facility**").

42. **THIS COURT ORDERS** that such Bridge Facility shall be on the terms and subject to the conditions set forth in the Bridge Term Sheet between the Borrowers and the DIP Lender dated as of June 29, 2024 (the "**Bridge Term Sheet**"), filed.

43. **THIS COURT ORDERS** that upon Hillmount confirming to the Monitor in writing that it has received the Hillmount Payout, the Monitor shall file a certificate with the Court advising that the Hillmount Payout has been completed (the "**Monitor's Confirmation Certificate**").

44. **THIS COURT ORDERS** that, upon the filing of the Monitor's Confirmation Certificate, as security for the payment and performance of the Borrowers' obligations under the Bridge Term Sheet, the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Bridge DIP Charge**") on the Property owned by 5047 Ontario including, for certainty, the Chatham Facility, together with any and all collateral to which Hillmount currently has first ranking security, which Bridge DIP Charge shall not secure an obligation that exists before this Order is made. The Bridge DIP Charge shall have the priority set out in paragraphs ~~46~~50 and ~~48~~52 hereof.

45. **THIS COURT ORDERS** that, upon the filing of the Monitor's Confirmation Certificate the application of Hillmount shall be deemed withdrawn on a without costs basis.

GREENSEAL'S ACCOUNTS RECEIVABLES

46. **THIS COURT ORDERS** that pursuant to the terms of the Receivables Purchase Agreement dated June 7, 2023, as amended, between GreenSeal and Stoke (the "**RPA**"), GreenSeal is hereby authorized and directed to pay to Stoke an amount equivalent to the Advance Amount (as defined in the RPA) listed on the purchase summary for the purchase order (the "**Stoke Purchase Order**") in respect of which payment is received (the "**Stoke Funded Amount**"), as reflected in Exhibit ● of the Sixth Cervi Affidavit (the "**Advance Repayments**"). The Advance Repayments shall not exceed $**[500,000]** in aggregate unless otherwise ordered by this Court. The Advance Repayments shall be made in installments pursuant to Exhibit ● of the Sixth Cervi Affidavit and each installment shall not exceed the estimated installment amount listed on Exhibit ● of the Sixth Cervi Affidavit.

47. **THIS COURT ORDERS** that GreenSeal is hereby permitted to use payments received on account of Stoke Purchase Orders other than the Stoke Funded Amount to fund its working capital needs (the "**Reserve Amount**") as reflected in Exhibit ● of the Fifth Cervi Affidavit; provided however, that GreenSeal shall not use such Reserve Amount if the GreenSeal accounts receivable (the "**GS A/R**") balance is less than 1.25 times the cumulative Reserve Amounts used by GreenSeal for its working capital needs.

48. **THIS COURT ORDERS** that, to secure the Reserve Amounts used by GreenSeal, Stoke shall be entitled to the benefit of and is hereby granted a charge (the "**Stoke Receivables Charge**") on the GS A/R equal to the Reserve Amounts used plus the Information Monitor's Fees (as hereinafter defined). The Stoke Receivables Charge shall not exceed $**[830,000]**. The Stoke Receivables Charge shall have the priority set out in paragraph 50 and 52 herein.

APPOINTMENT OF INFORMATION MONITOR

49. **THIS COURT ORDERS** that Steinberg Advisory Corp. is hereby appointed to act as information monitor of the GS A/R (the "**Information Monitor**") through the services of Howard Steinberg ("**Steinberg**") as described in the Sixth Cervi Affidavit on the following terms:

(a) the Information Monitor is permitted to: (i) monitor the GS A/R; (ii) monitor GreenSeal's inventory including its quality; and (iii) make recommendations to GreenSeal regarding profitably monetizing GreenSeal's inventory;

(b) the Information Monitor shall: (i) be subject to the Non-Competition and Non-Solicitation Agreement between GreenSeal and the Information Monitor as described in the Sixth Cervi Affidavit; (ii) have no authority to exercise any control over GreenSeal's Property or Business; (iii) not be entitled to bind GreenSeal to any contractual or other obligations; and (iv) be deemed to be acting for and on behalf of Stoke and not as an agent or representative of GreenSeal;

(c) the Information Monitor shall be entitled to payment from Stoke for its reasonable fees, expenses and disbursements contemplated therein (collectively, the "**IM Fees**") and Stoke shall be entitled to Stoke Receivables Charge;

(d) the Information Monitor or Steinberg shall not be or be deemed to be a director, *de facto* director, or employee of GreenSeal or any of its subsidiaries or affiliates; and

(e) nothing in this Order shall be construed as resulting in the Information Monitor or Steinberg being an employer, successor employer, a responsible person, operator or person with apparent authority within the meaning of any statute, regulation or rule of law, or equity (including any Environmental Legislation (as defined below)) for any purpose whatsoever.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

50. ~~46.~~ **THIS COURT ORDERS** that, save and except as it relates to the security in favour of Hillmount, which is unaffected by the priority charges granted herein (subject to the limits described in paragraph ~~48~~52 herein), the priorities of the Stoke Receivables Charge, the Administration Charge (subject to the limits described in paragraph 34 herein), the DIP Lender's Charge, the Bridge DIP Charge, the Directors' Charge (subject to the limits described in paragraph 23 herein), and the GreenSeal Directors' Charge (subject to the limits described in paragraph 24 herein) (collectively, the "**Charges**") shall be as follows:

First – Stoke Receivables Charge (to the maximum amount of $**[850,000]**)

~~First~~Second – Administration Charge (to the maximum amount of $600,000);

~~Second~~Third – DIP Lender's Charge (to the maximum principal amount of $5,000,000 plus interest, expenses and fees under the DIP Term Sheet at the relevant time);

~~Third~~Fourth – Bridge DIP Charge (to the maximum principal amount of $3,750,000 plus interest, expenses and fees under the Bridge Term Sheet at the relevant time);

~~Fourth~~Fifth – Directors' Charge (to the maximum amount of $680,000); and

~~Fourth~~Fifth – GreenSeal Directors' Charge (to the maximum amount of $740,000).

51. ~~47.~~ **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.

52. ~~48.~~ **THIS COURT ORDERS** that the Charges shall constitute a charge on the Property, except in respect of: a) the Stoke Receivables Charge which shall only be a Charge against the GS A/R; b) the DIP Lender's Charge and Bridge DIP Charge which shall only be Charges in respect of the Borrowers' Property; ~~b~~c) the Directors' Charge which shall only be a Charge in respect of the Applicants' Property other than GreenSeal's Property; ~~c~~d) the GreenSeal Directors' Charge which shall only be a Charge in respect of GreenSeal's Property; and ~~d~~e) 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 except that, until such time as the Monitor's Confirmation Certificate is filed, the Administration Charge shall rank in priority to Hillmount to a maximum amount of $400,000 and the Director's Charge shall rank in priority to Hillmount to

a maximum amount of $500,000 but only in respect of amounts claimed thereunder for the period of June 20 to June 28, 2024.

53. ~~49.~~ **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 (with respect to Property of the Borrowers) and the other beneficiaries of the Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

54. ~~50.~~ **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees 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 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.

55. ~~51.~~ **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

56. ~~52.~~ **THIS COURT ORDERS** that the decision by the Applicants to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, and press releases (collectively, the "**Securities Filings**") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including, without limitation, the *Securities Act* (Ontario), R.S.O., c. S.5 and comparable statutes enacted by other provinces of Canada, the CSE Policies 1-10 and the rules, regulations and policies of the Canadian Securities Exchange and OTCQB® (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 Securities Filings required by the Securities Provisions.

57. ~~53.~~ **THIS COURT ORDERS** that none of the directors, officers, employees, and other representatives of the Applicants, nor the Monitor shall have any personal liability for any failure by the Applicants to make any Securities Filings required by the Securities Legislation during the Stay Period, 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 against the directors, officers, employees and other representatives of the Applicants of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by the Applicants. For greater certainty, nothing in this Order is intended to or shall encroach on the jurisdiction of any securities regulatory authorities (the "**Regulators**") in the matter of regulating the conduct of market participants and to issue or maintain cease trader orders if and when required pursuant to applicable securities law. Further, nothing in this Order shall constitute or be construed as an

admission by the Regulators that the Court has jurisdiction over matters that are within the exclusive jurisdiction of the Regulators under the Securities Legislation.

SERVICE AND NOTICE

58. ~~54.~~ **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 addresses 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 (excluding individual employees or former employees), 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.

59. ~~55.~~ **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/toronto/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/atlasglobal.

60. ~~56.~~ **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.

61. ~~57.~~ **THIS COURT ORDERS** that the Applicants and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicants' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

62. ~~58.~~ **THIS COURT ORDERS** that the Monitor shall maintain and update as necessary a list of all Persons appearing in person or by counsel in these proceedings (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the case website as part of the public materials in relation to these proceedings. Notwithstanding the foregoing, the Monitor nor its counsel shall have any liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

SEALING

63. ~~59.~~ **THIS COURT ORDERS** that the First Cervi Confidential Affidavit is hereby sealed pending further Order of the Court and shall not form part of the public record.

GENERAL

64. ~~60.~~ **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of its powers and duties under this Order or in the interpretation or application of this Order.

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

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

67. ~~63.~~ **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, and that EY 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.

68. ~~64.~~ **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.

69. ~~65.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order.

70. ~~66.~~ **THIS COURT ORDERS** that the terms of this Order are expressly without prejudice to the rights of all parties to seek relief at the next hearing in the CCAA proceeding,

including as it relates to any termination of the CCAA proceeding and appointment of a Receiver or Receivers over the Applicants.

