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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 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.

Applicants

MOTION RECORD OF THE APPLICANTS
(SISP APPROVAL ORDER RETURNABLE JULY 26, 2024)

July 25, 2024

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TAB 1

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Applicants

NOTICE OF MOTION
(returnable July 26, 2024)

The Applicants, Atlas Global Brands Inc. ("**Atlas**") as well as the "**Ontario Subsidiaries**", namely, GreenSeal Cannabis Company, Ltd. ("**GreenSeal**"), GreenSeal Nursery, Ltd. ("**GreenSeal Nursery**"), AgMedica Bioscience Inc. ("**AgMedica**"), Wellworth Health Corp. ("**Wellworth**"), 5047346 Ontario Inc. ("**5047 Ontario**"), 8050678 Canada Inc. ("**8050 Canada**") and Tavivat Naturals Inc. ("**Tavivat**"), will make a motion before the Honourable Justice Penny of the Ontario Superior Court of Justice (Commercial List) on July 26, 2024 at 10:00 a.m. or as soon as possible after that time as the motion can be heard.

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

☐ In writing under subrule 37.12.1 (1);

☐ In writing as an opposed motion under subrule 37.12.1 (4);

☐ In person;

☐ By telephone conference;

☒ By video conference.

at the following location:

https://ca01web.zoom.us/j/65400327305?pwd=WC91RjNENjNnZ1Q2NHpvbDlzaUNldz09#success

Meeting ID: 654 0032 7305

Passcode: 082269

THIS MOTION IS FOR:

1. An order ("**SISP Approval Order**") pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**"), *inter alia*:

(a) an extension of the Stay of Proceedings (as defined below) to September 30, 2024;

(b) approval of the implementation of a sale and investment solicitation process (the "**SISP**"), in a form substantially similar to the form attached as Schedule "A" to the SISP Approval Order, to solicit interest in and opportunities for a sale, or investment in, all or part of the Applicant's property, assets and undertakings (the "**Property**") and/or its business (the "**Business**") (such transaction, a "**Transaction**");

(c) approval of the Key Employee Retention Plan ("**KERP**") authorizing the Applicants to pay to key employees (as defined below) in accordance with the terms and conditions of the KERP, specifically:

(i) an amount of up to $200,000 before the Closing of the Transaction; and

(ii) an amount of up to $1,040,000 following the Closing of the Transaction and payment of all Secured Claims (as defined below);

(d) with respect of the key employees referred to in the KERP other than the employees of GreenSeal (the "**KERP Beneficiaries**"), approval of a charge on the Property of the Applicants other than GreenSeal as security for payments under the KERP ("**KERP Charge**") which shall be subordinate to all other secured claims as finally

determined, against the Property of the Applicants other than GreenSeal which charge shall not exceed an aggregate amount of $1,002,500;

(e) with respect of the key employees of GreenSeal referred to in the KERP (the "**GreenSeal KERP Beneficiaries**"), approval of a charge on the Property of GreenSeal as security for payments under the KERP ("**GreenSeal KERP Charge**") which shall be subordinate to all other secured claims as finally determined, against the Property of GreenSeal which charge shall not exceed an aggregate amount of $992,500;

(f) approval for the Applicants to pay all pre-filing license fees associated with the Applicants' preservation of its Good Agricultural and Collecting Practices ("**GACP**") and Control Union Medical Cannabis Standard ("**CUMCS-GAP**") certifications; and

(g) approval to seal the third confidential affidavit of Jason Cervi to be affirmed ("**Third Confidential Cervi Affidavit**"); and

2. Such further and other relief as this Court may deem just and equitable;

3. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Affidavit of Jason Cervi affirmed June 19, 2024 (the "**Initial Cervi Affidavit**"), the Affidavit of Jason Cervi affirmed June 28, 2024 (the "**Second Cervi Affidavit**"), the Affidavit of Jason Cervi affirmed June 30, 2024 (the "**Third Cervi Affidavit**"), the Affidavit of Jason Cervi affirmed on July 4, 2024 (the "**Fourth Cervi Affidavit**"), the Affidavit of Jason Cervi affirmed on July 8, 2024 (the "**Fifth Cervi Affidavit**"), the Affidavit of Jason Cervi affirmed on July 9, 2024 (the "**Sixth**

Cervi Affidavit"), and the Affidavit of Jason Cervi affirmed on July 24, 2024 (the "**Seventh Cervi Affidavit**");

THE GROUNDS FOR THE MOTION ARE:

Background

4. The Atlas Group is vertically integrated with operations in Canada and Israel, and with sales in eight international markets. The principal business activity of the Atlas Group is the production, distribution, and sale of cannabis internationally and in Canada. Its medical cannabis is currently sold and distributed in Canada, Australia, Germany, Israel, Denmark, Norway, Spain, and United Kingdom. Atlas also sells cannabis for the adult recreational market in Canada;

5. Atlas is a public company and a reporting issuer in Alberta, British Columbia, Manitoba, and Ontario. The common shares of Atlas are listed on the CSE under the ticker symbol "ATL". Atlas is currently subject to a cease-to-trade order;

6. On June 20, 2024, the Honourable Justice Penny granted an initial order (the "**Initial Order**") which, *inter alia*, appointed Ernst & Young Inc. as Monitor over the Applicants (in such capacity, the "**Monitor**") and provided protection to the Applicants under the CCAA;

7. On July 2, 2024, the Honourable Justice Penny granted an Amended and Restated Initial Order (the "**ARIO**") which, *inter alia*, granted:

(a) approval for the DIP Term Sheet, and authorized the Applicants, other than GreenSeal, to borrow under the facility provided under the DIP Term Sheet in the maximum amount of $5,000,000, which borrowings are to be secured by the DIP Lender's Charge;

(b) approval for the Bridge Term Sheet and authorized the Applicants other than GreenSeal to borrow under the facility provided under the Bridge Term Sheet, in the maximum amount of $3,750,000, in order to pay out Hillmount;

(c) the following charges over the property of the Applicant (as defined in the ARIO), subject to certain caveats:

(i) Administration Charge, in the maximum amount of $600,000;

(ii) DIP Lender's Charge, in the maximum amount of $5,000,000;

(iii) Bridge DIP Charge, in the maximum amount of $3,750,000;

(iv) Directors' Charge, in the maximum amount of $680,000; and

(v) GreenSeal Directors' Charge, in the maximum amount of $740,000;

(d) relief for Atlas of any obligation to call and hold its annual general meeting of shareholders ("**AGM**") until further Order of this Court, and authorizing the Applicants to incur no further expenses for the duration of the Stay Period in relation to the Securities Filings; and

(e) approval to seal the First Confidential Cervi Affidavit.

8. On July 5, 2024, the Honourable Justice Penny granted a Second Amended and Restated Initial Order (the "**SARIO**"), which among other things, granted a stay of proceedings against GreenSeal to July 9, 2024 (the "**Stay Period**") and granted requested amendments to the DIP Term Sheet, Bridge Term Sheet and the ARIO with respect to the Applicants other than GreenSeal;

9. On July 9, 2024, the Honourable Justice Penny granted a Third Amended and Restated Initial Order (the "**TARIO**"), which among other things, approved GreenSeal's proposal to remain part of the CCAA proceedings, extended the stay of proceedings with respect of GreenSeal to July 26, 2024, appointed an Information Liaison in respect of GreenSeal's accounts receivable (subject to its consent), and adjourned the receivership applications of GreenSeal's secured creditors Stoke Canada Finance Corp. ("**Stoke**") and Your Neighbourhood Credit Union ("**YNCU**");

Extending the Stay of Proceedings

10. Atlas requires a Stay Extension to September 30, 2024, to provide stability for its effective restructuring, including the implementation and execution of the SISP sought herein. The Stay Extension is necessary and appropriate because:

(a) The date of the Stay Extension falls shortly after the proposed deadline for the Hearing of the Sale Approval Motion, which is September 26, 2024 (as set out in Schedule "A" of the SISP Approval Order);

(b) It affords the Monitor, in consultation with the Applicants and Consultation Parties, time and breathing space to diligently and properly carry out the SISP in accordance with the terms of the SISP Approval Order to obtain the maximum value possible for all stakeholders;

(c) The Applicants have acted, and continue to act, in good faith and with due diligence to, among other things, operate in the ordinary course and communicate with stakeholders;

(d) The Applicants will have sufficient liquidity to fund its operations through the Stay Extension; and

(e) The Cash Flow Forecasts show that the Stay Extension will not prejudice or adversely affect the Applicants' creditors.

Approval of the SISP

11. The SISP is necessary to facilitate a transparent and efficient disposition of the Applicants' Business and/or assets under this Court's supervision and within a structured process designed to solicit interest from prospective SISP participants and to maximize value for all stakeholders;

12. The SISP contemplates a less than three-month process in which the Applicants, the Monitor will, among other things:

(a) Solicit interest for the sale of the Atlas Ontario Group's Business and Property;

(b) Take a flexible approach to the SISP that permits one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Applicants as a going concern, or a sale of all, substantially all or one or more components of the Property and Business operations of the Applicants, whether as a going concern or otherwise, and in one or more transactions; and

(c) Consult with the Consultation Parties regarding various steps in the SISP.

Approving the KERP and Granting the KERP Charge

13. The Applicants, in consultation with the Monitor, have developed a KERP to facilitate and encourage the continued participation of certain senior management and key employees of the Applicants who are required to guide the Business through these CCAA proceedings and preserve value for stakeholders;

14. As described in the Third Confidential Cervi Affidavit, eleven (11) employees and two (2) executives of the Applicants are the proposed KERP Beneficiaries and GreenSeal KERP Beneficiaries. The KERP Beneficiaries and GreenSeal KERP Beneficiaries either possess specialized expertise with respect to the Applicants' Business that would be difficult to replace or are otherwise critical for a successful SISP;

15. The KERP provides appropriate incentives for the KERP Beneficiaries and GreenSeal KERP Beneficiaries to remain in their current roles and ensures that they are properly compensated for their assistance in the implementation and execution of the SISP;

16. The terms and conditions of the KERP contemplate retention payments up to an aggregate amount of $1,002,500 for the KERP Beneficiaries and up to $992,500 for the GreenSeal KERP Beneficiaries;

17. KERP Beneficiaries and GreenSeal KERP Beneficiaries will receive their respective KERP payments in accordance with the terms and conditions of the KERP, specifically:

(a) an amount of up to $200,000 before the Closing of the Transaction; and

(b) an amount of up to $1,040,000 following the Closing of the Transaction and payment of all Secured Claims;

18. The KERP Charge, in the maximum amount of $1,002,500, and the GreenSeal KERP Charge, in the maximum amount of $992,500, are necessary to ensure the KERP Beneficiaries and GreenSeal KERP Beneficiaries participate in the KERP;

19. The Applicants and the Monitor have been involved in the development of the proposed KERP, and each supports the proposed KERP, KERP Charge and GreenSeal KERP Charge;

Priority of KERP Charge

20. The KERP Charge and GreenSeal KERP Charge shall rank in priority to all unsecured creditors and behind all Secured Claims and GreenSeal Secured Claims as follows:

(a) First – Stoke Receivables Charge on the GS A/R (to the maximum amount of $1,175,000 plus the Information Liaison's Fees);

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

(c) 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);

(d) 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);

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

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

(g) All secured creditors of the Applicants;

(h) Sixth – KERP Charge (to the maximum amount of $1,002,500 after payment in full of the Secured Claims); and

(i) Sixth – GreenSeal KERP Charge (to the maximum amount of $992,500 after payment in full of the GreenSeal Secured Claims).

Sealing of the Third Confidential Affidavit

21. Pursuant to s. 137(2) of the *Courts of Justice Act*, RSO c C.43, the Applicants request that the Third Confidential Cervi Affidavit be treated as confidential and sealed, and not form part of the public record;

22. The test for a sealing order was established by the Supreme Court in *Sierra Club*, and subsequently recast in *Sherman Estate v Donovan*, 2021 SCC 25 at para 38. The test is met:

(a) ***Public Interest***: The court has found that there is a public interest both in maximizing recovery in an insolvency and protecting the integrity of a sale process (*Danier Leather Inc., Re*, 2016 ONSC 1044 at paras 82 and 84). The Third Confidential Cervi Affidavit contains specific information about the KERP, the KERP Beneficiaries and the SISP. Disclosure of this information could taint the SISP process and reveal the personal information of the KERP Beneficiaries.

(b) ***Lack of a Reasonable Alternative***: There is no reasonable alternative to the sealing order which would protect the confidentiality of the materials that are sought to be kept confidential in the Third Confidential Cervi Affidavit.