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

Court File No: CV-24-00722386-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ATLAS GLOBAL BRANDS INC., GREENSEAL CANNABIS COMPANY, LTD., GREENSEAL NURSERY, LTD., AGMEDICA BIOSCIENCE INC., WELLWORTH HEALTH CORP., 5047346 ONTARIO INC., 8050678 CANADA INC. AND TAVIVAT NATURALS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT TORONTO

~~SECOND~~THIRD AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicants

		1-Jul-24	8-Jul-24	15-Jul-24	22-Jul-24	29-Jul-24	5-Aug-24	12-Aug-24	19-Aug-24	26-Aug-24	2-Sep-24	9-Sep-24	16-Sep-24	23-Sep-24	30-Sep-24	Total	REF
Atlas CCAA Scenario	Payments (Interest and Principal	$125,304	$0	$0	$0	$166,434	$0	$0	$0	$152,010	$0	$0	$0	$0	$156,098	$599,845	(1)
	Reserve Settlement from SISP														$853,324	$853,324	(2)
	Total	$125,304	$0	$0	$0	$166,434	$0	$0	$0	$152,010	$0	$0	$0	$0	$1,009,422	$1,453,169	
	Cummulative	$125,304	$125,304	$125,304	$125,304	$291,738	$291,738	$291,738	$291,738	$443,747	$443,747	$443,747	$443,747	$443,747	$1,453,169	$1,453,169	
Stoke Receivership (no continuing business)	AR Collections	$79,539	$293,826	$267,547	$452,561	$146,343	$37,904	$169,593	$0	$0	$0	$0	$0	$0	$0	$1,447,313	(3)
	SAC Expenses	($50,000)					($50,000)				($50,000)					($150,000)	(4)
	Receiver Fees	($12,500)	($12,500)	($12,500)	($12,500)	($12,500)	($12,500)	($12,500)	($12,500)							($100,000)	(5)
	CCAA Expenses (legal)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	$0	$0	$0	$0	$0	($225,000)	(6)
	Total	($7,961)	$256,326	$230,047	$415,061	$108,843	($49,596)	$132,093	($37,500)	($25,000)	($50,000)	$0	$0	$0	$0	$972,313	
	Cummulative	($7,961)	$248,365	$478,412	$893,473	$1,002,316	$952,720	$1,084,813	$1,047,313	$1,022,313	$972,313	$972,313	$972,313	$972,313	$972,313	$972,313	
	Difference	($133,265)	$123,061	$353,108	$768,169	$710,578	$660,983	$793,075	$755,575	$578,566	$528,566	$528,566	$528,566	$528,566	($480,857)	($480,857)	A1
Stoke Receivership (Continuing business)	Net Cash from Operations	$37,139	$90,513	$111,047	$186,212	$64,693	($63,596)	$216,437	$101,751	($88,548)	$33,616	$184,860	$28,047	$125,985	($375,653)	$652,503	
	CCAA Expenses (legal)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	$0	$0	$0	$0	$0	($225,000)	(6)
	SAC Expenses	($50,000)					($50,000)				($50,000)				($50,000)	($200,000)	(4)
	Receiver Fees	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($280,000)	(5)
	Royalties payble to Atlas	($13,919)	($51,420)	($46,821)	($79,198)	($25,610)	($17,888)	($41,201)	($46,824)	($23,384)	($30,683)	($20,801)	($20,801)	($28,649)	($20,801)	($467,998)	(7)
	Total	($71,780)	($5,907)	$19,226	$62,013	($5,917)	($176,484)	$130,236	$9,928	($156,932)	($67,066)	$144,060	($12,754)	$77,336	($466,454)	($520,496)	
	Cummulative	($71,780)	($77,687)	($58,460)	$3,553	($2,364)	($178,848)	($48,613)	($38,685)	($195,617)	($262,684)	($118,624)	($131,378)	($54,042)	($520,496)	($520,496)	
	Difference	($197,084)	($202,990)	($183,764)	($121,751)	($294,101)	($470,586)	($340,350)	($330,422)	($639,364)	($706,431)	($562,371)	($575,125)	($497,789)	($1,973,665)	($1,973,665)	A2

Implications

	YNCU	Stoke
Atlas CCAA Scenario	+ maximum potential value realization on SISP as part of group with international reach + kept current with all regular mortgage payments	+ mostly favorable financial outcome + continued involvement through Information Monitor + Cash flow through the process (interest and pricinpal) + Security charge against receivables regardless of outcome of SISP
Stoke Receivership (no continuing business)	- lowest potential value realization on SISP, market for idle cannabis facilities is virtually non-existent and costs to repurpose facility would be significant - no debt servicing payments - additional costs for disputes with Stoke over claims for security interest of receivables	- limited to just the $1.4M in current receivables to recover - liquidation of current inventory not expected to yield any significant value as IP ownership (genetics and branding) would not follow with receivership; assumes any recovery would offset costs associated with disposal of remaining un-sellable goods - fees incurred for SAC, Receiver and Legal would erode recovery of receivables
Stoke Receivership (Continuing business)	- below market average value realization on SISP given no attributable intangible value (branding, genetics) + debt servicing payments included - extended SISP timeline to allow for organization of separate process, no benefit of progress already made and interest generated in Atlas	- cash generated in operating business would be significantly eroded by costs attributed to the receivership process as well as royalties that would be due to Atlas in relation to the genetics and the branding - would require significant operational improvement or improved value creation in order to recover any position

Notes:

(1) Included in Cash Flows are payments for interest and principal in the amount Advanced under the agreement against the receivable assets on record as at June 20th Initial Order date.

(2) Stoke would maintain a charge over receivables for this balance and would realize this either through SISP or through liquidation. Outcome would be known by first week of September (indicated by red vertical line) once SISP bids are received and determined if viable or not for recovery of GreenSeal secured creditors

(3) These are the receivables on hand as of July 1, 2024 (see Confirmed tab for details). This would be maximum realizable collections should there be an immediate receivership action. **NOTE: this does not even consider any possible offsets due to Return to Vendor for stock at provincial distributors.**

(4) Payments to external advisor to provide management oversight as GreenSeal management currently provided by Atlas would need to be replaced.

(5) A separate receiver would need to be appointed and engaged and would not benefit from the efficiency of one monitor over the entire group

(6) Stoke and YNCU would have to self fund their legal fees in support of their receivership

(7) Genetics are owned by GreenSeal Nursery who would need to be compensated on sales; Snoop Dogg brand, which accounts for 80% of GreenSeal revenues currently, is licensed to Atlas who would need to be compensated for branding and sales and marketing tools created

Stoke Alternative 1 (A1): Stoke's value realization would likely be nearly $0.5M lower as it incurs additional costs. Stoke would also be at further risk for 1) potential impact of RTVs; and 2) claims from YNCU over Receivables and Inventory given the likely fact they would not realize sufficent value in the property alone.

Stoke Alternative 2 (A2): It is unlikely Stoke would realize any value through attempting to operate the business and recover through a SISP as the cash flows of the business are not sufficient to support a separately run processs with addition of independent advisors as well as the royalty payment requirements back to Atlas.
The likelihood that Stoke, even with the aid of its independent advisor, could find operational improvements to recover nearly $2M in costs on a business that has yet to achieve $10M in sales annually is significantly in doubt.
Further, the market value of a stand-alone cultivation site with no intangible assets (genetics, branding) and no other unique qualities, such as access to international markets through Atlas, would likely not realize sufficient recovery to satisfy all secured creditors.

DRAFT

Greenseal Cannabis Company Ltd.
13 Week Cash Flow
Canadian $
DRAFT

	1-Jul-24	8-Jul-24	15-Jul-24	22-Jul-24	29-Jul-24	5-Aug-24	12-Aug-24	19-Aug-24	26-Aug-24	2-Sep-24	9-Sep-24	16-Sep-24	23-Sep-24	30-Sep-24	Total
Receipts															
Confirmed	*79,539*	*293,826*	*267,547*	*452,561*	*146,343*	*37,904*	*171,124*	*203,252*	*69,312*	*56,469*	-	-	*44,849*	-	*1,822,726*
New Business	-	-	-	-	-	*64,313*	*64,313*	*64,313*	*64,313*	*118,860*	*118,860*	*118,860*	*118,860*	*118,860*	*851,550*
Domestic	79,539	293,826	267,547	452,561	146,343	102,217	235,437	267,564	133,625	175,329	118,860	118,860	163,709	118,860	2,674,276
B2B Wholesale	80,000	-	-	80,000	50,000	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	547,500
International	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany Sales / (Purchases)						-	-	-	75,000	75,000	75,000	75,000	75,000	75,000	450,000
Total Receipts	159,539	293,826	267,547	532,561	196,343	139,717	272,937	305,064	246,125	287,829	231,360	231,360	276,209	231,360	3,671,776
Operational Disbursements															
Payroll	-	169,313	-	169,313	9,250	169,313	-	169,313	9,250	169,313	-	169,313	9,250	169,313	1,212,941
Vendor Payments	52,900	34,000	34,000	67,474	52,900	34,000	34,000	34,000	58,474	37,900	24,000	34,000	58,474	37,900	594,022
Mortgage Payments	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	157,500
Vendor Deposits - post stay	-	-	100,000	-	-	-	-	-	-	-	-	-	-	-	100,000
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	150,000	150,000
Utilities	47,000	-	-	-	47,000	-	-	-	-	47,000	-	-	-	47,000	188,000
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST/HST	-	-	-	60,000		-	-	-	60,000	-	-	-	60,000	-	180,000
Excise Remittance	-	-	-	49,562		-	-	-	184,449	-	-	-	-	202,800	436,811
Total Operational Disbursements	122,400	203,313	156,500	346,349	131,650	203,313	56,500	203,313	334,673	254,213	46,500	203,313	150,224	607,013	3,019,274
Net Cash from Operations	**37,139**	**90,513**	**111,047**	**186,212**	**64,693**	**(63,596)**	**216,437**	**101,751**	**(88,548)**	**33,616**	**184,860**	**28,047**	**125,985**	**(375,653)**	**652,503**
CCAA related Cash Flows															
DIP Facility Draw/(Repayment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments on Factoring Balance	(125,304)	-	-	-	(166,434)	-	-	-	(152,010)	-	-	-	-	(156,098)	(599,845)
Information Monitor	-	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(32,500)
Professional Services	-	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(260,000)
Payments to Trust Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from CCAA	**(125,304)**	**(22,500)**	**(22,500)**	**(22,500)**	**(188,934)**	**(22,500)**	**(22,500)**	**(22,500)**	**(174,510)**	**(22,500)**	**(22,500)**	**(22,500)**	**(22,500)**	**(178,598)**	**(892,345)**
Cash on Hand															
Opening balance	253,121	164,957	232,970	321,517	485,228	360,988	274,891	468,828	548,080	285,022	296,138	458,498	464,045	567,530	253,121
Net Cash	(88,165)	68,013	88,547	163,712	(124,241)	(86,096)	193,937	79,251	(263,058)	11,116	162,360	5,547	103,485	(554,251)	(239,842)
Ending Balance - Cash	164,957	232,970	321,517	485,228	360,988	274,891	468,828	548,080	285,022	296,138	458,498	464,045	567,530	13,279	13,279
DIP															
Opening Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Facility Draw/Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance - DIP Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable															
Opening Balance	1,447,313	1,604,215	1,463,512	1,363,566	1,069,154	1,058,261	1,141,494	1,091,507	1,009,392	1,011,968	972,839	990,179	1,007,519	980,010	1,447,313
New Invoices	316,441	153,123	167,601	238,149	185,450	222,950	222,950	222,950	248,700	248,700	248,700	248,700	248,700	248,700	3,221,814
Collections	(159,539)	(293,826)	(267,547)	(532,561)	(196,343)	(139,717)	(272,937)	(305,064)	(246,125)	(287,829)	(231,360)	(231,360)	(276,209)	(231,360)	(3,671,776)
Ending Balance - AR	1,604,215	1,463,512	1,363,566	1,069,154	1,058,261	1,141,494	1,091,507	1,009,392	1,011,968	972,839	990,179	1,007,519	980,010	997,350	997,350

Ref Number	Buyer	Delivery Date	Expected Payment Date	Total Invoice Amount	Current Amount Outstanding	Expected settlement week in CF
PO-0062517-1	OCS		7/5/2024	43,278.86	43,278.86	7/1/2024
50030794	BC LDB		7/5/2024	9,771.30	9,771.30	7/8/2024
50030733	BC LDB		7/5/2024	9,229.50	9,229.50	7/8/2024
PO-0062922-1	OCS		7/5/2024	23,753.04	23,753.04	7/1/2024
10013076	NTLCC		7/5/2024	28,939.11	28,939.11	7/8/2024
PO-0060521-1	OCS		7/11/2024	133,669.30	133,669.30	7/15/2024
PO-0062372-1	OCS		7/4/2024	231,257.55	231,257.55	7/8/2024
PO-0062768-1	OCS		7/11/2024	106,045.67	106,045.67	7/15/2024
PO-0063175-1	OCS		7/18/2024	238,226.51	238,226.51	7/22/2024
PO-0063444-1	OCS		7/25/2024	23,300.28	23,300.28	7/22/2024
PO-0063607-1	OCS		7/25/2024	71,345.63	71,345.63	7/22/2024
PO-0063759-1	OCS		7/4/2024	14,628.58	14,628.58	7/8/2024
1381	Nuna Cannabis		7/5/2024	12,507.26	12,507.26	7/1/2024
1386	Nuna Cannabis		7/12/2024	20,014.93	20,014.93	7/15/2024
PO-0064412-1	OCS		8/8/2024	39,673.51	39,673.51	8/12/2024
PO-0064035-1	OCS		8/1/2024	37,904.26	37,904.26	8/5/2024
PO-0064539-1	OCS		7/18/2024	59,082.15	59,082.15	7/22/2024
50031867	BCLDB		7/12/2024	7,817.04	7,817.04	7/15/2024
PO-0064999-1	OCS		7/25/2024	30,831.35	30,831.35	7/29/2024
50032227	BCLDB		7/19/2024	27,594.00	27,594.00	7/22/2024
50032331	BCLDB		7/19/2024	115,511.76	115,511.76	7/29/2024
50032402	BCLDB		7/19/2024	33,012.00	33,012.00	7/22/2024
Invoice 2714	OCS		8/6/2024	71,345.63	71,345.63	8/12/2024
Invoice 2721	OCS		8/12/2024	37,904.26	37,904.26	8/12/2024
Invoice 2758	OCS		8/13/2024	20,669.17	20,669.17	8/12/2024
	Total Accounts Receivable - Domestic				**1,447,312.65**	
PO 22373	YK - Cannabis Yukon	7/3/2024		6,308.76	6,308.76	9/2/2024
PO 342729	MB - MBLL	7/2/2024		503.75	503.75	8/12/2024
PO 348055	MB - MBLL	7/4/2024		264.60	264.60	8/12/2024
PO 348088	MB - MBLL	7/4/2024		254.52	254.52	8/12/2024
PO 349298	MB - MBLL	7/8/2024		509.04	509.04	8/12/2024
PO 50032431	BC	7/17/2024		12,650.40	12,650.40	8/19/2024
PO 50032440	BC	7/5/2024		13,028.40	13,028.40	8/19/2024
PO 50032760	BC	7/17/2024		11,652.48	11,652.48	8/19/2024
PO 64711	ON - OCS	7/3/2024		121,521.33	121,521.33	8/19/2024
PO 65282	ON - OCS	7/3/2024		27,168.14	27,168.14	8/19/2024
PO 65959	ON - OCS	7/11/2024		29,997.97	29,997.97	8/26/2024
PO 66092	ON - OCS	6/24/2024		24,748.90	24,748.90	9/2/2024
PO 66347	ON - OCS	7/10/2024		39,314.24	39,314.24	8/26/2024
PO 66533	ON - OCS	6/28/2024		25,411.44	25,411.44	9/2/2024
PO 66674	ON - OCS	7/25/2024		22,683.98	22,683.98	9/23/2024
PO 66862	ON - OCS	7/25/2024		22,164.63	22,164.63	9/23/2024
PO 66969	ON - OCS	7/4/2024		17,231.23	17,231.23	8/19/2024
	Total Open Orders - Domestic				**375,413.82**	
	Cash collected and set aside since June 20, 2024				**134,181.44**	
	Total Booked Cash, Receivables and Open Orders available for Cash Flows				**1,956,907.90**	

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												Avg / Mth H1 Act	Avg / Mth Q3 FCST
								Confirmed	Forecast				
Shipment Month	**Customer Code**	**2024-01 Jan**	**2024-02 Feb**	**2024-03 Mar**	**2024-04 Apr**	**2024-05 May**	**2024-06 Jun**	**2024-07 Jul**	**2024-07 Jul**	**2024-08 Aug**	**2024-09 September**		
DOM	AB - AGLC	$ 257,830.40	$ 74,243.40	$ 42,263.60	$ 112,153.40	$ 80,991.00	$ 49,854.60			$ 50,000.00	$ 50,000.00	$ 102,889	33,333
	BC	$ 36,192.00	$ 141,702.60	$ 58,062.00	$ 134,232.00	$ 222,921.00	$ 222,264.00	$ 35,553.60	$ 130,000.00	$ 150,000.00	$ 100,000.00	$ 135,896	138,518
	MB - MBLL						$ 3,333.96	$ 1,458.96		$ 25,000.00	$ 25,000.00	$ 556	17,153
	NU - Nuna Cannabis	$ 13,108.56		$ 19,996.32		$ 11,911.68	$ 20,358.32			$ 10,000.00	$ 10,000.00	$ 10,896	6,667
	ON - OCS	$ 801,778.86	$ 615,569.04	$ 492,375.90	$ 601,047.60	$ 684,816.72	$ 605,448.36	$ 260,487.12	$ 180,000.00	$ 400,000.00	$ 300,000.00	$ 633,506	380,162
	PE - PEI Cannabis	$ 17,949.96										$ 2,992	-
	YK - Cannabis Yukon	$ 673.92	$ 892.32	$ 6,918.12	$ 2,033.40	$ 8,191.44	$ 1,667.52	$ 7,329.78		$ 1,000.00	$ 1,000.00	$ 3,396	3,110
	NT			$ 16,396.80		$ 3,489.30	$ 23,082.62			$ 15,000.00	$ 10,000.00	$ 7,161	8,333
	SK - Various Retailers	$ 16,916.80			$ 19,747.92	$ 95,446.40	$ 14,286.00			$ 25,000.00		$ 24,400	8,333
Total Domestic Revenue		**$ 1,144,450.50**	**$ 832,407.36**	**$ 636,012.74**	**$ 869,214.32**	**$ 1,107,767.54**	**$ 940,295.38**	**$ 304,829.46**	**$ 310,000.00**	**$ 676,000.00**	**$ 496,000.00**	$ 921,691	595,610
									$ 614,829.46				-35%
GST / HST on Invoice									$ 29,900.00	$ 65,800.00	$ 48,800.00		
Total Invoice									$ 339,900.00	$ 741,800.00	$ 544,800.00		
Collections	AB - AGLC								-	- 26,250	- 52,500		
	BC									- 136,500	- 157,500		
	MB - MBLL									-	- 26,250		
	NU - Nuna Cannabis									-	- 10,500		
	ON - OCS								-	- 94,500	- 304,500		
	PE - PEI Cannabis									-	-		
	YK - Cannabis Yukon									-	- 1,050		
	NT									-	- 15,750		
	SK - Various Retailers									-	- 26,250		
									-	- 257,250	- 594,300		
Excise Estimate	30%						$ 282,088.61		$ 184,448.84	$ 202,800.00	$ 148,800.00		

Monthly interest compounded daily 1.8%

	Opening Balanc	Interest	Interest Payments	Principal Payments	Ending Balance
Thursday, June 20, 2024					1,827,401
Monday, July 1, 2024	1,827,401	12,097		- 125,304	1,714,194
Monday, July 8, 2024	1,714,194	7,213			1,721,407
Monday, July 15, 2024	1,721,407	7,243			1,728,650
Monday, July 22, 2024	1,728,650	7,273			1,735,923
Monday, July 29, 2024	1,735,923	7,304	- 41,130	- 125,304	1,576,794
Monday, August 5, 2024	1,576,794	6,634			1,583,428
Monday, August 12, 2024	1,583,428	6,662			1,590,090
Monday, August 19, 2024	1,590,090	6,690			1,596,781
Monday, August 26, 2024	1,596,781	6,719	- 26,706	- 125,304	1,451,490
Monday, September 2, 2024	1,451,490	6,107			1,457,597
Monday, September 9, 2024	1,457,597	6,133			1,463,730
Monday, September 16, 2024	1,463,730	6,159			1,469,889
Monday, September 23, 2024	1,469,889	6,185			1,476,073
Monday, September 30, 2024	1,476,073	6,211	- 30,794	- 125,304	1,326,186
	1,827,401	98,630	- 98,630	- 501,215	1,326,186

Notes:

1) Interest to be further reconciled and supported and agreed to by Stoke. Figures above are calculations for modelling purposes.

2) Cash Flows assume monthly payments of Interest accrued in the period.

3) Principal payments represent cash payments equivalent to the amounts Advances on Purchased receivables that were still open as of the June 20, 2024 Initial Order

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

Court File No. CV-24-00722104-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

Proceedings commenced at Toronto

AFFIDAVIT OF DAVID ADAM GOLDSTEIN
(sworn July 8, 2024)

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TAB 2

Court File No.: CV-24-00722104-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

B E T W E E N:

STOKE CANADA FINANCE CORP.

Applicant

and

GREENSEAL CANNABIS COMPANY LTD., ATLAS GLOBAL BRANDS INC.