(c) ***Proportionality***: CCAA courts have approved sealing orders where the information over which confidentiality is sought to be maintained is "discrete, proportional, and limited" (*Original Traders Energy Ltd. and 2496750 Ontario Inc. (Re)*, 2023 ONSC 753, at para 63). The proposed sealing order fulfils these criteria, as it applies only to the limited materials identified above. The benefits of the proposed sealing order in protecting the SISP and information relating to the KERP Beneficiaries outweigh any negative effects.

OTHER GROUNDS:

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

24. Rules 1.04, 2.03, 3.02, 16, 37 and 39 of the *Rules of Civil Procedure,* RRO 1990, Reg 194, as amended, along with any other relevant provisions therein;

25. Section 106 and 137 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended, along with any other relevant provisions therein; and

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

DOCUMENTARY EVIDENCE

27. The following documentary evidence will be used at the hearing of the motion:

(a) The Seventh Cervi Affidavit;

(b) The Third Confidential Cervi Affidavit; and

(c) Such further and other material as counsel may advise.

July 25, 2024

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SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION
(returnable July 26, 2024)

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TAB 2

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 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.

Applicants

AFFIDAVIT OF JASON CERVI
(Affirmed July 24, 2024)

I, Jason Cervi, of the City of Burlington, in the Province of Ontario, AFFIRM:

INTRODUCTION AND OVERVIEW

1. I am the Chief Financial Officer ("**CFO**") of Atlas Global Brands Inc. ("**Atlas**", together with its Ontario Subsidiaries (as defined below), the "**Applicants**" or the "**Atlas Ontario Group**").

2. GreenSeal Cannabis Company, Ltd. ("**GreenSeal**"), GreenSeal Nursery, Ltd. ("**GreenSeal Nursery**"), AgMedica Bioscience Inc. ("**AgMedica**"), Wellworth Health Corp. ("**Wellworth**"), 5047346 Ontario Inc. ("**5047 Ontario**"), 8050678 Canada Inc. ("**8050 Canada**") and Tavivat Naturals Inc. ("**Tavivat**") are subsidiaries of Atlas (together, the "**Ontario Subsidiaries**"; the Applicants, together with all Atlas subsidiaries, is the "**Atlas Group**").

3. I have been the CFO of Atlas since January 31, 2023. I joined Atlas on December 30, 2022, as Global Head of Finance and Administration and Group Controller. I was appointed as Director

of GreenSeal and GreenSeal Nursery on April 28, 2023 and Director of AgMedica on May 31, 2023. I have personal knowledge of the matters to which I depose in this Affidavit except where I have obtained information from others. Where I have obtained information from others, I have stated the source of my information and believe such information to be true.

4. Capitalized terms used herein and not otherwise defined have the meaning ascribed to them in my affidavit affirmed on June 19, 2024 (the "**Initial Cervi Affidavit**"). All references to monetary amounts in this affidavit are in Canadian dollars unless otherwise noted.

5. This affidavit is affirmed in support of a motion for a Sale and Investment Solicitation Process Approval Order (the "**SISP Approval Order**") pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") granting, *inter alia*:

(a) an extension of the Stay of Proceedings to September 30, 2024;

(b) approval of the implementation of a sale and investment solicitation process (the "**SISP**"), in a form substantially similar to the form attached as Schedule "A" to the SISP Order, to solicit interest in and opportunities for a sale, or investment in, all or part of the Applicants' property, assets and undertakings (the "**Property**") and/or its business (the "**Business**") (such transaction, a "**Transaction**");

(c) approval of the Key Employee Retention Plan ("**KERP**"), authorizing the Applicants to pay, in accordance with the terms of the KERP:

(i) an amount of up to $200,000 before the Closing of the Transaction; and

(ii) an amount of up to $1,040,000 following the Closing of the Transaction and payment of all the Secured Claims and the GreenSeal Secured Claims (as defined below);

(d) with respect to the key employees referred to in the KERP other than the employees of GreenSeal (the "**KERP Beneficiaries**"), approval of a charge on the Property of the Applicants other than GreenSeal for an aggregate amount of $1,002,500, which shall be subordinate to all other secured claims as finally determined, against the Property of the Applicants other than GreenSeal (the "**Secured Claims**"), as security for amounts payable to the KERP Beneficiaries pursuant to the KERP (the "**KERP Charge**");

(e) with respect to the key employees of GreenSeal referred to in the KERP (the "**GreenSeal KERP Beneficiaries**"), approval of a charge on the Property of GreenSeal for an aggregate amount of $992,500, which shall be subordinate to all other secured claims as finally determined, against the property of GreenSeal (the "**GreenSeal Secured Claims**"), as security for amounts payable to the GreenSeal KERP Beneficiaries pursuant to the KERP (the "**GreenSeal KERP Charge**");

(f) approval for the Applicants' payment of $70,000 in pre-filing licence fees to Control Union Canada Inc. to preserve AgMedica's CUMCS-GAP licence and AgMedica's and GreenSeal's GACP licence; and

(g) approval to seal the third confidential affidavit of Jason Cervi affirmed July 24, 2024 ("**Third Confidential Cervi Affidavit**").

6. The following affidavits contain additional background about the Atlas Group, the events leading up to these CCAA proceedings, and the relief granted under the Initial Order, the Amended and Restated Initial Order ("**ARIO**"), the Second Amended and Restated Initial Order ("**SARIO**"), and the Third Amended and Restated Initial Order ("**TARIO**"):

(a) The Initial Cervi Affidavit;

(b) Confidential affidavit of Jason Cervi affirmed on June 26, 2024 ("**First Cervi Confidential Affidavit**");

(c) Affidavit of Jason Cervi affirmed on June 28, 2024 ("**Second Cervi Affidavit**");

(d) Affidavit of Jason Cervi affirmed on June 30, 2024 ("**Third Cervi Affidavit**");

(e) Affidavit of Jason Cervi affirmed on July 4, 2024 ("**Fourth Cervi Affidavit**");

(f) Affidavit of Jason Cervi affirmed on July 8, 2024 ("**Fifth Cervi Affidavit**");

(g) Second confidential affidavit of Jason Cervi affirmed on July 8, 2024 ("**Second Cervi Confidential Affidavit**"); and

(h) Affidavit of Jason Cervi affirmed on July 9, 2024 ("**Sixth Cervi Affidavit**").

BACKGROUND AND STATUS OF THE CCAA PROCEEDINGS

Background

7. The Atlas Ontario Group applied for relief under the CCAA and was granted the Initial Order dated June 20, 2024 (the "**Initial Order**"). The Initial Order, a copy of which is attached hereto at **Exhibit "A"**, *inter alia*, appointed Ernst & Young Inc. ("**EY**") as an officer of the Court

to monitor the assets, business, and affairs of the Applicant (in such capacity, the "**Monitor**"); granted a Stay of Proceedings; and granted various charges over the Property.

8. Copies of materials filed in the CCAA proceedings are available on the website of the Monitor at: https://documentcentre.ey.com/#/detail-engmt?eid=601.

9. Since the Initial Order was granted, the Atlas Ontario Group has continued its business operations in the ordinary course. The Atlas Ontario Group has been working with the Monitor to stabilize operations and begin its restructuring initiatives as well as engaging with stakeholders. GreenSeal has worked with the Information Liaison, Stoke, and Stoke's counsel to provide financial information and respond to questions about same.

10. At the Comeback hearing on July 2, 2024, the Court issued the ARIO. A copy of the ARIO is attached hereto as **Exhibit "B"**. Pursuant to the ARIO, the Court, *inter alia*:

(a) Extended the stay of proceedings to July 26, 2024, in relation to the Applicants other than GreenSeal;

(b) Extended the stay of proceedings to July 5, 2024, in relation to GreenSeal;

(c) Approved the Applicants, excluding GreenSeal, entering into the DIP Term Sheet in the amount of $5,000,000 ("**DIP Facility**") and the Bridge Term Sheet in the amount of $3,750,000 ("**Bridge Loan Facility**"), both with Shalcor Management Inc. (the "**DIP Lender**"), and to borrow under the facilities; and

(d) Relieved the Applicants from certain securities reporting obligations and relieved the Applicants from the obligation to call and hold an annual shareholders meeting.

11. At the Second Amended and Restated Initial Order hearing on July 5, 2024 (the "**SARIO**"), the Court granted the SARIO. A copy of the SARIO is attached hereto as **Exhibit "C"**. Pursuant to the SARIO, the Court granted, *inter alia*:

(a) requested amendments to the DIP Term Sheet, Bridge Term Sheet and the ARIO to amend the scope of the DIP Lender's Charge and Bridge DIP Charge to account for interest, fees and expenses;

(b) an extension of the stay of proceedings in favour of GreenSeal to July 9, 2024 (the "**Stay Period**"); and

(c) an adjournment to July 9 of the applications by GreenSeal's secured creditors, Stoke Canada Finance Corp. ("**Stoke**") and the Your Neighbourhood Credit Union Limited ("**YNCU**"), for the appointment of a receiver over the GreenSeal Business.

12. At the Third Amended and Restated Initial Order (the "**TARIO**") hearing on July 9, 2024, the Court, among other things:

(a) permitted GreenSeal to continue in the CCAA proceeding;

(b) approved the Stoke Receivables Charge over the GreenSeal accounts receivable ("**GS A/R**");

(c) appointed Steinberg Advisory Corp. as Information Liaison of the GS A/R, subject to their consent; and

(d) adjourned the YNCU and Stoke receivership applications.

13. Following the TARIO, the Applicants, the Monitor, the Information Liaison and Stoke engaged in discussions concerning the Information Liaison, particularly in respect of:

(a) the fees payable to the Information Liaison and the related security;

(b) the scope of the Information Liaison's responsibilities; and

(c) the non-disclosure agreement to be executed by the Information Liaison and Stoke.

14. In addition, the Applicants' activities since the granting of the TARIO, with the assistance of their advisors and the Monitor, include:

(a) creating and implementing a communication plan to advise key stakeholders of the CCAA proceedings, the SISP and other updates regarding the same;

(b) communicating with, providing information to and answering questions of various stakeholders and employees;

(c) managing key relationships with customers and suppliers, and operating the Business in accordance with the terms of this Court's orders;

(d) meeting with employees and the Monitor to discuss expenditure and cash flow management;

(e) engaging in discussions with the DIP Lender about the Business and next steps in the CCAA proceedings;

(f) engaging in discussions with the Monitor and the DIP Lender regarding the development of the SISP;

(g) arranging for payment to certain suppliers which are critical to the Applicants' Business; and

(h) working with the DIP Lender and AgriRoots to complete a transaction allowing 2596690 Ontario Inc. ("**AgriRoots**") to fund the Applicants' repayment of the Bridge DIP.

15. The Atlas Ontario Group continues to work with the Monitor in good faith to respond to numerous creditor and stakeholder inquiries on a daily basis.

Cash Flow Forecasts

16. The Applicants, with the assistance of the Monitor, prepared the Cash Flow Forecast ("**Cashflow Forecast**") and the GreenSeal Cash Flow Forecast (the "**GreenSeal Cash Flow Forecast**"), both of which indicate that the Applicants will have sufficient liquidity during the requested Stay Extension to fund obligations and costs of the CCAA proceedings.

17. The Cash Flow Forecast is attached hereto as **Exhibit "D"** and the GreenSeal Cash Flow Forecast is attached hereto as **Exhibit "E"**.

RELIEF SOUGHT UNDER THE SISP APPROVAL ORDER

A. Approval of the SISP

18. The Applicants intend to, among other things, conduct a court approved SISP to obtain a going concern solution to maximize value for their stakeholders. The SISP has been developed by the Applicants and the Monitor, in consultation with the DIP Lender, AgriRoots, the Information Liaison, YNCU, and Stoke.

19. The SISP was designed to be broad and flexible, and to be led by the Monitor. The SISP is intended to solicit interest for the sale of all or part of the Applicants' Business and/or Property.

The SISP may result in one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Applicants as a going concern, or a sale of all, substantially all or one or more components of the Property and Business operations of the Applicants, whether as a going concern or otherwise, and in one or more transactions (the "**Opportunity**").

20. Any sale of the Property or investment in the Business will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Applicants, the Monitor or any of their respective agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Company in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, except as otherwise provided in such Court orders.

21. All interested parties will be encouraged to submit bids based on either the form of share purchase agreement or asset purchase agreement in the Data Room (as defined below). Interested parties shall be permitted to make any changes, amendments, additions or deletions to such forms of share purchase agreement or asset purchase agreement as they consider appropriate.

22. The SISP contemplates consulting with the DIP Lender, AgriRoots, the Information Liaison, YNCU, and Stoke (the "**Consultation Parties**") at various stages, including:

(a) Determining whether a Potential Bidder is a Qualified Bidder;

(b) Determining whether bids by Qualified Bidders constitute Qualified Bids;

(c) Reviewing and evaluating Qualified Bids and identifying the Successful Bidder(s); and

(d) Directing that an Auction occur and determining the Successful Bid(s) after that Auction.