Respondents

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

AFFIDAVIT OF HOWARD STEINBERG

(Sworn July 8, 2024)

I, HOWARD STEINBERG of the City of Kelowna, **MAKE OATH AND SAY AS FOLLOWS**:

1. I am the founder and owner of Steinberg Advisory Corp. ("**SAC**"), which is an advisor to Stoke Canada Finance Corp. ("**Stoke**") and is the proposed chief restructuring officer of GreenSeal Cannabis Company Ltd. ("**GreenSeal**") to be engaged by PricewaterhouseCoopers Inc. ("**PwC**") as proposed receiver over all of the assets, property and undertakings of GreenSeal. I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and in all such cases believe it to be true.

2. A description of the qualifications and past engagements for SAC and its personnel is attached as **Exhibit "A"**. In summary, my firm has significant experience in respect of the

restructuring of a wide variety cannabis operations, including cultivation facilities like GreenSeal. In fact, one of SAC's current mandates is as Chief Executive Officer and formerly as chief restructuring officer of a similar cultivation facility in Ontario, the MJardin Group.

3. I have been involved throughout these proceedings and have reviewed the cash flow forecasts provided by GreenSeal. In addition, I have had significant discussions with management of GreenSeal among others about its restructuring plans and options, including a possible debtor in possession ("**DIP**") facility to be provided by Stoke as well as alternative plans of GreenSeal to attempt to operate during a sales process without any further borrowing by way of a DIP facility.

4. In my view, the operations planned by GreenSeal in its CCAA proceedings will cause losses to creditors of GreenSeal, principally as a result of the inordinately high level of expenses being incurred for cultivation and revenue.

5. Further, I believe that the cashflow projections for GreenSeal incorrectly state the amount and timing of expected revenue, principally from the Ontario Cannabis Store (the "**OCS**"), a customer of GreenSeal, with the result that GreenSeal will be unable to make the payments it projects.

6. In order to better map out the projected results of either a continued CCAA proceeding for GreenSeal or a receivership, I have reviewed and commented on the most recent cash flow projections from management for GreenSeal, which were received on July 6, 2024 (the "**July 6 Cash Flow**"). A copy of that is attached as Exhibit "A" to the Affidavit of David Adam Goldstein being delivered along with this affidavit. The version with my comments is attached hereto as **Exhibit "B"**.

7. In summary, my analysis projects that a receivership that continues to operate GreenSeal, including continuing to cultivate existing growing plants, will produce a result that generates

$757,354 more for creditors than the planned CCAA operations. Significant components of such a receivership include scaling back payroll and vendor costs in an amount of $960,008 and more aggressively disposing of inventory as compared to to GreenSeal's planned operations in order to generate $500,000 of proceeds.

8. I wish to emphasize that my analysis includes full funding for GreenSeal's upcoming payroll, which I understand is due on July 10, 2024. The scaling back of payroll will not affect that.

9. The receivership plan I have mapped out carries GreenSeal through to the end of September, which mirrors the operational time period in the proposed CCAA process. Throughout that time, GreenSeal would remain in operation and based on discussions I have had with PwC, its assets would be marketed for sale in a similar fashion as is contemplated in the CCAA process. If a buyer is found for GreenSeal's assets, that could be accommodated either along with or independent from any acquisition for the assets of Atlas and/or Agmedica. The projected results noted in paragraph 7, above, are exclusive of any recoveries from a sale of GreenSeal's assets, whether on a going concern basis or otherwise.

10. In terms of the operational plans and assumptions and the July 6 Cash Flow put forward by GreenSeal, I have several concerns, as follows:

a) The cash flow forecasts contain what in my view is an over-valuation of GreenSeal's inventory and forecasted sales. In particular, GreenSeal values its dried/unpackaged flower and packaged product inventory at approximately $3.6 million, and anticipates total receipts from operations of approximately $3.672 million. However, the value of GreenSeal's inventory in an insolvency process or at wholesale is likely no more than $550,000, or 83% less, than GreenSeal's estimate of value as of December, 2023. GreenSeal is anticipated to produce 400 kilograms of flower from plants currently in cultivation over the next two months with an expected wholesale price of $1.25/gram. Combined this totals $1 million of current and future inventory.

b) Sales will likely be materially lower than projected because (a) the business experienced a decrease in sales of 45% between October 2023 and June 2024, demonstrating a consistent downward trend, and (b) OCS sales dropping for the month of June by 19% compared to the previous month c) House brands OCS sales dropping 75% since July 2023 d) July product load ins of new product listings delivered in July. Considering the slower sales any replenish orders could take much longer than expected. The latter is not reflected in the Re-Amended Cashflow Forecast, which appears to assume a constant demand.

c) Cannabis companies in CCAA or other insolvency proceedings treated differently by OCS in several respects. One is that while OCS typically pays for orders in the 30 to 45 day time period reflected in GreenSeal's projections, after an insolvency filing OCS reverts to its 60 day policy, which I believe is done in order to protect itself against sending too much in the way of funds to a supplier before product return or other issues leading to credits against payments are known. The change of payment by OCS from 45 to 60 days appears to cause a gap in the ability to make necessary payments under GreenSeal's cash flow projections.

d) The proposal by GreenSeal amounts to using the majority of the receivables that Stoke purchased to fund operations while paying only a portion of those amounts to Stoke. The proposal goes on to grant Stoke a priority interest in the resulting planned receivables, but this engages the concerns noted above, namely that projected receivables are overstated and that the longer the period that GreenSeal attempts to operate then the higher that OCS reductions in payables will be as a result of return to vendor claims and other possible set-off claims against future receivables. Cycling existing receivables that appear to have value for future receivables that are much less solid represents a risk to creditors.

11. I am aware that Atlas and GreenSeal have asserted that GreenSeal may be required to make royalty payments of some kind to Atlas for D*gg branded products and to GreenSeal Nursery for plants cultivated from clones that it owns. I am unsure what the nature or amount of such royalties are as they have not been reflected in any of the cash flow projections supplied by GreenSeal for its planned CCAA operations. It does not seem as if GreenSeal needs to acquire anything from GreenSeal Nursery, because I have been advised by Jason Cervi and Bernie Yeung of Atlas that GreenSeal grows cannabis plants at its facility from material already in its possession. If it turns out that GreenSeal is unable to sell D*gg branded products in a cost effective manner due to any royalties that may be owing to Atlas, I would pivot GreenSeal's operations to package and ship its existing inventory and the product under cultivation under one or more of its in-house brands.

SWORN REMOTELY by HOWARD STEINBERG stated as being located in the City of Kelowna, before me at the City of Toronto, in the Province of Ontario, this 8th day of July 2024, in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely.*

DocuSigned by:
Joel Turgeon
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A Commissioner for taking Affidavits.
Joel Turgeon

Signed by:
Howard Steinberg
45A604AC9D28495...

HOWARD STEINBERG

THIS IS **EXHIBIT "A"** REFERRED TO IN THE
AFFIDAVIT OF HOWARD STEINBERG SWORN REMOTELY BY HOWARD STEINBERG STATED AS BEING LOCATED IN THE CITY OF KELOWNA, BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO, THIS 8TH DAY OF JULY 2024, IN ACCORDANCE WITH O. REG 431/20, *ADMINISTERING OATH OR DECLARATION REMOTELY*.

DocuSigned by:

Joel Turgeon

F5FAB6E5E55D48F

A COMMISSIONER FOR TAKING AFFIDAVITS

Joel Turgeon

SA
STEINBERG ADVISORY

INDEPENDENT ADVISORY AND RESTRUCTURING FIRM

As Canada's *only* operational restructuring company in the Cannabis Industry, Steinberg Advisory is made up of a group of Security Cleared and QAP Certified experts that have extensive experience in building and managing cannabis facilities and brands. As Canada's only cannabis restructuring company that is fully licensed to both *handle* and *sell* cannabis, we are uniquely positioned to provide services for every aspect of the organization, including: Board Positions, Operations, Cultivation, Compliance, Finance, Sales and Marketing, Quality Assurance, and Human Resources.

STEINBERG ADVISORY TEAM

Howard Steinberg

FOUNDER AND PRINCIPAL – SECURITY CLEARED

Mr. Steinberg and his team have extensive experience providing corporations with strategic and restructuring guidance to help them improve performance, solve problems, and achieve business goals. This has included navigating changes to the capital structure, management, ownership, or operations of the business within a variety of private/public companies.

Mr. Steinberg is a senior executive and experienced board and committee member focused on change management. His focus is on building strongly aligned management teams with a unified culture to maximize cash flow. He has served as a Managing Director of Fortress Investment Group, President of The Rose Corporation, Senior Vice President - Head of Canadian Distressed Lending at GE Capital, and Managing Director with RBC Capital Partners. Howard holds an MBA from the Ivey Business School (University of Western Ontario) and is a CFA Charter holder.

James Andrews

CULTIVATION - SECURITY CLEARED

Mr. Andrews has 15+ years' experience in the cannabis industry, focused on operations, breeding, cultivation, extraction, and product formulation. While James has engaged in projects around the globe, he has spent the last seven years focused on restructuring opportunities, including growing some of the best cannabis in Canada.

Will Werth

OPERATIONS - SECURITY CLEARED

Mr. Werth spent 7 years in the Canadian Armed Forces ("CAF") as a Combat Engineer. After release from the CAF, he obtained an Advanced Diploma in Software Engineering. Will entered the cannabis industry 7 years ago with a focus on technical operations and capital projects. He has led several successful projects, with budgets ranging from $1-20 million, spanning everything from new facility construction and licensing to operational retrofits targeting efficiencies.

Robin Linden

MARKETING - SECURITY CLEARED

Mr. Linden contributes over 25 years of leadership and brand management experience, including roles at some of North America's largest luxury brands. Robin has spent the last 8 years in the cannabis space, bringing several products and brands to market and holding a variety of executive positions, including: Head of Trade, CMO, and CEO. Robin is an experienced board member and has extensive restructuring experience in the cannabis sector.

Nicolas Elbaze

QUALITY ASSURANCE - SECURED CLEARED AND QAP CERTIFIED

Mr. Elbaze entered the cannabis industry 12 years ago, holding several senior quality roles while supporting 3 different companies in obtaining their federal cannabis licenses (including Standard Cultivation, Processing & Sales). His focus has shifted to restructuring, having successfully restructured 7 Quality & Compliance departments with a focus on performance, sustainability, stress tolerance and continuous improvement.