23. A summary of the key dates pursuant to the SISP are outlined below. These dates may be modified or extended by the Monitor, with the consent of the DIP Lender, in accordance with the terms of this SISP, the DIP Term Sheet, the Bridge DIP Term Sheet, as the Monitor deems necessary or appropriate, acting reasonably, or by order of the Court:

Date	Milestone
July 26, 2024	Court issues the SISP Approval Order
July 29, 2024 at 5:00 p.m. (prevailing Eastern Time)	Commencement of the SISP and distribution of Teaser Letter (as defined below)
September 6, 2024, at 5:00 p.m. (prevailing Eastern Time) ("**LOI Deadline**")	Deadline for submission of non-binding LOI (as defined below)
September 19, 2024, at 5:00 p.m. (prevailing Eastern Time) ("**Bid Deadline**")	Deadline for submission of Qualified Bids (as defined below)
September 20, 2024, at 11:59 p.m. (prevailing Eastern Time) ("**Successful Bid(s) Selection Deadline**")	Deadline for selection of the Successful Bid (as defined below)
September 26, 2024 (prevailing Eastern Time) or such other time as the Court may advise ("**Court Sale Approval Motion Date**")	Hearing of the Sale Approval Motion (as defined below)
October 7, 2024, or such later date as may be agreed to by the Successful Bidder (as defined below) and the Applicants, with the consent of the Monitor (the "**Outside Date**")	Deadline for completion of the transaction(s) represented by the Successful Bid

24. If the SISP is approved by the Court later than July 26, 2024, the key dates set out above will be revised to reflect the commencement of the SISP being the date of the approval of the SISP by the Court, whichever is later, and the timeline shall be extended accordingly.

25. The Applicant and the Monitor will use reasonable efforts to complete the SISP in accordance with the foregoing. The Monitor may make such adjustments to the timeline that it determines are reasonably necessary to accommodate unforeseen circumstances and/or best facilitate the SISP to maximize the value of the Applicants' Business for the benefit of stakeholders, in all cases upon notice to all interested parties actively participating in the SISP at the applicable time.

26. The key dates in the above table are described in further detail below. I believe that the timelines and terms of the SISP are reasonable. In developing the timelines and process for the SISP, the Atlas Ontario Group, in consultation with the Monitor, considered that the DIP Facility matures on March 30, 2025.

Solicitation of Interest

27. The SISP prescribes certain requirements and timelines for the Monitor, in consultation with the Atlas Ontario Group, to solicit interest and provide notice of the SISP. As soon as reasonably practicable following the issuance of the SISP Approval Order, the Applicants will (to the extent they have not already done so), with the assistance of the Monitor:

(a) prepare an initial list of persons who may have an interest in the Opportunity (the "**Known Potential Bidders**"), including (i) parties that have communicated to the Applicants or the Monitor that they have an interest in the Opportunity, (ii) strategic and financial parties in Canada or other jurisdictions that the Applicants or the Monitor reasonably determine may be interested in the Opportunity, and (iii) any other parties reasonably suggested by the Consultation Parties or any other stakeholder as a potential bidder who may be interested in the Opportunity;

(b) cause a notice of the SISP (and such other relevant information which the Applicants, in consultation with the Monitor, consider appropriate) (the "**Notice**") to be published in the Globe and Mail (National Edition) and any other publication in Canada as the Applicants, with the consent of the Monitor, consider appropriate, if any;

(c) issue a press release setting out the information contained in the Notice and such other relevant information which the Applicants, in consultation with the Monitor, consider appropriate for dissemination in Canada; and

(d) prepare: (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) a non-disclosure agreement in form and substance satisfactory to the Applicants, with the approval of the Monitor (the "**NDA**").

28. The Applicants will send the Teaser Letter and NDA to all Known Potential Bidders by no later than July 29, 2024, and to any other party who requests a copy of the Teaser Letter and NDA or who is identified by the Applicants or the Monitor as a potential bidder or who is reasonably suggested by the Consultation Parties or any other stakeholder as a potential bidder as soon as reasonably practicable after such request, identification or suggestion, as applicable.

29. The Monitor will post the Notice of the SISP, SISP Procedures and Teaser Letter on the Monitor's Website by no later than July 29, 2024.

Letters of Intent

30. Any party who wishes to participate in the SISP (a "**Potential Bidder**") must deliver to the Monitor at the address specified in Schedule "A" to the SISP Order (including by email) prior to the LOI Deadline:

(a) an executed NDA, which will enure to the benefit of any Successful Bidder at Closing (as defined below);

(b) written confirmation of the identity of the Potential Bidder, the contact information for such Potential Bidder, and financial disclosure sufficient to allow the Applicants, with the approval of the Monitor, to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate a Transaction pursuant to a Qualified Bid; and

(c) a letter of intent ("**LOI**") that sets forth the principal terms of the proposed Transaction, including: (i) the nature of the proposed transaction (asset sale, share purchase, investment etc.); (ii) the purchase price or other consideration offered in connection with the Transaction, including material assumed liabilities; (iii) description of any conditions or approval required and any additional due diligence required for the interested party to make a final binding bid; (iv) all conditions to closing that the interested party may wish to impose on the closing of the Transaction; (v) proposed treatment of the Applicants' employees; (vi) any other terms or conditions that the interested party believes are material to the Transaction; and (vii) any other information as may be reasonably requested by the Applicants, in consultation with the Monitor.

31. A Potential Bidder that (i) has satisfied the requirements set out in paragraph 30, and (ii) the Applicants, the Monitor and the Consultation Parties, has determined is likely (based on the availability of financing, experience and other considerations) to be able to consummate a Transaction pursuant to a Qualified Bid offer, may be deemed to be a "**Qualified Bidder**".

Due Diligence

32. The Applicants, in consultation with the Monitor, shall in their reasonable business judgment and subject to competitive and other business considerations, afford each Qualified Bidder such access to due diligence materials and information relating to the Property and Business as they may deem appropriate. Due diligence access may include management presentations, access to any electronic data room ("**Data Room**") and other matters which a Qualified Bidder may reasonably request and as to which the Applicants may agree, in consultation with the Monitor.

33. The Monitor shall coordinate all reasonable requests for additional information and due diligence access from Qualified Bidders. All due diligence and information requests must be directed to the Monitor.

34. None of the Applicants or the Monitor will be obligated to furnish any information relating to the Property or Business to any person other than to Qualified Bidders.

35. The Applicants and the Monitor reserve the right to limit any Qualified Bidder's access to any confidential information (including any information in any Data Room) and to creditors, customers, landlords, suppliers or other stakeholders of the Applicants, where such access could negatively impact the SISP, the ability to maintain the confidentiality of the Applicants' confidential or competitive information, the Business, or the Property.

Receipt of Qualified Bids

36. A Qualified Bidder that wishes to make a formal binding offer to acquire all, substantially all, or a portion of the Property, or to purchase the shares of one or more of the Applicants, or to make an investment in, restructure, reorganize or refinance the Business/the Company, must deliver a binding bid to the Monitor at the address specified in Schedule "A" to the SISP Order (including by email), so as to be received not later than the Bid Deadline.

37. Subject to paragraph 41, a bid so submitted will be considered a qualified Bid (a "**Qualified Bid**") only if it complies with all of the following requirements:

(a) Identification of Qualified Bidder. The bid identifies the Qualified Bidder and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated Transaction.

(b) Written Submission of Modified SPA or Modified APA and Commitment to Close. The bid is submitted in the form of an executed mark-up of the template share purchase agreement (the "**Modified SPA**") or executed mark-up of the template asset purchase agreement (each a "**Modified APA**") reflecting such Qualified Bidder's proposed changes to the template purchase agreement (together with a blackline of the Modified SPA or Modified APA against the applicable template purchase agreement), and a written and binding commitment to close on the terms and conditions set forth therein.

(c) Irrevocable. The bid includes a letter stating that the Qualified Bidder's offer is irrevocable and open for acceptance until the earlier of: (a) the selection of the Successful Bidder (as defined below), provided that if such Qualified Bidder is

selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder; and (b) the Outside Date.

(d) Contingencies. The bid is not conditional on obtaining financing or any board of directors or similar governing body or equity holder approval or on the outcome or review of due diligence.

(e) Proof of Financial Ability to Perform. The bid contains written evidence upon which the Applicants, in consultation with the Monitor, may reasonably conclude that the Qualified Bidder has the necessary financial ability to close the contemplated Transaction and provide adequate assurance of future performance of all obligations to be assumed in such contemplated Transaction.

(f) Deposit. The bid is accompanied by a cash deposit, to be held by the Monitor in a non-interest-bearing account in accordance with the terms hereof in an amount equal to at least ten percent (10%) of the purchase price or investment contemplated therein.

(g) Acknowledgments and Representations. The bid includes acknowledgements and representations of the Qualified Bidder that, in each case except as expressly stated in the definitive transaction agreement(s) signed by the Applicants, (i) it has had an opportunity to conduct any and all due diligence and it has relied solely upon its own independent review, investigation and/or inspection of any documents, the Business and/or the Property in making its bid (ii) it is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, made by any person or party, including the Applicants, the Monitor, and their respective employees, officers, directors, agents, advisors and other

representatives, regarding the proposed transactions, this SISP, or any information provided in connection therewith; and (iii) it is making its bid on an "as is, where is" basis and without surviving representations or warranties of any kind by the Applicants, the Monitor or any of their respective employees, officers, directors, agents, advisors and other representatives.

(h) Closing. The bid provides for Closing to occur no later than the Outside Date.

(i) Deadline. The bid is received by the Bid Deadline.

38. Following the Bid Deadline, the Applicants, with the consent of the Monitor, will assess each bid submitted by a Qualified Bidder to determine whether such bids comply with the requirements set out in paragraph 37 and whether such bids constitute a Qualified Bid.

39. The Applicant may, with the consent of the Monitor, aggregate separate non-overlapping bids from unaffiliated Qualified Bidders to create one "Qualified Bid".

Evaluation of Competing Bids

40. Only Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder.

41. The Monitor, in consultation with the Applicants, may waive strict compliance with any one or more of the requirements specified above and deem any such non-compliant bid to be a Qualified Bid.

42. A Qualified Bid will be valued based upon numerous factors as may be considered relevant by the Applicants and the Monitor, in consultation with the Consultation Parties, including, without limitation, items such as the following, as applicable: purchase price or investment amount

contemplated by the Qualified Bid; the net value provided by such bid; the claims likely to be created by such bid in relation to other bids; the identity, circumstances and ability of the Qualified Bidder to successfully complete such transaction(s); the proposed transaction documents; the effects of the bid on the stakeholders of the Company; factors affecting the speed, certainty and value of the transaction (including any regulatory or legal approvals or third party contractual arrangements required to close the transactions); the assets included or excluded from the bid, any related restructuring costs; and the likelihood and timing of consummating such transactions, each as determined by the Applicants and the Monitor in consultation with the Consultation Parties.

Selection of Successful Bid(s)

43. Prior to the Successful Bid(s) Selection Deadline, the Monitor, in consultation with the Applicants and the Consultation Parties, will: (a) review and evaluate each Qualified Bid, provided that each Qualified Bid may be negotiated between the Monitor, in consultation with the Applicants and the Consultation Parties, and the applicable Qualified Bidder, and may be amended, modified or varied to improve such Qualified Bid as a result of such negotiations; and (b) identify the highest or otherwise best bid(s) (the "**Successful Bid(s)**", and the Qualified Bidder(s) making such Successful Bid(s), the "**Successful Bidder(s)**") for any particular Property or the Business in whole or part. The acceptance and subsequent closing of any Successful Bid(s) by the Applicants, in consultation with the Monitor and the Consultation Parties, shall be subject to approval by the Court.

44. No Qualified Bid(s) shall be identified as a Successful Bid(s) in respect of the Property of the Applicants, excluding the Property of GreenSeal, without the express approval of the DIP Lender and AgriRoots, which approval shall not be unreasonably withheld, delayed, or conditioned.

45. No Qualified Bid(s) for any of the Property of GreenSeal shall be identified as a Successful Bid(s) over same without the express written consent of the applicable GreenSeal Creditor having a first security interest over such Property of GreenSeal, which approval shall not be unreasonably withheld, delayed, or conditioned.

46. The Applicants shall have no obligation to enter into a Successful Bid, and reserve the right, in consultation with the Monitor and the Consultation Parties, to reject any or all Qualified Bid(s).