Pete Shearer

SALES AND DISTRIBUTION

Mr. Shearer has had over 19 years of career experience in the cannabis industry. Pete has consulted on the design, construction, and operation of numerous MMAR medical cannabis facilities. In January of 2018, Pete took the role of Director of Product Development and Planning at The Supreme Cannabis Company. In January 2020, Pete was recruited by the Ontario Cannabis Store (the largest buyer of cannabis in the world) to join the merchandising team as Senior Category Manager for Dried Flower. During his tenure at OCS, in addition to managing the rapidly growing assortment of new products and base of new vendors, Pete was responsible for authoring the Ontario Craft Cannabis Designation.

Jason Fleming

HUMAN RESOURCES

Mr. Fleming is an HR expert and corporate director with extensive experience across a variety of industries. His practice focuses on HR strategy, corporate restructuring, crisis management, organizational design, compensation program development, merger and acquisition integration, and start-up scaling. Jason has worked as an HR executive in transportation, cannabis, and biotechnology.

CANNABIS ENGAGEMENTS

MJardin Group

2022 - PRESENT

- Retained as Chief Restructuring Officer (“CRO”) as part of a CCAA filing
- Upon exiting CCAA transitioned to the position CEO
- Restructured operations that included an overhaul of senior management and grow systems allowing for the cultivation of super premium cannabis
- Created and launched new industry leading brands “Terp Town Collective”, “Piff”, and “Skunk Pharm”
- Obtained GACP Certification
- Established distribution channel into Australia
- Transformed the Company from one that had a significant cash burn to one that generates significant amounts of cash

Trichome

2019 - 2023 (PUBLIC) – CANADA’S ONLY STAND-ALONE CANNABIS LENDER

- Board Member and Advisor
- Reviewed and advised on dozens of cannabis financing opportunities
- Sold to Israeli based cannabis company in 2021
- Remained as an Advisor until 2023
- The company ultimately filed CCAA in 2023
- Retained as Advisor in CCAA to liquidate the assets

Trichome JWC Acquisition Corp

2020 - 2023

- New entity created to own the James E Wagner assets upon exiting CCAA
- Engaged as interim CEO to facilitate the business turnaround and sale
- Fixed operations including moving from aeroponics growing to traditional rockwool growing
- Obtained GACP certification
- Built one of Canada’s top selling premium cannabis brands “Wagners”
- Secured distribution and sales across Canada
- Established distribution channel into Israel
- Sold in 2021 as part of the Trichome sale to Israeli cannabis company
- Remained as an Advisor until 2023

MPXI

2023 (PUBLIC)

Monitor requested assessment detailing the value of operations in Canada, Europe, and South Africa. This included assessing the following:

- Leadership team, facility, grow systems, product, inventory, distribution channels, compliance and QA

James E Wagner

2020 - 2021 - 100,000+ SQ FT INDOOR CULTIVATION FACILITY

- Chaired the Special Committee of the Board
- Filed CCAA and retained the position of CRO
- Restructured leadership and balance sheet
- Sold to senior creditor – Trichome

CANNABIS ENGAGEMENTS

Highland Grow

2019 – 2021

- Grow facility located in Nova Scotia
- Facilitated the sale to MYM Nutraceuticals
- Built one of Canada's top selling super premium cannabis brands "Highland Grow"
- Secured distribution and sales across Canada

MYM Nutraceuticals

2018 - 2021 (PUBLIC)

- Retained as CEO and Board Member
- Oversaw facilities that were non-operational
- Prepared for and sold property connected to the failed "Weedon Project"
- Secured long sought-after cannabis cultivation license for the Montreal facility
- Acquired "Highland Grow" cannabis facility and brands
- Rightsized the operation eliminating the monthly cash burn
- Sold to Israeli based cannabis company in 2021

THIS IS **EXHIBIT "B"** REFERRED TO IN THE
AFFIDAVIT OF HOWARD STEINBERG SWORN REMOTELY BY HOWARD STEINBERG STATED AS BEING LOCATED IN THE CITY OF KELOWNA, BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO, THIS 8TH DAY OF JULY 2024, IN ACCORDANCE WITH O. REG 431/20, *ADMINISTERING OATH OR DECLARATION REMOTELY*.

DocuSigned by:
Joel Turgeon
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A COMMISSIONER FOR TAKING AFFIDAVITS
Joel Turgeon

	Receivership	CCAA	Variance
Receipts			
Confirmed	$1,822,726	$1,822,726	$0
New Business	$641,550	$641,550	$0
Domestic	$2,464,276	$2,464,276	$0
B2B Wholesale	$547,500	$547,500	$0
New Inventory Recently Grown	$500,000		$500,000
International		$0	$0
Intercompany Sales / (Purchases)	$0	$450,000	-$450,000
Total Receipts	$3,511,776	$3,461,776	$50,000
			$0
Operational Disbursements			$0
Payroll	$656,088	$1,212,941	-$556,853
Vendor Payments	$290,868	$594,022	-$303,155
Mortgage Payments	$157,500	$157,500	$0
Vendor Deposits - post stay	$0	$100,000	-$100,000
Property Taxes	$150,000	$150,000	$0
Utilities	$188,000	$188,000	$0
Insurance	$0	$0	$0
GST/HST	$180,000	$180,000	$0
Excise Remittance	$436,811	$436,811	$0
Total Operational Disbursements	$2,059,266	$3,019,274	-$960,008
	$0	$0	$0
Net Cash from Operations	$1,452,510	$442,503	$1,010,008
	$0	$0	$0
CCAA related Cash Flows	$0	$0	$0
DIP Facility Draw/(Repayment)	$0	$0	$0
DIP Fees	$0	$0	$0
Payments on Factoring Balance	$0	-$599,845	$599,845
Information Monitor	-$90,000	-$32,500	-$57,500
Professional Services	-$455,000	-$260,000	-$195,000
Payments to Trust Account	$0	$0	$0
Net Cash from CCAA	-$545,000	-$892,345	$347,345
Cash on Hand			
Opening balance	$253,121	$253,121	$0
Net Cash	$907,510	-$449,842	$1,357,353
Ending Balance - Cash	$1,160,632	-$196,721	$1,357,353
DIP			
Opening Balance	$0	$0	$0
DIP Facility Draw/Repayment	$0	$0	$0
Ending Balance - DIP Loan	$0	$0	$0

Accounts Receivable	**Receivership**	**CCAA**	**Variance**
Opening Balance	$1,447,313	$1,447,313	$0
New Invoices	$2,454,614	$3,221,814	-$767,200

Collections	-$3,511,776	-$3,461,776	-$50,000
Ending Balance - AR	$390,150	$1,207,350	-$817,200

Stoke notes:

a) OCS pays 60 days for companies in CCAA. Model is based on receiables collected in 45. We revised the model according. Company would run out of cash before the 13 week period.

b) YNCU is primed on receivables Stoke doesn't own. Stoke is not looking to prime YNCU.

c) Receivership benefits include: i) positive variance of $815K ii) control of the outcome including discussion with the CRA iii) allows for the exploration of a sale for 60 day periodi v) operational disbursements reduced by $1 million over 13 weeks.

Assumptions:

a) Assumes we harvest what plants are in the room until the end of August and then sell at $1.25/gram on a B2B basis.

b) Assumes existing inventory is worth $547k and the equipment $200K

c) Operational disburesements reduced by $1 million over 13 week period.

d) We continue to fill SKU's through the month of August after which all other product is sold B2B.

		1-Jul-24	8-Jul-24	15-Jul-24	22-Jul-24	29-Jul-24	5-Aug-24	12-Aug-24	19-Aug-24	26-Aug-24	2-Sep-24	9-Sep-24	16-Sep-24	23-Sep-24	30-Sep-24	Total	Atlas REF	Stoke Comments	Implications: YNCU	Implications: Stoke
Atlas CCAA Scenario	Payments (Interest and Principal	$125,304	$0	$0	$0	$166,434	$0	$0	$0	$152,010	$0	$0	$0	$0	$156,098	$599,845	(1)	**Assumes: 1) Sales forecast achevied 2) Receivables are clean (no CRA, RTV, etc risk) which we don't believe.**	+ maximum potential value realization on SISP as part of group with international reach + kept current with all regular mortgage payments	+ mostly favorable financial outcome + continued involvement through Information Monitor + Cash flow through the process (interest and pricinpal) + Security charge against receivables regardless of outcome of SISP
	Reserve Settlement from SISP														$853,324	$853,324	(2)			
	Total	$125,304	$0	$0	$0	$166,434	$0	$0	$0	$152,010	$0	$0	$0	$0	$1,009,422	$1,453,169				
	Cummulative	$125,304	$125,304	$125,304	$125,304	$291,738	$291,738	$291,738	$291,738	$443,747	$443,747	$443,747	$443,747	$443,747	$1,453,169	$1,453,169				
Stoke Receivership (no continuing business)	Net Cash from Operations	$37,139	$107,513	$228,047	$304,605	$100,393	$14,435	$209,812	$179,783	$101,314	$39,123	$98,760	$40,104	$80,990	($89,507)	$1,452,510	(3)	**Revised receivership allows for sale exploration while slowly winding down operations saving ~$1 million in operational dispursements.**	- lowest potential value realization on SISP, market for idle cannabis facilities is virtually non-existent and costs to repurpose facility would be significant - no debt servicing payments - additional costs for disputes with Stoke over claims for security interest of receivables	- limited to just the $1.4M in current receivables to recover - liquidation of current inventory not expected to yield any significant value as IP ownership (genetics and branding) would not follow with receivership; assumes any recovery would offset costs associated with disposal of remaining un-sellable goods - fees incurred for SAC, Receiver and Legal would erode recovery of receivables
	SAC Expenses	$0	$0	$0	$0	($30,000)	$0	$0	$0	($30,000)	$0	$0	$0	$0	($30,000)	($90,000)	(4)			
	Receiver and Legal Fees	$0	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($455,000)	(5)			
	Sale of Receivables Post Sept 30														$390,150	$390,150				
	Cash on Hand														$253,121	$253,121	(6)			
	Total	$37,139	$72,513	$193,047	$269,605	$35,393	($20,565)	$174,812	$144,783	$36,314	$4,123	$63,760	$5,104	$45,990	$488,764	$1,550,782				
	Cummulative	$37,139	$109,652	$302,699	$572,304	$607,697	$587,133	$761,945	$906,728	$943,041	$947,164	$1,010,924	$1,016,028	$1,062,018	$1,550,782	$1,550,782				
	Difference	($88,165)	($15,652)	$177,395	$447,000	$315,960	$295,395	$470,207	$614,990	$499,294	$503,417	$567,177	$572,280	$618,271	$97,612	$97,612	A1			

Notes:

(1) Included in Cash Flows are payments for interest and principal in the amount Advanced under the agreement against the receivable assets on record as at June 20th Initial Order date.
(2) Stoke would maintain a charge over receivables for this balance and would realize this either through SISP or through liquidation. Outcome would be known by first week of September (indicated by red vertical line) once SISP bids are received and determined if viable or not for recovery of GreenSeal secured creditors
(3) These are the receivables on hand as of July 1, 2024 (see Confirmed tab for details). This would be maximum realizable collections should there be an immediate receivership action. **NOTE: this does not even consider any possible offsets due to Return to Vendor for stock at provincial distributors.**
(4) Payments to external advisor to provide management oversight as GreenSeal management currently provided by Atlas would need to be replaced.
(5) A separate receiver would need to be appointed and engaged and would not benefit from the efficiency of one monitor over the entire group
(6) Stoke and YNCU would have to self fund their legal fees in support of their receivership
(7) Genetics are owned by GreenSeal Nursery who would need to be compensated on sales; Snoop Dogg brand, which accounts for 80% of GreenSeal revenues currently, is licensed to Atlas who would need to be compensated for branding and sales and marketing tools created

Stoke Alternative 1 (A1): Stoke's value realization would likely be nearly $0.5M lower as it incurs additional costs. Stoke would also be at further risk for 1) potential impact of RTVs; and 2) claims from YNCU over Receivables and Inventory given the likely fact they would not realize sufficent value in the property alone.