47. In the event it is not apparent which of the Qualified Bidders have the Successful Bid(s), the Monitor, in consultation with the Applicants and the Consultation Parties, may direct such Qualified Bidder(s) to participate in an auction (the "**Auction**") to be conducted and administered by the Monitor in accordance with the Auction Procedures Letter (defined below). The identification of any Successful Bid(s) by the Monitor, in consultation with the Applicants, and with the consent of the Consultation Parties, shall be subject to approval by the Court.

48. In the event that it is determined that there is to be an Auction in respect of some or all of the Property or Business, the Auction shall be governed by an auction procedures letter ("**Auction Procedures Letter**") to be prepared by the Monitor and sent to all applicable Qualified Bidders setting out, among other things: (a) the date, time and location of the Auction (including whether in person or by videoconference); (b) the amount of the starting bid; and (c) the initial minimum overbid.

Credit Bidding

49. Any party or parties holding a valid, enforceable, and properly perfected security interest in the Property or Business (the "**Credit Bidder(s)**") may, subject in all respects to such party's

compliance with the SISP Procedures, credit bid the amount of debt secured by such lien (the "**Credit Bid(s)**") as part of any transaction contemplated by the SISP Procedures; provided, however, that such transaction shall also provide for the indefeasible and irrevocable repayment in full in cash on the date of closing of any such transaction of any and all obligations: (a) owing to the DIP Lender as may be allocated to such party's security and collateral; (b) owing pursuant to any charges granted by the Court in the CCAA Proceedings as may be allocated to such party's security and collateral; and (c) secured by a security interest in the Property or Business that is to be acquired under such transaction that is senior to the security interest held in such Business by the Credit Bidder(s) unless the holder or agent of any such senior security interest otherwise agrees.

50. All Credit Bid(s) shall be subject to the approval of the Monitor. The Monitor in its sole discretion, may reject any Credit Bid(s) in favor of a Qualified Bid(s), including for reason that: (a) the Monitor is satisfied that in relation to the Qualified Bid(s) the Credit Bid(s) would not materially benefit the applicable Applicant's creditors; (b) the Credit Bid(s) does not materially improve the Credit Bidder(s) recovery on their claims; (c) the structure of the Credit Bid(s) leads to impracticalities for the applicable Applicant's creditors; (d) the selection of the Credit Bid(s) is, or may be seen to be, unfairly prejudicial to the party(s) that would have otherwise been the Successful Bidder(s) had the Credit Bid(s) not been selected; or (e) the Monitor is satisfied that, in the case of a Consultation Party acting as a Credit Bidder(s), its access to information in its capacity as a Consultation Party would lead to unfairness in the SISP by selection of the Credit Bid(s) as the Successful Bid(s).

Sale Approval Motion Hearing

51. The hearing of the motion pursuant to the CCAA for the Court to approve any transaction with a Successful Bidder (the "**Sale Approval Motion**") will take place on the Court Sale Approval Motion Date. As part of the Sale Approval Motion, the Applicants shall seek, among other things, approval from the Court to consummate any Successful Bid.

52. All Qualified Bids, other than the Successful Bid, if any, will be deemed rejected by the Applicants on and as of the date of approval of the Successful Bid by the Court.

Closing the Successful Bid

53. The Company and the Successful Bidder will take all reasonable steps to complete the transaction(s) contemplated by the Successful Bid as soon as possible after the Successful Bid is approved by the Court ("**Closing**").

54. Notwithstanding the other provisions of the SISP Procedures, the Applicants may at any time bring a motion, in consultation with the Monitor and the Consultation Parties, to seek approval of a stalking horse agreement in respect of some or all of the Property or Business, which stalking horse agreement may include a Credit Bid by one or more of the Consultation Parties, or to establish further or other procedures.

55. The Monitor, in consultation with the Applicants and the Consultation Parties, will have the right at any time to modify (including extending any one or more of the deadlines set out herein) or end the SISP if, in their reasonable business judgment, such modification or termination will enhance the process or better achieve the objectives of the SISP.

B. Extension of the Stay of Proceedings

56. The Applicants seek an extension of the Stay of Proceedings until September 30, 2024, that is, shortly after the proposed timing for the Hearing of the Sale Approval Motion, which is proposed to be on or before September 26, 2024.

57. The extension of the Stay of Proceedings is necessary and appropriate in the circumstances to provide the Applicants, in consultation with the Monitor, time and breathing space to diligently and properly carry out the SISP in accordance with the terms of the SISP Approval Order to obtain the maximum value possible for all stakeholders.

58. The Applicants have acted, and continue to act, in good faith and with due diligence to, among other things, operate in the ordinary course and communicate with stakeholders.

59. As noted previously, the Cash Flow Forecast and GreenSeal Cash Flow Forecast show that Applicants will have sufficient liquidity during the Stay Extension to fund obligations and costs of the CCAA proceedings.

60. I do not believe any creditor will suffer material prejudice as a result of the extension of the Stay of Proceedings. The Applicants' stakeholders will benefit from the extension of the Stay of Proceedings, particularly the implementation of the SISP.

C. Approval of the Key Employee Retention Plan and the KERP Charge

61. The Applicants have developed a KERP with input from the Monitor. The KERP is further discussed in the Third Confidential Cervi Affidavit.

62. The purpose of the KERP is to facilitate and encourage the continued participation of certain executives, senior management and key employees of the Applicants who are required to

guide the Business through these CCAA proceedings and the SISP and preserve value for stakeholders.

63. The KERP will provide key employees with additional payments (for the most part payable upon the successful closing of a transaction after the SISP) as an incentive to continue their employment through the CCAA proceedings and support a successful SISP. These employees have significant experience and specialized expertise that cannot be replicated or replaced. There is also a recognition that these employees will likely have other, more certain employment opportunities, and may be faced with significantly increased workload during the CCAA proceedings.

64. I believe that the KERP is important for the stability of the business. The KERP has been designed to provide the necessary incentives for identified employees to remain in their current positions throughout the intended SISP. If approved, the KERP should ensure a level of employee continuity and stability that could otherwise be placed at risk by key employee departures.

65. As is described in more detail in my Third Confidential Cervi Affidavit:

(a) the KERP Beneficiaries are the Chief Executive Officer and the CFO (collectively, the "**Executives**"), seven (7) employees of the Applicants who provide services to all Applicants, and two (2) employees of AgMedica (collectively, the "**KERP Beneficiaries**"); and

(b) the GreenSeal KERP Beneficiaries are the Executives, seven (7) employees of the Applicants who provide services to all Applicants, and two (2) employees of GreenSeal (collectively, the "**GreenSeal KERP Beneficiaries**").

66. Assuming the Applicants are able to retain all KERP Beneficiaries and GreenSeal KERP Beneficiaries, the aggregate amount that would be payable to them in accordance with the terms and conditions of the KERP is approximately $1,240,000, split as follows:

(a) an amount of up to $200,000 split between the Executives payable during the SISP; and

(b) an amount of up to $1,040,000 payable contingent on the Closing of the Transaction that fully pays all the Secured Claims and the GreenSeal Secured Claims.

67. The cash payments proposed to be made during the SISP are built into the Cash Flow Forecast and have been approved by the Monitor and the DIP Lender. The cash payments are not included in the GreenSeal Cash Flow Forecast as they are not being funded by GreenSeal.

68. The Applicants are seeking the following charges regarding the post-Transaction KERP payments:

(a) ***The KERP Charge***: a charge with respect to the KERP Beneficiaries on the Property of the Applicants other than GreenSeal for an aggregate amount of $1,002,500, which shall be subordinate to the Secured Claims and the GreenSeal Secured Claims, as security for amounts payable to the KERP Beneficiaries pursuant to the KERP; and

(b) ***The GreenSeal KERP Charge***: a charge with respect to the GreenSeal KERP Beneficiaries on the Property of GreenSeal for an aggregate amount of $992,500, which shall be subordinate to the Secured Claims and the GreenSeal Secured Claims, as security for amounts payable to the GreenSeal KERP Beneficiaries pursuant to the KERP.

69. The KERP Charge and the GreenSeal KERP Charge shall rank in priority to all unsecured claims and behind the Secured Claims and GreenSeal Secured Claims as follows:

Rank	Charge[1]	Amount	Notes
First	Stoke Receivables Charge	To the maximum of $1,175,000 plus the Information Liaison's Fees	Only on the GS A/R
Second	Administration Charge	To the maximum of $600,000	Only ranks in priority to YNCU and Stoke to a maximum amount of $400,000
Third	DIP Lender's Charge	To the maximum principal amount of $5,000,000 plus interest, expenses and fees under the DIP Term Sheet	Only a Charge in respect of Atlas, GreenSeal Nursery, AgMedica, Wellworth, 5047 Ontario, 8050 Canada, and Tavivat Property
Fourth	Bridge DIP Charge	To the maximum principal amount of $3,750,000 plus interest, expenses and fees under the Bridge Term Sheet	Only a Charge on the Property owned by 5047 Ontario including, for certainty, the Chatham Facility, together with any and all collateral to which Hillmount had first ranking security
Fifth	Directors' Charge	To the maximum amount of $680,000	Only a Charge in respect of the Property of the Applicants other than GreenSeal
Fifth	GreenSeal Directors' Charge	To the maximum amount of $740,000	Only a Charge in respect of GreenSeal's Property and subordinate to YNCU and Stoke
…	[All secured creditors]	[All amounts owing to secured creditors]	Included in this table for clarity
Sixth	KERP Charge	To the maximum amount of $1,002,500	Only a Charge in respect of the Property of the Applicants other than GreenSeal
Sixth	GreenSeal KERP Charge	To the maximum amount of $992,500	Only a Charge in respect of the Property of GreenSeal

[1] The Administration Charge, DIP Lender's Charge, Bridge DIP Charge, and Director's Charge were limited in their priority to Hillmount until payment of the Hillmount Payout as evidenced by the filing of the Monitor's Confirmation Certificate which occurred on July 3, 2024 ("**Completion**").

D. Critical Supplier Payment Regarding Pre-filing Licence Fee Arrears

70. Control Union Canada Inc. ("**Control Union**") is an international private corporation that is a leader in the market of inspections and quality control of agricultural products. It issues the Control Union Medical Cannabis Standard (CUMCS-GAP) and Good Agricultural and Collecting Practices (GACP) certifications held by both AgMedica and GreenSeal.

71. A GACP certification covers a facility's agricultural practices up to the harvest. The preservation of the GACP licence for both facilities is necessary to stabilize Atlas' business and maximize value for stakeholders during the SISP.

72. The CUMCS-GAP standards align with the Israeli Medical Cannabis Standard (IMC-GAP). CUMCS-GAP is accepted and recognized by the Israeli Medical Cannabis Agency for all imports of medical cannabis into Israel. The Chatham facility exports cannabis to Israel under this CUMCS-GAP certification.

73. AgMedica had $70,000 in arrears owing to Control Union in respect of the pre-filing period. Control Union required payment of this arrears no later than Friday, July 19, 2024, failing which it would revoke the certifications. With the consent of the DIP Lender and the Monitor and the intention to seek after-the-fact approval from this Court, AgMedica paid the amount outstanding to Control Union to protect and preserve the value of the Business. This payment is reflected in the Cash Flow Forecast. This payment also benefited GreenSeal; however, it is not reflected in the GreenSeal Cash Flow Forecast.

CONCLUSION

74. For the reasons set out herein, the Atlas Ontario Group respectfully requests that this Court grant the SISP Approval Order.

75. I affirm this Affidavit in support of an application for the relief set out above, and for no improper purpose.

AFFIRMED BEFORE ME over videoconference in accordance with the Administering Oath or Declaration Remotely Regulation, O.Reg. 431/20, on July 24, 2024, while I was located in the City of Toronto, in the Province of Ontario and the affiant was located in the City of Burlington, in the Province of Ontario.

Jennifer Bieman

Commissioner for Taking Affidavits

Jennifer Colleen Bieman,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 30, 2027.

Jason Cervi

TAB A

This is Exhibit "A" referred to in the Affidavit of JASON CERVI affirmed by JASON CERVI of the City of Burlington, in the Regional Municipality of Halton, before me at the City of Toronto, in the Province of Ontario, on July 24, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Jennifer Bieman

Commissioner for Taking Affidavits (or as may be)

JENNIFER BIEMAN

Jennifer Colleen Bieman,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 30, 2027.

Electronically issued / Délivré par voie électronique : 21-Jun-2024
Toronto Superior Court of Justice / Cour supérieure de justice

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	THURSDAY, THE 20th
	)	
JUSTICE PENNY	)	DAY OF JUNE, 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.