Stoke Alternative 2 (A2): It is unlikely Stoke would realize any value through attempting to operate the business and recover through a SISP as the cash flows of the business are not sufficient to support a separately run processs with addition of independent advisors as well as the royalty payment requirements back to Atlas.
The likelihood that Stoke, even with the aid of its independent advisor, could find operational improvements to recover nearly $2M in costs on a business that has yet to achieve $10M in sales annually is significantly in doubt.
Further, the market value of a stand-alone cultivation site with no intangible assets (genetics, branding) and no other unique qualities, such as access to international markets through Atlas, would likely not realize sufficient recovery to satisfy all secured creditors.

Greenseal Cannabis Company Ltd.
13 Week Cash Flow
Canadian $
DRAFT

	1-Jul-24	8-Jul-24	15-Jul-24	22-Jul-24	29-Jul-24	5-Aug-24	12-Aug-24	19-Aug-24	26-Aug-24	2-Sep-24	9-Sep-24	16-Sep-24	23-Sep-24	30-Sep-24	Total
Receipts															
Confirmed	*79,539*	*293,826*	*267,547*	*452,561*	*146,343*	*37,904*	*171,124*	*203,252*	*69,312*	*56,469*	*-*	*-*	*44,849*	*-*	*1,822,726*
New Business	*-*	*-*	*-*	*-*	*-*	*40,688*	*40,688*	*40,688*	*40,688*	*95,760*	*95,760*	*95,760*	*95,760*	*95,760*	*641,550*
Domestic	79,539	293,826	267,547	452,561	146,343	78,592	211,812	243,939	110,000	152,229	95,760	95,760	140,609	95,760	2,464,276
B2B Wholesale	80,000	-	-	80,000	50,000	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	547,500
Used Equipment Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Inventory Recently Grown						-	-	-	250,000					250,000	500,000
Total Receipts	159,539	293,826	267,547	532,561	196,343	116,092	249,312	281,439	397,500	189,729	133,260	133,260	178,109	383,260	3,511,776
Operational Disbursements															
Payroll	-	169,313	-	84,657		84,657	-	84,657		84,657	-	84,657	-	63,492	656,088
Vendor Payments	52,900	17,000	17,000	33,737	26,450	17,000	17,000	17,000	29,237	18,950	12,000	8,500	14,619	9,475	290,868
Mortgage Payments	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	157,500
Vendor Deposits - post stay	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	150,000	150,000
Utilities	47,000	-	-	-	47,000	-	-	-	-	47,000	-	-	-	47,000	188,000
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST/HST	-	-	-	60,000		-	-	-	60,000	-	-	-	60,000	-	180,000
Excise Remittance	-	-	-	49,562		-	-	-	184,449	-	-	-	-	202,800	436,811
Total Operational Disbursements	122,400	186,313	39,500	227,956	95,950	101,657	39,500	101,657	296,186	150,607	34,500	93,157	97,119	472,767	2,059,266
Net Cash from Operations	**37,139**	**107,513**	**228,047**	**304,605**	**100,393**	**14,435**	**209,812**	**179,783**	**101,314**	**39,123**	**98,760**	**40,104**	**80,990**	**(89,507)**	**1,452,510**
CCAA related Cash Flows															
DIP Facility Draw/(Repayment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments on Factoring Balance													-		-
Information Monitor	-				(30,000)				(30,000)					(30,000)	(90,000)
Professional Services	-	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)	(455,000)
Payments to Trust Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from CCAA	**-**	**(35,000)**	**(35,000)**	**(35,000)**	**(65,000)**	**(35,000)**	**(35,000)**	**(35,000)**	**(65,000)**	**(35,000)**	**(35,000)**	**(35,000)**	**(35,000)**	**(65,000)**	**(545,000)**
Cash on Hand															
Opening balance	253,121	290,261	362,774	555,821	825,426	860,819	840,254	1,015,066	1,159,849	1,196,163	1,200,285	1,264,045	1,269,149	1,315,139	253,121
Net Cash	37,139	72,513	193,047	269,605	35,393	(20,565)	174,812	144,783	36,314	4,123	63,760	5,104	45,990	(154,507)	907,510
Ending Balance - Cash	290,261	362,774	555,821	825,426	860,819	840,254	1,015,066	1,159,849	1,196,163	1,200,285	1,264,045	1,269,149	1,315,139	1,160,632	1,160,632
DIP															
Opening Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Facility Draw/Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance - DIP Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable															
Opening Balance	1,447,313	1,604,215	1,463,512	1,363,566	1,069,154	1,058,261	1,165,119	1,138,757	1,080,267	970,268	818,039	722,279	626,519	485,910	1,447,313
New Invoices	316,441	153,123	167,601	238,149	185,450	222,950	222,950	222,950	287,500	37,500	37,500	37,500	37,500	287,500	2,454,614
Collections	(159,539)	(293,826)	(267,547)	(532,561)	(196,343)	(116,092)	(249,312)	(281,439)	(397,500)	(189,729)	(133,260)	(133,260)	(178,109)	(383,260)	(3,511,776)
Ending Balance - AR	1,604,215	1,463,512	1,363,566	1,069,154	1,058,261	1,165,119	1,138,757	1,080,267	970,268	818,039	722,279	626,519	485,910	390,150	390,150

New Invoices in Sept 30 2024

Shipment Month	Customer Code	2024-01 Jan	2024-02 Feb	2024-03 Mar	2024-04 Apr	2024-05 May	2024-06 Jun	2024-07 Jul	2024-07 Jul	2024-08 Aug	2024-09 September	Avg / Mth H1 Act	Avg / Mth Q3 FCST	
								Confirmed	Forecast					
DOM	AB - AGLC	$ 257,830.40	$ 74,243.40	$ 42,263.60	$ 112,153.40	$ 80,991.00	$ 49,854.60			$ 50,000.00		$ 102,889	16,667	$ 50,000.00
	BC	$ 36,192.00	$ 141,702.60	$ 58,062.00	$ 134,232.00	$ 222,921.00	$ 222,264.00	$ 35,553.60	$ 130,000.00	$ 150,000.00		$ 135,896	105,185	$ 100,000.00
	MB - MBLL						$ 3,333.96	$ 1,458.96		$ 25,000.00		$ 556	8,820	$ 25,000.00
	NU - Nuna Cannabis	$ 13,108.56		$ 19,996.32		$ 11,911.68	$ 20,358.32			$ 10,000.00		$ 10,896	3,333	$ 10,000.00
	ON - OCS	$ 801,778.86	$ 615,569.04	$ 492,375.90	$ 601,047.60	$ 684,816.72	$ 605,448.36	$ 260,487.12	$ 180,000.00	$ 400,000.00		$ 633,506	280,162	$ 300,000.00
	PE - PEI Cannabis	$ 17,949.96										$ 2,992	-	
	YK - Cannabis Yukon	$ 673.92	$ 892.32	$ 6,918.12	$ 2,033.40	$ 8,191.44	$ 1,667.52	$ 7,329.78		$ 1,000.00		$ 3,396	2,777	$ 1,000.00
	NT			$ 16,396.80		$ 3,489.30	$ 23,082.62			$ 15,000.00		$ 7,161	5,000	$ 10,000.00
	SK - Various Retailers	$ 16,916.80			$ 19,747.92	$ 95,446.40	$ 14,286.00			$ 25,000.00		$ 24,400	8,333	
Total Domestic Revenue		**$ 1,144,450.50**	**$ 832,407.36**	**$ 636,012.74**	**$ 869,214.32**	**$ 1,107,767.54**	**$ 940,295.38**	**$ 304,829.46**	**$ 310,000.00**	**$ 676,000.00**	**$ -**	$ 921,691	430,276	
									$ 614,829.46				-53%	
GST / HST on Invoice									$ 29,900.00	$ 65,800.00	$ -			
Total Invoice									$ 339,900.00	$ 741,800.00	$ -			
Collections	AB - AGLC								-	- 26,250	- 26,250			
	BC									- 136,500	- 157,500			
	MB - MBLL									-	- 26,250			
	NU - Nuna Cannabis									-	- 10,500			
	ON - OCS								-		- 189,000			
	PE - PEI Cannabis									-	-			
	YK - Cannabis Yukon									-	- 1,050			
	NT									-	- 15,750			
	SK - Various Retailers									-	- 26,250			
									-	- 162,750	- 452,550			
Excise Estimate	30%						$ 282,088.61		$ 184,448.84	$ 202,800.00	$ -			