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 sworn June 19, 2024 and the Exhibits thereto (the "**Cervi Affidavit**"), the pre-filing report of the proposed monitor, Ernst & Young Inc. ("**EY**"), dated June 20, 2024 (the "**Pre-Filing Report**"), and on being advised that Stoke Canada Finance Corp., Hillmount Capital Mortgage Holdings Inc., 2596690 Ontario Inc. (operating as AgriRoots Capital Management Inc.), Your Neighbourhood Credit Union Limited., and the remaining secured creditors were given abridged notice, in accordance with the affidavits of service to be filed, and on being advised that certain secured creditors contested the sufficiency of said notice, and on hearing the submissions of counsel for the Applicants, counsel for EY and

those other parties listed on the Counsel Slip, and on reading the consent of EY to act as the monitor (the "**Monitor**"),

SERVICE

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

APPLICATION

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

POSSESSION OF PROPERTY AND OPERATIONS

3. **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.

4. **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 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.

5. **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.

6. **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.

7. **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;

(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.

8. **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.

9. **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

10. **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.

11. **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.

12. **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

13. **THIS COURT ORDERS** that until and including June 27, 2024, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor or 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

14. **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

15. **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

16. **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

17. **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

18. **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

19. **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.

20. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of $500,000, as security for the indemnity provided in paragraph 19 of this Order. The Directors' Charge shall have the priority set out in paragraphs 32 and 34 herein.

21. **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 19 of this Order.

APPOINTMENT OF MONITOR

22. **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.

23. **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) 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 its duties arising under this Order;

(d) 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

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

24. **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.

25. **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.

26. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants 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.

27. **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.

28. **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.

29. **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.

30. **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 $400,000 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. The Administration Charge shall have the priority set out in paragraphs 32-34 herein.

INTERCOMPANY LENDING

31. **THIS COURT ORDERS** that to the extent that any Applicant (an "**Intercompany Lender**") after the date of this Order makes any payment to or on behalf of, or incurs any obligation on behalf of, or discharges any obligation of, an Applicant (other than itself) (the "**Debtor Applicant**") or otherwise transfers value to or for the benefit of one or more Applicants (other than the Debtor Applicant), such Intercompany Lender is hereby granted a charge (each, an "**Intercompany Charge**") on all the Property of such Debtor Applicant in the amount of such payment, obligation or transfer, which charge shall not exceed an aggregate amount of $150,000. The Intercompany Charge shall have the priority set out in paragraphs 32-34 herein.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

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

First – Administration Charge (to the maximum amount of $400,000);

Second – Directors' Charge (to the maximum amount of $500,000); and

Third – Intercompany Charge (to the maximum amount of $150,000).

33. **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.

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

35. **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 and the other beneficiaries of the Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

36. **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.

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

SERVICE AND NOTICE

38. **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.

39. **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.

40. **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.

41. **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).

42. **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.

GENERAL

43. **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.

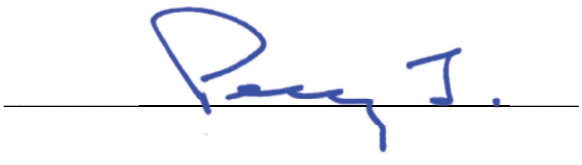
44. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

45. **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.

46. **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.

47. **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.

48. **THIS COURT ORDERS** that the terms of this Order are expressly without prejudice to the rights of all parties to seek relief at the Comeback Hearing scheduled in this matter for June 27, 2024 at 2 pm, 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
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.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT TORONTO

INITIAL ORDER

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Lawyers for the Applicants

TAB B

This is Exhibit "B" referred to in the Affidavit of JASON CERVI affirmed by JASON CERVI of the City of Burlington, in the Regional Municipality of Halton, before me at the City of Toronto, in the Province of Ontario, on July 24, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

JENNIFER BIEMAN

Jennifer Colleen Bieman,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 30, 2027.

Electronically issued / Délivré par voie électronique : 03-Jul-2024
Toronto Superior Court of Justice / Cour supérieure de justice

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	TUESDAY, THE 2nd
	)	
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.

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 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 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 and 48 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 and 48 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 "**Borro ers**"), 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) 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;

(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;

(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

(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 and 48 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 and 48 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 and 48 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 and 48 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.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

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

Second – DIP Lender's Charge (to the maximum amount of $5,000,000);

Third – Bridge DIP Charge (to the maximum amount of $3,750,000);

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

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

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.

48. **THIS COURT ORDERS** that the Charges shall constitute a charge on the Property, except in respect of: a) the DIP Lender's Charge and Bridge DIP Charge which shall only be Charges in respect of the Borrowers' Property; b) the Directors' Charge which shall only be a Charge in respect of the Applicants' Property other than GreenSeal's Property; c) the GreenSeal Directors' Charge which shall only be a Charge in respect of GreenSeal's Property; and d) 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.

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.

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.

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

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 OTC B (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.

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

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.

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.

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.

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).

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

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

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.

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.

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.

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.

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.

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.

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

97

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

AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicants

TAB C

This is Exhibit "C" referred to in the Affidavit of JASON CERVI affirmed by JASON CERVI of the City of Burlington, in the Regional Municipality of Halton, before me at the City of Toronto, in the Province of Ontario, on July 24, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

JENNIFER BIEMAN

Jennifer Colleen Bieman,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 30, 2027.

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 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 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 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 and 48 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 and 48 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 "**Borro ers**"), 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) 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;

(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;

(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

(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 and 48 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 and 48 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 and 48 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 and 48 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.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

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

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

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

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.

48. **THIS COURT ORDERS** that the Charges shall constitute a charge on the Property, except in respect of: a) the DIP Lender's Charge and Bridge DIP Charge which shall only be Charges in respect of the Borrowers' Property; b) the Directors' Charge which shall only be a Charge in respect of the Applicants' Property other than GreenSeal's Property; c) the GreenSeal Directors' Charge which shall only be a Charge in respect of GreenSeal's Property; and d) 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.

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.

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.

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

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.

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

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.

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.

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.

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).

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

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

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.

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.

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.

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.

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.

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.

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

121

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 AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicants

TAB D

This is Exhibit “D” referred to in the Affidavit of JASON CERVI affirmed by JASON CERVI of the City of Burlington, in the Regional Municipality of Halton, before me at the City of Toronto, in the Province of Ontario, on July 24, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

JENNIFER BIEMAN

Jennifer Colleen Bieman,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 30, 2027.

Consolidated Atlas Global Brands Inc.
Consolidated Cash Flow Forecast
$CDN

Week Commencing	24-Jun-24	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
	Actuals	*Actuals*	*Actuals*	*Actuals*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*
Receipts												
Domestic	-	91,664	312,800	489,190	107,797	279,851	278,004	195,754	139,200	174,184	179,554	148,115
B2B Wholesale	373,491	203,173	-	-	25,498	203,000	57,500	57,500	57,500	57,500	57,500	57,500
International	86,795	283,200	167,138	65,380	96,492	-	500,157	129,998	187,099	358,880	291,931	291,931
Rental Income	-	-	52,176	-	-	46,019	-	-	-	-	36,693	-
Intercompany Sales / (Purchases)	- 253,974	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	206,312	578,037	532,113	554,570	229,786	528,869	835,662	383,252	383,799	590,564	565,677	497,546
Operational Disbursements												
Payroll	179,084	83,808	352,809	80,171	358,919	91,384	352,809	80,171	358,919	91,384	452,809	80,171
Vendor Payments	58,914	123,738	217,314	157,426	156,381	167,879	183,930	156,381	156,381	167,879	183,930	156,381
Mortgage Payments	-	-	-	-	45,000	22,500	420,000	22,500	-	22,500	205,500	22,500
Vendor Deposits - post stay	-	-	-	70,340	235,000	50,000	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-	360,000	-	-	-	125,000	-
Utilities	140	-	-	2,951	47,000	-	147,000	-	-	-	147,000	-
Insurance	-	36,366	338	35,526	36,366	-	35,526	-	36,366	-	35,526	-
GST/HST	-	-	-	-	60,000	-	-	-	-	60,000	-	-
Excise Remittance/Licenses	24,703	-	-	-	49,562	24,703	-	-	-	209,152	-	-
Total Operational Disbursements	262,842	243,913	570,460	346,415	988,228	356,466	1,499,265	259,052	551,666	550,915	1,149,765	259,052
Net Cash from Operations	(56,530)	334,125	(38,347)	208,155	(758,442)	172,404	(663,603)	124,200	(167,867)	39,649	(584,088)	238,493
CCAA Related Payments												
DIP Facility Repayment	-	-	-	-	-	-	-	-	-	-	-	-
DIP Fees	-	50,000	-	-	-	-	-	-	-	-	-	-
Factoring Settlements	-	-	-	125,304	-	166,434	-	-	-	152,010	-	-
Information Monitor	-	-	-	-	-	10,000	-	-	-	10,000	-	-
Payments to Trust Account	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring Process	-	-	395,500	-	425,000	275,000	275,000	225,000	225,000	195,000	145,000	145,000
Total CCAA Related Payments	**-**	**50,000**	**395,500**	**125,304**	**425,000**	**451,434**	**275,000**	**225,000**	**225,000**	**357,010**	**145,000**	**145,000**
Net Cash Receipts/(Disbursements)	(56,530)	284,125	(433,847)	82,852	(1,183,442)	(279,030)	(938,603)	(100,800)	(392,867)	(317,360)	(729,088)	93,493
Cash on Hand												
Opening balance	266,784	474,995	1,948,422	1,514,575	1,597,427	4,109,683	3,830,653	2,892,049	2,791,249	2,398,382	2,081,022	1,351,934
DIP Facility Draw/Repayment	-	1,189,302	-	-	3,695,698	-	-	-	-	-	-	-
Net Cash Receipts/(Disbursements)	(56,530)	284,125	(433,847)	82,852	(1,183,442)	(279,030)	(938,603)	(100,800)	(392,867)	(317,360)	(729,088)	93,493
Ending Cash Balance	210,254	1,948,422	1,514,575	1,597,427	4,109,683	3,830,653	2,892,049	2,791,249	2,398,382	2,081,022	1,351,934	1,445,428
DIP												
Opening Balance	-	-	1,189,302	1,189,302	1,189,302	4,885,000	4,885,000	4,885,000	4,885,000	4,885,000	4,885,000	4,885,000
DIP Facility Draw/Repayment	-	1,189,302	-	-	3,695,698	-	-	-	-	-	-	-
Ending Balance	-	1,189,302	1,189,302	1,189,302	4,885,000	4,885,000	4,885,000	4,885,000	4,885,000	4,885,000	4,885,000	4,885,000

16-Sep-24	23-Sep-24	30-Sep-24	Total - 13 Week		
Forecast	*Forecast*	*Forecast*	*Actuals*	*Forecast*	*Act + Frcst*
172,311	172,311	94,000	893,654	1,941,080	2,834,734
57,500	57,500	57,500	576,664	745,998	1,322,662
300,791	241,335	341,814	602,513	2,740,426	3,342,939
-	-	-	52,176	82,711	134,887
-	-	-	- 253,974	-	- 253,974
530,601	471,146	493,314	1,871,032	5,510,215	7,381,248
358,919	91,384	452,809	695,872	2,769,674	3,465,546
156,381	167,879	183,930	557,393	1,837,333	2,394,726
-	22,500	205,500	-	988,500	988,500
-	-	-	70,340	285,000	355,340
-	-	150,000	-	635,000	635,000
-	-	147,000	3,091	488,000	491,091
36,366	-	35,526	72,230	215,678	287,908
-	60,000	-	-	180,000	180,000
-	24,703	202,800	24,703	510,921	535,624
551,666	366,466	1,377,565	1,423,629	7,910,106	9,333,735
(21,065)	104,680	(884,251)	447,403	(2,399,890)	(1,952,487)
-	-	-	-	-	-
-	-	100,000	50,000	100,000	150,000
-	-	156,098	125,304	474,541	599,845
-	-	10,000	-	30,000	30,000
-	-	-	-	-	-
145,000	145,000	145,000	395,500	2,345,000	2,740,500
145,000	**145,000**	**411,098**	**570,804**	**2,949,541**	**3,520,345**
(166,065)	(40,320)	(1,295,349)	(123,400)	(5,349,432)	(5,472,832)
1,445,428	1,279,363	1,239,042	531,525	-	531,525
-	-	115,000	1,189,302	3,810,698	5,000,000
(166,065)	(40,320)	(1,295,349)	(123,400)	(5,349,432)	(5,472,832)
1,279,363	1,239,042	58,693	1,597,427	(1,538,733)	58,693
4,885,000	4,885,000	4,885,000	-	-	-
-	-	115,000	1,189,302	3,810,698	5,000,000
4,885,000	4,885,000	5,000,000	1,189,302	3,810,698	5,000,000

TAB E

This is Exhibit "E" referred to in the Affidavit of JASON CERVI affirmed by JASON CERVI of the City of Burlington, in the Regional Municipality of Halton, before me at the City of Toronto, in the Province of Ontario, on July 24, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

JENNIFER BIEMAN

Jennifer Colleen Bieman,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires May 30, 2027.