		1-Jul-24	8-Jul-24	15-Jul-24	22-Jul-24	29-Jul-24	5-Aug-24	12-Aug-24	19-Aug-24	26-Aug-24	2-Sep-24	9-Sep-24	16-Sep-24	23-Sep-24	30-Sep-24	Total	REF	Implications: YNCU	Implications: Stoke
Atlas CCAA Scenario	Payments (Interest and Principa	$125,304	$0	$0	$0	$166,434	$0	$0	$0	$152,010	$0	$0	$0	$0	$156,098	$599,845	(1)	+ maximum potential value realization on SISP as part of group with international reach + kept current with all regular mortgage payments	+ mostly favorable financial outcome + continued involvement through Information Monitor + Cash flow through the process (interest and pricinpal) + Security charge against receivables regardless of outcome of SISP
	Reserve Settlement from SISP														$853,324	$853,324	(2)		
	Total	$125,304	$0	$0	$0	$166,434	$0	$0	$0	$152,010	$0	$0	$0	$0	$1,009,422	$1,453,169			
	Cummulative	$125,304	$125,304	$125,304	$125,304	$291,738	$291,738	$291,738	$291,738	$443,747	$443,747	$443,747	$443,747	$443,747	$1,453,169	$1,453,169			
Stoke Receivership (no continuing business)	AR Collections	$79,539	$293,826	$267,547	$452,561	$146,343	$37,904	$169,593	$0	$0	$0	$0	$0	$0	$0	$1,447,313	(3)	- lowest potential value realization on SISP, market for idle cannabis facilities is virtually non-existent and costs to repurpose facility would be significant - no debt servicing payments - additional costs for disputes with Stoke over claims for security interest of receivables	- limited to just the $1.4M in current receivables to recover - liquidation of current inventory not expected to yield any significant value as IP ownership (genetics and branding) would not follow with receivership; assumes any recovery would offset costs associated with disposal of remaining un-sellable goods - fees incurred for SAC, Receiver and Legal would erode recovery of receivables
	SAC Expenses	($50,000)					($50,000)				($50,000)					($150,000)	(4)		
	Receiver Fees	($12,500)	($12,500)	($12,500)	($12,500)	($12,500)	($12,500)	($12,500)	($12,500)							($100,000)	(5)		
	CCAA Expenses (legal)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	$0	$0	$0	$0	$0	($225,000)	(6)		
	Total	($7,961)	$256,326	$230,047	$415,061	$108,843	($49,596)	$132,093	($37,500)	($25,000)	($50,000)	$0	$0	$0	$0	$972,313			
	Cummulative	($7,961)	$248,365	$478,412	$893,473	$1,002,316	$952,720	$1,084,813	$1,047,313	$1,022,313	$972,313	$972,313	$972,313	$972,313	$972,313	$972,313			
	Difference	($133,265)	$123,061	$353,108	$768,169	$710,578	$660,983	$793,075	$755,575	$578,566	$528,566	$528,566	$528,566	$528,566	($480,857)	($480,857)	**A1**		
Stoke Receivership (Continuing business)	Net Cash from Operations	$37,139	$90,513	$111,047	$186,212	$64,693	($87,221)	$192,812	$78,126	($112,173)	$10,516	$161,760	$4,947	$102,885	($398,753)	$442,503		- below market average value realization on SISP given no attributable intangible value (branding, genetics) + debt servicing payments included - extended SISP timeline to allow for organization of separate process, no benefit of progress already made and interest generated in Atlas	- cash generated in operating business would be significantly eroded by costs attributed to the receivership process as well as royalties that would be due to Atlas in relation to the genetics and the branding - would require significant operational improvement or improved value creation in order to recover any position
	CCAA Expenses (legal)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	($25,000)	$0	$0	$0	$0	$0	($225,000)	(6)		
	SAC Expenses	($50,000)					($50,000)				($50,000)				($50,000)	($200,000)	(4)		
	Receiver Fees	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($20,000)	($280,000)	(5)		
	Royalties payble to Atlas	($13,919)	($51,420)	($46,821)	($79,198)	($25,610)	($13,754)	($37,067)	($42,689)	($19,250)	($26,640)	($16,758)	($16,758)	($24,607)	($16,758)	($431,248)	(7)		
	Total	($71,780)	($5,907)	$19,226	$62,013	($5,917)	($195,975)	$110,745	($9,563)	($176,423)	($86,124)	$125,002	($31,811)	$58,278	($485,511)	($693,746)			
	Cummulative	($71,780)	($77,687)	($58,460)	$3,553	($2,364)	($198,339)	($87,594)	($97,157)	($273,580)	($359,704)	($234,702)	($266,513)	($208,235)	($693,746)	($693,746)			
	Difference	($197,084)	($202,990)	($183,764)	($121,751)	($294,101)	($490,076)	($379,331)	($388,894)	($717,327)	($803,451)	($678,449)	($710,260)	($651,982)	($2,146,915)	($2,146,915)	**A2**		

Notes:

(1) Included in Cash Flows are payments for interest and principal in the amount Advanced under the agreement against the receivable assets on record as at June 20th Initial Order date.
(2) Stoke would maintain a charge over receivables for this balance and would realize this either through SISP or through liquidation. Outcome would be known by first week of September (indicated by red vertical line) once SISP bids are received and determined if viable or not for recovery of GreenSeal secured creditors
(3) These are the receivables on hand as of July 1, 2024 (see Confirmed tab for details). This would be maximum realizable collections should there be an immediate receivership action. **NOTE: this does not even consider any possible offsets due to Return to Vendor for stock at provincial distributors.**
(4) Payments to external advisor to provide management oversight as GreenSeal management currently provided by Atlas would need to be replaced.
(5) A separate receiver would need to be appointed and engaged and would not benefit from the efficiency of one monitor over the entire group
(6) Stoke and YNCU would have to self fund their legal fees in support of their receivership
(7) Genetics are owned by GreenSeal Nursery who would need to be compensated on sales; Snoop Dogg brand, which accounts for 80% of GreenSeal revenues currently, is licensed to Atlas who would need to be compensated for branding and sales and marketing tools created

Stoke Alternative 1 (A1): Stoke's value realization would likely be nearly $0.5M lower as it incurs additional costs. Stoke would also be at further risk for 1) potential impact of RTVs; and 2) claims from YNCU over Receivables and Inventory given the likely fact they would not realize sufficent value in the property alone.

Stoke Alternative 2 (A2): It is unlikely Stoke would realize any value through attempting to operate the business and recover through a SISP as the cash flows of the business are not sufficient to support a separately run processs with addition of independent advisors as well as the royalty payment requirements back to Atlas.
The likelihood that Stoke, even with the aid of its independent advisor, could find operational improvements to recover nearly $2M in costs on a business that has yet to achieve $10M in sales annually is significantly in doubt.
Further, the market value of a stand-alone cultivation site with no intangible assets (genetics, branding) and no other unique qualities, such as access to international markets through Atlas, would likely not realize sufficient recovery to satisfy all secured creditors.

Greenseal Cannabis Company Ltd.
13 Week Cash Flow
Canadian $
DRAFT

	1-Jul-24	8-Jul-24	15-Jul-24	22-Jul-24	29-Jul-24	5-Aug-24	12-Aug-24	19-Aug-24	26-Aug-24	2-Sep-24	9-Sep-24	16-Sep-24	23-Sep-24	30-Sep-24	Total
Receipts															
Confirmed	*79,539*	*293,826*	*267,547*	*452,561*	*146,343*	*37,904*	*171,124*	*203,252*	*69,312*	*56,469*	*-*	*-*	*44,849*	*-*	*1,822,726*
New Business	*-*	*-*	*-*	*-*	*-*	*40,688*	*40,688*	*40,688*	*40,688*	*95,760*	*95,760*	*95,760*	*95,760*	*95,760*	*641,550*
Domestic	79,539	293,826	267,547	452,561	146,343	78,592	211,812	243,939	110,000	152,229	95,760	95,760	140,609	95,760	2,464,276
B2B Wholesale	80,000	-	-	80,000	50,000	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	547,500
International	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany Sales / (Purchases)						-	-	-	75,000	75,000	75,000	75,000	75,000	75,000	450,000
Total Receipts	159,539	293,826	267,547	532,561	196,343	116,092	249,312	281,439	222,500	264,729	208,260	208,260	253,109	208,260	3,461,776
Operational Disbursements															
Payroll	-	169,313	-	169,313	9,250	169,313	-	169,313	9,250	169,313	-	169,313	9,250	169,313	1,212,941
Vendor Payments	52,900	34,000	34,000	67,474	52,900	34,000	34,000	34,000	58,474	37,900	24,000	34,000	58,474	37,900	594,022
Mortgage Payments	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	22,500	-	157,500
Vendor Deposits - post stay	-	-	100,000	-	-	-	-	-	-	-	-	-	-	-	100,000
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	150,000	150,000
Utilities	47,000	-	-	-	47,000	-	-	-	-	47,000	-	-	-	47,000	188,000
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST/HST	-	-	-	60,000		-	-	-	60,000	-	-	-	60,000	-	180,000
Excise Remittance	-	-	-	49,562		-	-	-	184,449	-	-	-	-	202,800	436,811
Total Operational Disbursements	122,400	203,313	156,500	346,349	131,650	203,313	56,500	203,313	334,673	254,213	46,500	203,313	150,224	607,013	3,019,274
Net Cash from Operations	**37,139**	**90,513**	**111,047**	**186,212**	**64,693**	**(87,221)**	**192,812**	**78,126**	**(112,173)**	**10,516**	**161,760**	**4,947**	**102,885**	**(398,753)**	**442,503**
CCAA related Cash Flows															
DIP Facility Draw/(Repayment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments on Factoring Balance	(125,304)	-	-	-	(166,434)	-	-	-	(152,010)	-	-	-	-	(156,098)	(599,845)
Information Monitor	-	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(32,500)
Professional Services	-	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(260,000)
Payments to Trust Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from CCAA	**(125,304)**	**(22,500)**	**(22,500)**	**(22,500)**	**(188,934)**	**(22,500)**	**(22,500)**	**(22,500)**	**(174,510)**	**(22,500)**	**(22,500)**	**(22,500)**	**(22,500)**	**(178,598)**	**(892,345)**
Cash on Hand															
Opening balance	253,121	164,957	232,970	321,517	485,228	360,988	251,266	421,578	477,205	190,522	178,538	317,798	300,245	380,630	253,121
Net Cash	(88,165)	68,013	88,547	163,712	(124,241)	(109,721)	170,312	55,626	(286,683)	(11,984)	139,260	(17,553)	80,385	(577,351)	(449,842)
Ending Balance - Cash	164,957	232,970	321,517	485,228	360,988	251,266	421,578	477,205	190,522	178,538	317,798	300,245	380,630	(196,721)	(196,721)
DIP															
Opening Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Facility Draw/Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance - DIP Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable															
Opening Balance	1,447,313	1,604,215	1,463,512	1,363,566	1,069,154	1,058,261	1,165,119	1,138,757	1,080,267	1,106,468	1,090,439	1,130,879	1,171,319	1,166,910	1,447,313
New Invoices	316,441	153,123	167,601	238,149	185,450	222,950	222,950	222,950	248,700	248,700	248,700	248,700	248,700	248,700	3,221,814
Collections	(159,539)	(293,826)	(267,547)	(532,561)	(196,343)	(116,092)	(249,312)	(281,439)	(222,500)	(264,729)	(208,260)	(208,260)	(253,109)	(208,260)	(3,461,776)
Ending Balance - AR	1,604,215	1,463,512	1,363,566	1,069,154	1,058,261	1,165,119	1,138,757	1,080,267	1,106,468	1,090,439	1,130,879	1,171,319	1,166,910	1,207,350	1,207,350