GreenSeal Cannabis Company td
13 Week Cash Flow
Canadian $

Week Commencing	24-Jun-24	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
		Actuals	*Actuals*	*Actuals*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*	*Forecast*
Receipts													
Con irmed e usiness													
Domestic		91,664	307,318	476,118	107,797	279,851	268,004	185,754	129,200	164,184	169,554	138,115	162,311
B2B Wholesale		-	-	-	-	80,000	37,500	37,500	37,500	37,500	37,500	37,500	37,500
International		-	-	-	-	-	-	-	-	-	-	-	-
Intercompany Sales / (Purchases)		89,320	-	-			-	-	-	75,000	75,000	75,000	75,000
Total Receipts	-	180,984	307,318	476,118	107,797	359,851	305,504	223,254	166,700	276,684	282,054	250,615	274,811
Operational Disbursements													
Payroll		11,287	163,114	-	163,114	11,287	163,114	-	163,114	11,287	163,114	-	163,114
Vendor Payments		47,936	57,537	20,278	39,139	50,636	39,139	39,139	39,139	50,636	39,139	39,139	39,139
Mortgage Payments		-	-	-	45,000	22,500	-	22,500	-	22,500	-	22,500	-
Vendor Deposits - post stay		-	-	5,000	35,000	50,000	-	-	-	-	-	-	-
Property Taxes		-	-	-	-	-	-	-	-	-	-	-	-
Utilities		-	-	-	47,000	-	47,000	-	-	-	47,000	-	-
Insurance		-	338	-	-	-	-	-	-	-	-	-	-
GST/HST		-	-	-	60,000	-	-	-	-	60,000	-	-	-
Excise Remittance/Licenses		-	-	-	49,562	-	-	-	-	184,449	-	-	-
Total Operational Disbursements		59,224	220,989	25,278	438,815	134,424	249,253	61,639	202,253	328,873	249,253	61,639	202,253
Net Cash from Operations		121,761	78,282	450,840	(331,018)	225,427	56,252	161,615	(35,552)	(52,188)	32,801	188,976	72,558
CCAA Related Payments													
DIP Facility Repayment		-	-	-	-	-	-	-	-	-	-	-	-
DIP Fees		-	-	-	-	-	-	-	-	-	-	-	-
Factoring Settlements		-	-	125,304	-	166,434	-	-	-	152,010	-	-	-
Information Monitor		-	-	-	-	10,000	-	-	-	10,000	-	-	-
Payments to Trust Account		-	-	-	-	-	-	-	-	-	-	-	-
Restructuring Process (Prof Ser ices)		-	-	-	75,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total CCAA Related Payments		**-**	**-**	**125,304**	**75,000**	**201,434**	**25,000**	**25,000**	**25,000**	**187,010**	**25,000**	**25,000**	**25,000**
Net Cash Receipts/(Disbursements)		121,761	86,328	325,537	(406,018)	23,993	31,252	136,615	(60,552)	(239,198)	7,801	163,976	47,558
Cash on Hand													
Opening balance		264,741	386,502	472,830	798,367	392,348	416,342	447,593	584,209	523,657	284,459	292,260	456,236
DIP Facility Draw/Repayment		-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Receipts/(Disbursements)		121,761	86,328	325,537	(406,018)	23,993	31,252	136,615	(60,552)	(239,198)	7,801	163,976	47,558
Ending Cash Balance		386,502	472,830	798,367	392,348	416,342	447,593	584,209	523,657	284,459	292,260	456,236	503,794
DIP													
Opening Balance		-	-	-	-	-	-	-	-	-	-	-	-
DIP Facility Draw/Repayment		-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance		-	-	-	-	-	-	-	-	-	-	-	-

23-Sep-24 Forecast	30-Sep-24 Forecast	Total - 13 Week Actuals	Total - 13 Week Forecast	Total - 13 Week Act + Frcst	aseline	ariance
162,311	84,000	875,100	1,851,080	2,726,181	2,674,276	51,904
37,500	37,500	-	417,500	417,500	547,500	- 130,000
-	-	-	-	-	-	-
75,000	75,000	89,320	450,000	539,320	450,000	89,320
274,811	196,500	964,420	2,718,580	3,683,001	3,671,776	11,224
11,287	163,114	174,401	1,012,545	1,186,946	1,212,941	25,995
50,636	39,139	125,752	465,019	590,771	594,022	3,251
22,500	-	-	157,500	157,500	157,500	-
-	-	5,000	85,000	90,000	100,000	10,000
-	150,000	-	150,000	150,000	150,000	-
-	47,000	-	188,000	188,000	188,000	-
-	-	338	-	338	-	- 338
60,000	-	-	180,000	180,000	180,000	-
-	202,800	-	436,811	436,811	436,811	-
144,424	602,053	305,491	2,674,875	2,980,366	3,019,274	38,907
130,387	(405,553)	658,929	43,705	702,634	652,503	50,132
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	156,098	125,304	474,541	599,845	599,845	-
-	10,000	-	30,000	30,000	32,500	2,500
-	-	-	-	-	-	-
25,000	25,000	-	325,000	325,000	260,000	- 65,000
25,000	**191,098**	**125,304**	**829,541**	**954,845**	**892,345**	**(62,500)**
105,387	(596,651)	533,626	(785,836)	(252,211)	(239,842)	(12,368)
503,794	609,181	264,741	-	264,741	253,121	11,620
-	-	-	-	-	-	-
105,387	(596,651)	533,626	(785,836)	(252,211)	(239,842)	(12,368)
609,181	12,530	798,367	(785,836)	12,530	13,279	(749)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

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.

APPLICATION OF ATLAS GLOBAL BRANDS INC. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF JASON CERVI
(Affirmed July 24, 2024)

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Justin Kanji (LSO# 88178O)
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Email: jkanji@osler.com
Lawyers for the Applicants

TAB 3

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 26th
	)	
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.

SISP APPROVAL ORDER

THIS MOTION, 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**") for an order approving, among other things, (i) an extension of the Stay Period (as defined in the Initial Order); (ii) the proposed sale and investment solicitation process (the "**SISP**") as attached hereto at Schedule "A"; (iii) the key employee retention plan ("**KERP**") of the Applicants; and (iv) payment to a critical supplier, was heard this day by videoconference via Zoom in Toronto, Ontario.

ON READING the affidavit of Jason Cervi affirmed July 24, 2024 and the Exhibits thereto the ("**Seventh Cervi Affidavit**"), the third confidential affidavit of Jason Cervi to be affirmed and the Exhibits thereto (the "**Third Confidential Cervi Affidavit**"), the Second Report of Ernst & Young Inc. ("**EY**"), in its capacity as monitor of the Applicants (the "**Monitor**"), dated July ●, 2024 and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and those other parties listed on the Counsel Slip, no one else appearing although duly served as appears from the Affidavit of Service of ● sworn July ●, 2024.

SERVICE AND DEFINITIONS

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.

2. **THIS COURT ORDERS** that, unless otherwise defined, each capitalized term in this Order has the meaning given in the SISP, if not defined therein, or the Third Amended and Restated Initial Order dated July 9, 2024 (the "**TARIO**").

STAY EXTENSION

3. **THIS COURT ORDERS** that the Stay Period is hereby extended until and including September 30, 2024.

PAYMENT TO CRITICAL SUPPLIER

4. **THIS COURT ORDERS** that, subject to the consent of the Monitor and the DIP Lender, the Applicants shall be entitled but not required to pay all pre-filing licence fees associated with the preservation of its Control Union Medical Cannabis Standard certifications.

APPROVAL OF THE SISP

5. **THIS COURT ORDERS** that the SISP (subject to any amendments thereto that may be made in accordance therewith and with this Order) is hereby approved and the Applicants and the Monitor are hereby authorized to implement the SISP pursuant to its terms.

6. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective affiliates, partners, directors, employees, consultants, advisors, experts, accountants, counsel and agents (collectively, "**Assistants**") are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the SISP in accordance with its terms and this SISP Order, as applicable.

7. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective Assistants shall have no liability with respect to any and all losses, claims, damages or liabilities of any kind or nature to any person or entity as a result of implementing or otherwise in connection with the SISP, except to the extent that any such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Applicants, the Monitor or their respective Assistants, as applicable, in performing their respective obligations under the SISP (as determined by this Court).

8. **THIS COURT ORDERS** that in respect of the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the Initial Order and any other Order of this Court in this proceeding.

9. **THIS COURT ORDERS** that notwithstanding anything contained herein or in the SISP, the Monitor shall not take possession of the Property or be deemed to take possession of the Property, including pursuant to any provision of the Cannabis Legislation.

PROTECTION OF PERSONAL INFORMATION

10. **THIS COURT ORDERS** that, pursuant to section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Applicants and the Monitor are authorized and permitted to disclose personal information of identifiable individuals ("**Personal Information**") to prospective bidders or offerors and to their advisors, including human resources and payroll information, records pertaining to the Applicants' past and current employees, and information on specific customers, but only to the extent desired or required to negotiate or attempt to complete a transaction under the SISP. Each prospective bidder or offeror to whom any Personal Information is disclosed shall maintain and protect the privacy of such Personal Information with security safeguards appropriate to the sensitivity of the Personal Information and as may otherwise be required by applicable federal or provincial legislation. Each prospective bidder or offeror to whom any Personal Information is disclosed shall also limit the use of such Personal Information to its participation in the SISP, and if it does not complete a sale, shall return all such information to the Applicants and the Monitor, as applicable, or in the alternative destroy all such information and confirm same to the Applicants or the Monitor, as applicable. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Successful Bid(s), shall be entitled to use the Personal Information provided to it that is related to the assets and/or business acquired pursuant to the sale in a manner which is in all material respects identical to the prior use of such information by the Applicants, and shall return all other Personal Information to the Applicants and the Monitor, as applicable, or ensure that all other Personal Information is destroyed and confirm same to the Applicants or the Monitor, as applicable.

KEY EMPLOYEE RETENTION PLAN

11. **THIS COURT ORDERS** that the KERP as described in the Third Confidential Cervi Affidavit, certain additional details of which are attached in Exhibit "A" thereto, is hereby approved and the Applicants are authorized and directed to make payments in accordance with the terms of the KERP.

12. **THIS COURT ORDERS** that the key employees referred to in the KERP other than the employees of GreenSeal (the "**KERP Beneficiaries**") shall be entitled to the benefit of and are hereby granted a charge on the Property of the Applicants other than GreenSeal, which charge: a) shall not exceed an aggregate amount of $1,002,500; and b) shall be subordinate to all other secured claims as finally determined, against the Property of the Applicants other than GreenSeal that exist as of the date of this Order (the "**Secured Claims**"), as security for amounts payable to the KERP Beneficiaries pursuant to the KERP (the "**KERP Charge**"). The KERP Charge shall have the priority set out in this paragraph 12 and paragraph 14 herein. For greater certainty, in the event of any discrepancy, inconsistency or conflict between this paragraph 12 and paragraph 14 regarding the priority of the KERP Charge to the other Charges and the Secured Claims, this paragraph 12 shall prevail.

13. **THIS COURT ORDERS** that the key employees of GreenSeal referred to in the KERP (the "**GreenSeal KERP Beneficiaries**") shall be entitled to the benefit of and are hereby granted a charge on the Property of GreenSeal, which charge: a) shall not exceed an aggregate amount of $992,500; and b) shall be subordinate to all other secured claims as finally determined, against the Property of GreenSeal that exist as of the date of this Order (the "**GreenSeal Secured Claims**"), as security for amounts payable to the GreenSeal KERP Beneficiaries pursuant to the KERP (the "**GreenSeal KERP Charge**"). The GreenSeal KERP Charge shall have the priority set out in this

paragraph 13 and paragraph 14 herein. For greater certainty, in the event of any discrepancy, inconsistency or conflict between this paragraph 13 and paragraph 14 regarding the priority of the GreenSeal KERP Charge to the other Charges and the GreenSeal Secured Claims, this paragraph 13 shall prevail.

PRIORITY OF KERP CHARGE

14. **THIS COURT ORDERS** that the KERP Charge and the GreenSeal KERP Charge shall have the benefit of paragraphs 54 to 59 of the TARIO and constitute a "Charge". The KERP Charge and the GreenSeal KERP Charge shall rank in priority to all unsecured claims, such that the priorities of the Stoke Receivables Charge, Administration Charge, DIP Lender's Charge, Bridge DIP Charge, Directors' Charge, GreenSeal Directors' Charge, KERP Charge and GreenSeal KERP Charge as among them, shall be as follows:

First – Stoke Receivables Charge (on the GS A/R to the maximum amount of $1,175,000 plus the Information Liaison's Fees less the Advance Repayments);

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);

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

Sixth – KERP Charge (to the maximum amount of $1,002,500 after payment in full of the Secured Claims); and

Sixth – GreenSeal KERP Charge (to the maximum amount of $992,500 after payment in full of the GreenSeal Secured Claims).

SEALING ORDER

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

GENERAL

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

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

18. **THIS COURT ORDERS** that 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.

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

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

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

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Schedule "A"

[See attached]

SALE AND INVESTMENT SOLICITATION PROCESS

Introduction

On June 20, 2024, Atlas Global Brands Inc., GreenSeal Cannabis Company, Ltd. ("**GreenSeal**"), GreenSeal Nursery, Ltd., AgMedica BioScience Inc., Wellworth Health Corp., 5047346 Ontario Inc., 8050678 Canada Inc. and Tavivat Naturals Inc. (collectively, the "**Applicants**" or the "**Company**) sought and obtained an initial order (as amended from time to time, the "**Initial Order**") under the *Companies' Creditors Arrangement Act* ("**CCAA**" and the proceedings commenced thereby, the "**CCAA Proceedings**") from the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). Capitalized terms used but not defined herein shall have the same meaning as given to them in the Initial Order.

Pursuant to the Initial Order, among other things: (i) Ernst & Young Inc. was appointed as the Monitor in the Applicants' CCAA Proceedings (in such capacity, the "**Monitor**"); and (ii) a stay of proceedings was granted in favour of the Applicants.

On July 2, 2024, the Court granted an Amended and Restated Initial Order under the CCAA, among other things: (i) extending the stay of proceedings to July 26, 2024 for all Applicants other than GreenSeal (ii) approving a debtor-in-possession loan facility in the amount of $5,000,000 (inclusive of the Bridge Loan Facility (as hereinafter defined)); (iii) approving a debtor-possession bridge loan facility in the amount of $3,750,000 (the "**Bridge Loan Facility**"); (iv) relieving the Company from certain securities reporting obligations; and (v) relieving the Company from the obligation to call and hold an annual meeting of the Company's shareholders.

On July 5, 2024, the Court granted a Second Amended and Restated Initial Order under the CCAA, among other things: (i) amending the scope of the DIP Lender's Charge to account for the DIP Lender's interest, fees and expenses; and (ii) amending the scope of Bridge DIP Charge to account for the Bridge DIP Lender's interest, fees and expenses.

On July 9, 2024, the Court granted a Third Amended and Restated Initial Order under the CCAA, among other things: (i) approving the Stoke Receivables Charge against the GS A/R; and (ii) appointing the Information Liaison for GreenSeal. Also on July 9, 2024, the Court adjourned the applications against GreenSeal for the appointment of a receiver brought by Your Neighbourhood Credit Union ("**YNCU**") and Stoke Canada Finance Corp. ("**Stoke**") (collectively, the "**GreenSeal Creditors**").

On July [26], 2024, the Court granted an order, among other things (the "**SISP Approval Order**"), approving the implementation of a sale and investment solicitation process on the terms set forth herein (the "**SISP**") to solicit interest in and opportunities for a sale, or investment in, all or part of the Company's property, assets and undertakings (the "**Property**") and/or its business (the "**Business**") (such transaction, a "**Transaction**").

Opportunity

1. The Company and the Monitor shall implement the SISP procedures set out herein (the "**SISP Procedures**") in accordance with the terms hereof and the SISP Approval Order. Interested parties who wish to have their bids considered shall participate in the SISP in accordance with these SISP Procedures.

2. The SISP is intended to solicit interest in and opportunities for one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Applicants as a going concern, or a sale of all, substantially all or one or more components of the Property and Business operations of the Applicants, whether as a going concern or otherwise, and in one or more transactions (the "**Opportunity**").

3. Except to the extent otherwise set forth in a definitive sale or investment agreement with a successful bidder, any sale of the Property or investment in the Business will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Applicants, the Monitor or any of their respective agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Applicants in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, except as otherwise provided in such Court orders.

4. All interested parties are encouraged to submit bids based on either the form of share purchase agreement or asset purchase agreement in the Data Room (as defined below). Interested parties shall be permitted to make any changes, amendments, additions or deletions to such forms of share purchase agreement or asset purchase agreement as they consider appropriate.

5. These SISP Procedures contemplate consultation with Shalcor Management Inc. (the "**DIP Lender**"), 2596690 Ontario Inc. ("**AgriRoots**"), each of the GreenSeal Creditors, and the Information Liaison (collectively, the "**Consultation Parties**") at various stages. Notwithstanding anything else in these SISP Procedures, such consultation, and the provision of confidential information about the status of the SISP and any potential or actual bids or Transactions shall only occur to the extent the Consultation Party confirms in writing that they do not intend to participate as a bidder in the SISP (provided that the DIP Lender, AgriRoots, YNCU or Stoke are not precluded from submitting a credit bid prior to the Successful Bid(s) Selection Deadline if (i) no Qualified Bids are received by the Qualified Bid Deadline which repay all amounts outstanding under their respective facilities, (ii) the SISP is terminated for any reason, (iii) the Applicants and the Monitor consent, or (iv) the approval of the Court is obtained). The Consultation Parties shall keep all confidential information disclosed to them and the content of all consultations strictly confidential and shall not disclose it to anyone other than the Applicants and the Monitor. The Consultation Parties shall act in good faith and reasonably at all times in respect of this SISP. All confidential information shall be destroyed or returned immediately after the termination of the SISP.

Key Dates

6. The key dates for the SISP are as follows, as such dates may be modified or extended in accordance with the terms of this SISP, the DIP Term Sheet, the Bridge DIP Term Sheet, or orders of the Court:

Date	Milestone
July [26], 2024	Court issues the SISP Approval Order
July 29, 2024	Commencement of SISP and distribution of Teaser Letter (as defined below)
September 6, 2024, at 5:00 p.m. (prevailing Eastern Time) ("**LOI Deadline**")	Deadline for submission of non-binding LOI (as defined below)
September 19, 2024, at 5:00 p.m. (prevailing Eastern Time) ("**Bid Deadline**")	Deadline for submission of Qualified Bids (as defined below)
September 20, 2024, at 11:59 p.m. (prevailing Eastern Time) ("**Successful Bid(s) Selection Deadline**")	Deadline for selection of the Successful Bid (as defined below)
September 26, 2024 (prevailing Eastern Time) or such other time as the Court may advise ("**Court Sale Approval Motion Date**")	Hearing of the Sale Approval Motion (as defined below)
October 7, 2024, or such later date as may be agreed to by the Successful Bidder (as defined below) and the Applicants, with the consent of the Monitor (the "**Outside Date**")	Deadline for completion of the transaction(s) represented by the Successful Bid

7. Any extensions or amendments to the deadlines above will be communicated to all Known Potential Bidders, Potential Bidders or Qualified Bidders (as each term is defined herein), as applicable, in writing and such extensions or amendments shall be posted on the website the Monitor maintains in respect of the CCAA Proceeding at www.ey.com/ca/atlasglobal (the "**Monitor's Website**").

Solicitation of Interest

8. As soon as reasonably practicable following the issuance of the SISP Approval Order the Applicants will (to the extent they have not already done so), with the assistance of the Monitor:

   (a) prepare an initial list of persons who may have an interest in the Opportunity (the "**Known Potential Bidders**"), including (i) parties that have communicated to the Applicants or the Monitor that they have an interest in the Opportunity, (ii) strategic and financial parties in Canada or other jurisdictions that the Applicants or the Monitor reasonably determine may be interested in the Opportunity, and (iii) any other parties reasonably suggested by the Consultation Parties or any other stakeholder as a potential bidder who may be interested in the Opportunity;

(b) cause a notice of the SISP (and such other relevant information which the Applicants, in consultation with the Monitor, consider appropriate) (the "**Notice**") to be published in the Globe and Mail (National Edition) and any other publication in Canada as the Applicants, with the consent of the Monitor, consider appropriate, if any;

(c) issue a press release setting out the information contained in the Notice and such other relevant information which the Applicants, in consultation with the Monitor, consider appropriate for dissemination in Canada; and

(d) prepare: (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) a non-disclosure agreement in form and substance satisfactory to the Applicants, with the approval of the Monitor (the "**NDA**").

9. The GreenSeal Creditors may, on a timely basis, identify any parties to the Monitor which shall be included in the list of Known Potential Bidders.

10. The Applicants will send the Teaser Letter and NDA to all Known Potential Bidders by no later than July 29, 2024, and to any other party who requests a copy of the Teaser Letter and NDA or who is identified by the Applicants or the Monitor as a potential bidder or who is reasonably suggested by the Consultation Parties or any other stakeholder as a potential bidder as soon as reasonably practicable after such request, identification or suggestion, as applicable.

11. The Monitor will post the Notice of the SISP, SISP Procedures and Teaser Letter on the Monitor's Website by no later than July 29, 2024.

Phase 1: Letters of Intent

12. Any party who wishes to participate in the SISP (a "**Potential Bidder**") must deliver to the Monitor at the address specified in Appendix "A" (including by email) prior to the LOI Deadline:

(a) an executed NDA;

(b) written confirmation of the identity of the Potential Bidder, the contact information for such Potential Bidder, and financial disclosure sufficient to allow the Applicants, in consultation with the Monitor, to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate a Transaction pursuant to a Qualified Bid; and

(c) a letter of intent ("**LOI")** that sets forth the principal terms of the proposed Transaction, including: (i) the nature of the proposed transaction (asset sale, share purchase, investment etc.) (ii) the purchase price or other consideration offered in connection with the Transaction, including material assumed liabilities; (iii) description of any conditions or approval required and any additional due diligence required for the interested party to make a final binding bid; (iv) all conditions to closing that the interested party may wish to impose on the closing of the Transaction; (v) proposed treatment of the Applicants' employees; (vi) any other

terms or conditions that the interested party believes are material to the Transaction; and (vii) any other information as may be reasonably requested by the Applicants, in consultation with the Monitor.

13. A Potential Bidder that (i) has satisfied the requirements set out in paragraph 12, and (ii) the Monitor, in consultation with the Applicants and the Consultation Parties, has determined is likely (based on the availability of financing, experience and other considerations) to be able to consummate a Transaction pursuant to a Qualified Bid, may be deemed to be a "**Qualified Bidder**".

14. At any time during the SISP, the Monitor, in consultation with the Applicants and the Consultation Parties, may decide to eliminate a Qualified Bidder from the SISP by providing written notice of such decision to such Qualified Bidder, and in which case, such bidder will be eliminated from the SISP and will no longer be a "Qualified Bidder" for the purposes of the SISP.

15. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and evaluation of a potential Transaction, and must agree that they are not relying on any express or implied representations or warranties from the Applicants or the Monitor in respect of the Property or Business.

Due Diligence

16. The Applicants, in consultation with the Monitor, shall in their reasonable business judgment and subject to competitive and other business considerations, afford each Qualified Bidder such access to due diligence materials and information relating to the Property and Business as they may deem appropriate.

17. Due diligence access may include management presentations, access to any electronic data room ("**Data Room**") and other matters which a Qualified Bidder may reasonably request and as to which the Applicants may agree, in consultation with the Monitor.

18. The Monitor shall coordinate all reasonable requests for additional information and due diligence access from Qualified Bidders. All due diligence and information requests must be directed to the Monitor.

19. Neither the Applicants nor the Monitor will be obligated to furnish any information relating to the Property or Business to any person other than to Qualified Bidders.

20. The Applicants and the Monitor reserve the right to limit any Qualified Bidder's access to any confidential information (including any information in any Data Room) and to creditors, customers, landlords, suppliers or other stakeholders of the Applicants, where, in the opinion of the Applicants, in consultation with the Monitor, such access could negatively impact the SISP, the ability to maintain the confidentiality of the Applicants' confidential or competitive information, the Business, or the Property. For the avoidance of doubt, selected due diligence materials may be withheld from certain Qualified Bidders if the Applicants, in consultation with the Monitor, determine such information to represent proprietary or sensitive competitive information.

Phase 2: Receipt of Qualified Bids

21. A Qualified Bidder that wishes to make a formal binding offer to acquire all, substantially all, or a portion of the Property, or to purchase the shares of one or more of the Applicants, or to make an investment in, restructure, reorganize or refinance the Business/the Company, must deliver a binding bid to the Monitor at the address specified in Appendix "A" (including by email), so as to be received not later than the Bid Deadline.

22. Subject to paragraph 26, a bid so submitted will be considered a qualified bid (a "**Qualified Bid**") only if it complies with all the following requirements:

(a) Identification of Qualified Bidder. The bid identifies the Qualified Bidder and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated Transaction.