												Avg / Mth	Avg / Mth
								Confirmed	Forecast			H1 Act	Q3 FCST
Shipment Month	**Customer Code**	**2024-01 Jan**	**2024-02 Feb**	**2024-03 Mar**	**2024-04 Apr**	**2024-05 May**	**2024-06 Jun**	**2024-07 Jul**	**2024-07 Jul**	**2024-08 Aug**	**2024-09 September**		
DOM	AB - AGLC	$ 257,830.40	$ 74,243.40	$ 42,263.60	$ 112,153.40	$ 80,991.00	$ 49,854.60			$ 50,000.00	$ 50,000.00	$ 102,889	33,333
	BC	$ 36,192.00	$ 141,702.60	$ 58,062.00	$ 134,232.00	$ 222,921.00	$ 222,264.00	$ 35,553.60	$ 130,000.00	$ 150,000.00	$ 100,000.00	$ 135,896	138,518
	MB - MBLL						$ 3,333.96	$ 1,458.96		$ 25,000.00	$ 25,000.00	$ 556	17,153
	NU - Nuna Cannabis	$ 13,108.56		$ 19,996.32		$ 11,911.68	$ 20,358.32			$ 10,000.00	$ 10,000.00	$ 10,896	6,667
	ON - OCS	$ 801,778.86	$ 615,569.04	$ 492,375.90	$ 601,047.60	$ 684,816.72	$ 605,448.36	$ 260,487.12	$ 180,000.00	$ 400,000.00	$ 300,000.00	$ 633,506	380,162
	PE - PEI Cannabis	$ 17,949.96										$ 2,992	-
	YK - Cannabis Yukon	$ 673.92	$ 892.32	$ 6,918.12	$ 2,033.40	$ 8,191.44	$ 1,667.52	$ 7,329.78		$ 1,000.00	$ 1,000.00	$ 3,396	3,110
	NT			$ 16,396.80		$ 3,489.30	$ 23,082.62			$ 15,000.00	$ 10,000.00	$ 7,161	8,333
	SK - Various Retailers	$ 16,916.80			$ 19,747.92	$ 95,446.40	$ 14,286.00			$ 25,000.00		$ 24,400	8,333
Total Domestic Revenue		**$ 1,144,450.50**	**$ 832,407.36**	**$ 636,012.74**	**$ 869,214.32**	**$ 1,107,767.54**	**$ 940,295.38**	**$ 304,829.46**	**$ 310,000.00**	**$ 676,000.00**	**$ 496,000.00**	$ 921,691	595,610
									$ 614,829.46				-35%
GST / HST on Invoice									$ 29,900.00	$ 65,800.00	$ 48,800.00		
Total Invoice									$ 339,900.00	$ 741,800.00	$ 544,800.00		
Collections	AB - AGLC								-	- 26,250	- 52,500		
	BC									- 136,500	- 157,500		
	MB - MBLL									-	- 26,250		
	NU - Nuna Cannabis									-	- 10,500		
	ON - OCS								-	-	- 189,000		
	PE - PEI Cannabis									-	-		
	YK - Cannabis Yukon									-	- 1,050		
	NT									-	- 15,750		
	SK - Various Retailers									-	- 26,250		
									-	- 162,750	- 478,800		
Excise Estimate	30%						$ 282,088.61		$ 184,448.84	$ 202,800.00	$ 148,800.00		

Ref Number	**Buyer**	**Delivery Date**	**Expected Payment Date**	**Total Invoice Amount**	**Current Amount Outstanding**	Expected settlement week in CF
PO-0062517-1	OCS		7/5/2024	43,278.86	43,278.86	7/1/2024
50030794	BC LDB		7/5/2024	9,771.30	9,771.30	7/8/2024
50030733	BC LDB		7/5/2024	9,229.50	9,229.50	7/8/2024
PO-0062922-1	OCS		7/5/2024	23,753.04	23,753.04	7/1/2024
10013076	NTLCC		7/5/2024	28,939.11	28,939.11	7/8/2024
PO-0060521-1	OCS		7/11/2024	133,669.30	133,669.30	7/15/2024
PO-0062372-1	OCS		7/4/2024	231,257.55	231,257.55	7/8/2024
PO-0062768-1	OCS		7/11/2024	106,045.67	106,045.67	7/15/2024
PO-0063175-1	OCS		7/18/2024	238,226.51	238,226.51	7/22/2024
PO-0063444-1	OCS		7/25/2024	23,300.28	23,300.28	7/22/2024
PO-0063607-1	OCS		7/25/2024	71,345.63	71,345.63	7/22/2024
PO-0063759-1	OCS		7/4/2024	14,628.58	14,628.58	7/8/2024
1381	Nuna Cannabis		7/5/2024	12,507.26	12,507.26	7/1/2024
1386	Nuna Cannabis		7/12/2024	20,014.93	20,014.93	7/15/2024
PO-0064412-1	OCS		8/8/2024	39,673.51	39,673.51	8/12/2024
PO-0064035-1	OCS		8/1/2024	37,904.26	37,904.26	8/5/2024
PO-0064539-1	OCS		7/18/2024	59,082.15	59,082.15	7/22/2024
50031867	BCLDB		7/12/2024	7,817.04	7,817.04	7/15/2024
PO-0064999-1	OCS		7/25/2024	30,831.35	30,831.35	7/29/2024
50032227	BCLDB		7/19/2024	27,594.00	27,594.00	7/22/2024
50032331	BCLDB		7/19/2024	115,511.76	115,511.76	7/29/2024
50032402	BCLDB		7/19/2024	33,012.00	33,012.00	7/22/2024
Invoice 2714	OCS		8/6/2024	71,345.63	71,345.63	8/12/2024
Invoice 2721	OCS		8/12/2024	37,904.26	37,904.26	8/12/2024
Invoice 2758	OCS		8/13/2024	20,669.17	20,669.17	8/12/2024
	Total Accounts Receivable - Domestic				**1,447,312.65**	
PO 22373	YK - Cannabis Yukon	7/3/2024		6,308.76	6,308.76	9/2/2024
PO 342729	MB - MBLL	7/2/2024		503.75	503.75	8/12/2024

PO 348055	MB - MBLL	7/4/2024	264.60	264.60	8/12/2024
PO 348088	MB - MBLL	7/4/2024	254.52	254.52	8/12/2024
PO 349298	MB - MBLL	7/8/2024	509.04	509.04	8/12/2024
PO 50032431	BC	7/17/2024	12,650.40	12,650.40	8/19/2024
PO 50032440	BC	7/5/2024	13,028.40	13,028.40	8/19/2024
PO 50032760	BC	7/17/2024	11,652.48	11,652.48	8/19/2024
PO 64711	ON - OCS	7/3/2024	121,521.33	121,521.33	8/19/2024
PO 65282	ON - OCS	7/3/2024	27,168.14	27,168.14	8/19/2024
PO 65959	ON - OCS	7/11/2024	29,997.97	29,997.97	8/26/2024
PO 66092	ON - OCS	6/24/2024	24,748.90	24,748.90	9/2/2024
PO 66347	ON - OCS	7/10/2024	39,314.24	39,314.24	8/26/2024
PO 66533	ON - OCS	6/28/2024	25,411.44	25,411.44	9/2/2024
PO 66674	ON - OCS	7/25/2024	22,683.98	22,683.98	9/23/2024
PO 66862	ON - OCS	7/25/2024	22,164.63	22,164.63	9/23/2024
PO 66969	ON - OCS	7/4/2024	17,231.23	17,231.23	8/19/2024
	Total Open Orders - Domestic			**375,413.82**	
	Cash collected and set aside since June 20, 2024			**134,181.44**	
	Total Booked Cash, Receivables and Open Orders available for Cash Flows			**1,956,907.90**	

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Monthly interest compounded daily 1.8%

	Opening Balanc	Interest	Interest Payments	Principal Payments	Ending Balance
Thursday, June 20, 2024					1,827,401
Monday, July 1, 2024	1,827,401	12,097		- 125,304	1,714,194
Monday, July 8, 2024	1,714,194	7,213			1,721,407
Monday, July 15, 2024	1,721,407	7,243			1,728,650
Monday, July 22, 2024	1,728,650	7,273			1,735,923
Monday, July 29, 2024	1,735,923	7,304	- 41,130	- 125,304	1,576,794
Monday, August 5, 2024	1,576,794	6,634			1,583,428
Monday, August 12, 2024	1,583,428	6,662			1,590,090
Monday, August 19, 2024	1,590,090	6,690			1,596,781
Monday, August 26, 2024	1,596,781	6,719	- 26,706	- 125,304	1,451,490
Monday, September 2, 2024	1,451,490	6,107			1,457,597
Monday, September 9, 2024	1,457,597	6,133			1,463,730
Monday, September 16, 2024	1,463,730	6,159			1,469,889
Monday, September 23, 2024	1,469,889	6,185			1,476,073
Monday, September 30, 2024	1,476,073	6,211	- 30,794	- 125,304	1,326,186
	1,827,401	98,630	- 98,630	- 501,215	1,326,186

Notes:

1) Interest to be further reconciled and supported and agreed to by Stoke. Figures above are calculations for modelling purposes.

2) Cash Flows assume monthly payments of Interest accrued in the period.

3) Principal payments represent cash payments equivalent to the amounts Advances on Purchased receivables that were still open as of the June 20, 2024 Initial Order

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

Court File No. CV-24-00722104-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

Proceedings commenced at Toronto

AFFIDAVIT OF HOWARD STEINBERG
(sworn July 8, 2024)

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Court File No. CV-24-00722104-00CL

STOKE INVENTORY PARTNERS INC. And **GREENSEAL CANNABIS COMPANY LTD.**

In The Matter Of An Application Under Section 243(1) Of The Bankruptcy And Insolvency Act, R.S.C. 1985, C. B-3, As Amended And Section 101 Of The Courts Of Justice Act, R.S.O. 1990, C C.43, As Amended

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

SECOND SUPPLEMENTAL APPLICATION RECORD

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