(b) Written Submission of Modified SPA or Modified APA and Commitment to Close. The bid is submitted in the form of an executed mark-up of the template share purchase agreement (the "**Modified SPA**") or executed mark-up of the template asset purchase agreement (each a "**Modified APA**") reflecting such Qualified Bidder's proposed changes to the template purchase agreement (together with a blackline of the Modified SPA or Modified APA against the applicable template purchase agreement), and a written and binding commitment to close on the terms and conditions set forth therein.

(c) Irrevocable. The bid includes a letter stating that the Qualified Bidder's offer is irrevocable and open for acceptance until the earlier of (a) the selection of the Successful Bidder (as defined below), provided that if such Qualified Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder; and (b) the Outside Date.

(d) Contingencies. The bid is not conditional on obtaining financing or any board of directors or similar governing body or equity holder approval or on the outcome or review of due diligence.

(e) Proof of Financial Ability to Perform. The bid contains written evidence upon which the Applicants, in consultation with the Monitor, may reasonably conclude that the Qualified Bidder has the necessary financial ability to close the contemplated Transaction and provide adequate assurance of future performance of all obligations to be assumed in such contemplated Transaction.

(f) Deposit. The bid is accompanied by a cash deposit, to be held by the Monitor in a non-interest-bearing account in accordance with the terms hereof in an amount equal to at least ten percent (10%) of the purchase price or investment contemplated therein.

(g) Acknowledgments and Representations. The bid includes acknowledgements and representations of the Qualified Bidder that, in each case except as expressly stated in the definitive transaction agreement(s) signed by the Applicants, (i) it has had an opportunity to conduct any and all due diligence and it has relied solely upon its own independent review, investigation and/or inspection of any documents, the Business and/or the Property in making its bid (ii) it is not relying upon any written

or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, made by any person or party, including the Applicants, the Monitor, and their respective employees, officers, directors, agents, advisors and other representatives, regarding the proposed transactions, this SISP, or any information provided in connection therewith; and (iii) it is making its bid on an "as is, where is" basis and without surviving representations or warranties of any kind by the Applicants, the Monitor or any of their respective employees, officers, directors, agents, advisors and other representatives.

(h) Closing. The bid provides for Closing to occur no later than the Outside Date; and

(i) Deadline. The bid is received by the Bid Deadline.

23. Following the Bid Deadline, the Monitor, in consultation with the Applicants and the Consultation Parties, will assess each bid submitted by a Qualified Bidder pursuant to paragraph 21 to determine whether such bids comply with the requirements set out in paragraph 22 and whether such bids constitute a Qualified Bid.

24. The Monitor may, in consultation with the Applicants and the Consultation Parties, aggregate separate non-overlapping bids from unaffiliated Qualified Bidders to create one "Qualified Bid".

Evaluation of Competing Bids

25. Only Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder.

26. The Monitor, in consultation with the Applicants, may waive strict compliance with any one or more of the requirements specified above and deem any such non-compliant bid to be a Qualified Bid.

27. A Qualified Bid will be valued based upon numerous factors as may be considered relevant by the Applicants and the Monitor, in consultation with the Consultation Parties, including, without limitation, items such as the following, as applicable: purchase price or investment amount contemplated by the Qualified Bid; the net value provided by such bid; the claims likely to be created by such bid in relation to other bids; the identity, circumstances and ability of the Qualified Bidder to successfully complete such transaction(s); the proposed transaction documents; the effects of the bid on the stakeholders of the Company; factors affecting the speed, certainty and value of the transaction (including any regulatory or legal approvals or third party contractual arrangements required to close the transactions); the assets included or excluded from the bid, any related restructuring costs; and the likelihood and timing of consummating such transactions, each as determined by the Applicants and the Monitor in consultation with the Consultation Parties.

Selection of Successful Bid(s)

28. Prior to the Successful Bid(s) Selection Deadline, the Monitor, in consultation with the Applicants and the Consultation Parties, will: (a) review and evaluate each Qualified Bid, provided that each Qualified Bid may be negotiated between the Monitor, in consultation with the Applicants and the Consultation Parties, and the applicable Qualified Bidder, and

may be amended, modified or varied to improve such Qualified Bid as a result of such negotiations; and (b) identify the highest or otherwise best bid(s) (the "**Successful Bid(s)**", and the Qualified Bidder(s) making such Successful Bid(s), the "**Successful Bidder(s)**") for any particular Property or the Business in whole or part. The acceptance and subsequent closing of any Successful Bid(s) by the Applicants, in consultation with the Monitor and the Consultation Parties, shall be subject to approval by the Court.

29. No Qualified Bid(s) shall be identified as a Successful Bid(s) in respect of the Property of the Applicants, excluding the Property of GreenSeal, without the express approval of the DIP Lender and AgriRoots, which approval shall not be unreasonably withheld, delayed, or conditioned.

30. No Qualified Bid(s) for any of the Property of GreenSeal shall be identified as a Successful Bid(s) over same without the express written consent of the applicable GreenSeal Creditor having a first security interest over such Property of GreenSeal which approval shall not be unreasonably withheld, delayed, or conditioned.

31. The Applicants shall have no obligation to enter into a Successful Bid, and reserve the right, in consultation with the Monitor and the Consultation Parties, to reject any or all Qualified Bid(s) and/or Credit Bid(s).

32. In the event it is not apparent which of the Qualified Bidders have the Successful Bid(s), the Monitor, in consultation with the Applicants and the Consultation Parties, may direct such Qualified Bidder(s) to participate in an auction (the "**Auction**") to be conducted and administered by the Monitor in accordance with the Auction Procedures Letter (defined below). The identification of any Successful Bid(s) by the Monitor, in consultation with the Applicants, and with the consent of the Consultation Parties, shall be subject to approval by the Court.

33. In the event that it is determined that there is to be an Auction in respect of some or all of the Property or Business, the Auction shall be governed by an auction procedures letter ("**Auction Procedures Letter**") to be prepared by the Monitor and sent to all applicable Qualified Bidders setting out, among other things, (a) the date, time and location of the Auction (including whether in person or by videoconference); (b) the amount of the starting bid; and (c) the initial minimum overbid.

Credit Bidding

34. Any party or parties holding a valid, enforceable, and properly perfected security interest in the Property or Business (the "**Credit Bidder(s)**") may, subject in all respects to such party's compliance with the SISP Procedures, credit bid the amount of debt secured by such lien (the "**Credit Bid(s)**") as part of any transaction contemplated by the SISP Procedures; provided, however, that such transaction shall also provide for the indefeasible and irrevocable repayment in full in cash on the date of closing of any such transaction of any and all obligations: (i) owing to the DIP Lender as may be allocated to such party's security and collateral; (ii) owing pursuant to any charges granted by the Court in the CCAA Proceedings as may be allocated to such party's security and collateral; and (iii) secured by a security interest in the Property or Business that is to be acquired under such transaction that is senior to the security interest held in such Property or Business by

the Credit Bidder(s) unless the holder or agent of any such senior security interest otherwise agrees.

35. The Applicants and Monitor shall consider any and all Credit Bid(s) in good faith, in consultation with the Consultation Parties and having regard to the interests of the first secured creditor in respect of the Property over which a Credit Bid is made.

Sale Approval Motion Hearing

36. The hearing of the motion pursuant to the CCAA for the Court to approve any transaction with a Successful Bidder (the "**Sale Approval Motion**"), if any, shall take place on or before the Court Sale Approval Motion Date.

37. As part of the Sale Approval Motion, the Applicants shall seek, among other things, approval from the Court to consummate any Successful Bid.

38. All Qualified Bids, other than the Successful Bid, if any, shall be deemed rejected by the Applicants on and as of the date of approval of the Successful Bid by the Court.

Closing the Successful Bid

39. The Company and the Successful Bidder shall take all reasonable steps to complete the transaction(s) contemplated by the Successful Bid as soon as possible after the Successful Bid is approved by the Court ("**Closing**").

Confidentiality, Stakeholder/Bidder Communication and Access to Information

40. All discussions regarding any bid or Transaction contemplated herein should be directed through the Monitor. Under no circumstances should any Potential Bidder or Qualified Bidder contact or communicate with the management of the Applicants or any creditor, customer, landlord, supplier or other stakeholder of the Applicants without the prior written consent of the Monitor. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP process. For greater certainty, nothing herein shall preclude a person from contacting potential bidders, with the agreement of the Monitor, to advise that the Applicants have commenced a SISP and that they should contact the Monitor if they are interested in participating in the SISP.

41. If it is determined by the Monitor, with the consent of the Applicants, that it would be worthwhile to facilitate a discussion between a Qualified Bidder and a stakeholder or other third party as a consequence of a condition to closing or potential closing condition identified by such bidder, the Monitor with the consent of the Applicants may provide such bidder with the opportunity to meet with the relevant stakeholder or third party to discuss such condition or potential condition, with a view to enabling such bidder to seek to satisfy the condition or assess whether the condition is not required or can be waived. Any such meetings or other form of communication will take place on terms and conditions considered appropriate by the Monitor, with the consent of the Applicants. The Applicants and Monitor must be provided with the opportunity and shall be entitled to be present at all such communications or meetings.

General

42. Notwithstanding the other provisions of the SISP Procedures, the Applicants may at any time bring a motion, in consultation with the Monitor and the Consultation Parties, to seek approval of a stalking horse agreement in respect of some or all of the Property or Business, which stalking horse agreement may include a Credit Bid by one or more of the Consultation Parties, or to establish further or other procedures.

43. If there is a Successful Bid, the applicable deposit (plus accrued interest) paid by the Successful Bidder whose bid is approved at the Sale Approval Motion will be applied to the purchase price or other consideration to be paid or investment amount to be made by the Successful Bidder, as applicable, upon closing of the approved transaction and will be non-refundable. Any deposit delivered with a Qualified Bid that is not selected as a Successful Bid will be returned to the applicable bidder not later than ten (10) business days after the closing of the Transactions contemplated in the Successful Bid.

44. If a Successful Bidder breaches its obligations under the terms of the SISP, its deposit shall be forfeited to the Applicants as liquidated damages and not as a penalty.

45. This SISP does not, and will not be interpreted to create any contractual or other legal relationship between any member of the Company and any Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be signed with the Applicants.

46. Without limiting the preceding paragraph, the Applicants, the Monitor and the Consultation Parties shall not have any liability whatsoever to any person or entity, including without limitation any Potential Bidder, Qualified Bidder, Successful Bidder or any other creditor or stakeholder, as a result of implementation or otherwise in connection with this SISP, except to the extent that any such liabilities result from the gross negligence or wilful misconduct of the Applicants, the Monitor or the Consultation Parties, as applicable, and as determined by the Court. Further, no person or entity, including without limitation any Potential Bidder, Qualified Bidder, Successful Bidder or any other creditor or stakeholder shall have any claim against the Applicants, the Monitor or the Consultation Parties in respect of the SISP for any reason whatsoever, except to the extent that such claim is the result of gross negligence or wilful misconduct by the Applicants or the Monitor, as applicable, and as determined by the Court.

47. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with their participation in the SISP, including submission of any bid, due diligence activities, completion of a Successful Bid and any negotiations or other actions whether or not they lead to the consummation of a transaction.

48. All bidders shall be deemed to have consented to the jurisdiction of the Court in connection with any disputes relating to the SISP, including the qualification of bids, the construction and enforcement of the SISP, and Closing, as applicable.

49. For the avoidance of doubt, any approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA, or any other statute or as otherwise required at law in order to implement a Successful Bid.

50. The Monitor, in consultation with the Applicants and the Consultation Parties, shall have the right at any time to modify (including extending any one or more of the deadlines set out herein) or end the SISP if, in their reasonable business judgment, such modification or termination will enhance the process or better achieve the objectives of the SISP.

* * * * *

APPENDIX "A"

To The Legal Counsel of the Applicants:

Osler, Hoskin & Harcourt LLP

Attention: Randal Van de Mosselaer / Justin Kanji
Email: rvandemosselaer@osler.com / jkanji@osler.com

To The Monitor:

Ernst & Young Inc.

Attention: Karen Fung / Greg Adams
Email: Karen.K.Fung@parthenon.ey.com / Greg.J.Adams@parthenon.ey.com

With a copy to:

To The Monitor's Counsel

McCarthy Tétrault LLP

Attention: Trevor Courtis
Email: tcourtis@mccarthy.ca

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

SISP APPROVAL ORDER

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

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APPLICATION OF ATLAS GLOBAL BRANDS INC. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE
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PROCEEDING COMMENCED AT TORONTO

MOTION RECORD OF THE APPLICANTS (SISP APPROVAL ORDER RETURNABLE JULY 26, 2024)

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